

**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
BZAM LTD., BZAM HOLDINGS INC., BZAM MANAGEMENT INC., BZAM
CANNABIS CORP., FOLIUM LIFE SCIENCE INC., 102172093 SASKATCHEWAN
LTD., THE GREEN ORGANIC DUTCHMAN LTD., MEDICAN ORGANIC INC., HIGH
ROAD HOLDING CORP., AND FINAL BELL CORP.**

Applicants

**AFFIDAVIT OF MATTHEW MILICH
(Sworn February 28, 2024)**

I, Matthew Milich, of the City of Long Beach, in the State of California, **MAKE OATH
AND SAY:**

1. This affidavit is made in support of an Application by BZAM Ltd. ("**BZAM**"), BZAM Holdings Inc. ("**BZAM Holdings**"), BZAM Management Inc. ("**BZAM Management**"), BZAM Cannabis Corp. ("**BZAM Cannabis**"), Folium Life Science Inc. ("**Folium Life Science**"), 102172093 Saskatchewan Ltd. ("**102 Saskatchewan**"), The Green Organic Dutchman Ltd. ("**TGOD**"), Medican Organic Inc. ("**Medican Organic**"), High Road Holding Corp. ("**High Road Holding**"), and Final Bell Corp. doing business as BZAM Labs ("**BZAM Labs**") (each individually, an "**Applicant**", and collectively, the "**Applicants**").

2. I am the Chief Executive Officer of BZAM, which wholly-owns or has a controlling interest in each of the other Applicants and which, directly or indirectly, wholly-owns four other

non-Applicant subsidiaries¹ (each subsidiary of BZAM individually a "**Subsidiary**" and together the "**Subsidiaries**", and collectively with BZAM, the "**Company**"). As such, I have personal knowledge of the Applicants and the matters to which I depose in this affidavit. Where I have relied on other sources for information, I have so stated and I believe them to be true.

3. All references to currency in this affidavit are in Canadian dollars unless noted otherwise.

I. RELIEF REQUESTED

4. I swear this affidavit in support of an urgent Application brought by the Applicants for an Order (the "**Initial Order**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), among other things:

- (a) declaring that the Applicants are parties to which the CCAA applies;
- (b) appointing FTI Consulting Canada Inc. ("**FTI**" or the "**Proposed Monitor**") as an officer of the Court to monitor the assets, business, and affairs of the Applicants (once appointed in such capacity, the "**Monitor**");
- (c) approving TGOD's ability to borrow up to a principal amount of \$2,400,000 under a debtor-in-possession ("**DIP**") credit facility (the "**DIP Loan**") to finance the Company's critically required working capital requirements and other general corporate purposes, post-filing expenses and costs over the next ten (10) days with TGOD, BZAM, BZAM Holdings, BZAM Management, BZAM Cannabis, Folium

¹ The non-Applicant subsidiaries are: (1) 9430-6347 Québec Inc.; (2) The Green Organic Beverage Corp., a dormant company based in Delaware; (3) TGOD Europe B.V., a company based in the Netherlands, and (4) The Green Organic Dutchman Germany GmbH, a dormant company based in Germany (collectively, the "**Non-Applicant Stay Parties**").

Life Science, 102 Saskatchewan, Medican Organic, High Road Holding and BZAM Labs acting as guarantors under the DIP Loan;

- (d) staying, for an initial period of not more than ten (10) days, all proceedings and remedies taken or that might be taken in respect of the Applicants, the Monitor or the Directors and Officers (as defined below), or affecting the Applicants' business or the Property (as defined below), except with the written consent of the Applicants and the Monitor, or with leave of the Court (the "**Stay of Proceedings**");
- (e) extending the benefit of the Stay of Proceedings and other aspects of the Initial Order to the Non-Applicant Stay Parties and their respective Directors and Officers;
- (f) seeking relief from certain securities reporting obligations under federal, provincial or other laws until further Order of this Court; and
- (g) granting the Administration Charge, the DIP Lender's Charge, and the Directors' Charge (as each are defined below and, collectively, the "**Charges**") in the following priorities:
 - (i) with respect to the Applicants' current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (collectively, the "**Property**") other than the Edmonton Property (as defined below):

First – the Administration Charge up to a maximum amount of \$500,000;

Second – the DIP Lender’s Charge up to a maximum amount of \$2,400,000 plus accrued and unpaid interest, fees and expenses; and

Third – the Directors’ Charge up to a maximum amount of \$5,300,000;

(ii) with respect to the Edmonton Property:

First – the Administration Charge up to a maximum amount of \$500,000;

Second – the Edmonton Property Charge in favour of the lenders under the Mortgage Loan (as defined below);

Third – the DIP Lender's Charge up to a maximum amount of \$2,400,000 plus accrued and unpaid interest, fees and expenses; and

Fourth – the Directors' Charge up to a maximum amount of \$5,300,000.

5. If the proposed Initial Order is granted, the Applicants intend to return to Court within ten (10) days (the "**Comeback Hearing**") to seek approval of an Amended and Restated Initial Order (the "**ARIO**"), which, among other things, would:

- (a) extend the Stay of Proceedings;
- (b) increase the maximum principal amount that the Applicants can borrow under the DIP Loan;
- (c) increase the quantum of each of the Administration Charge (to a maximum amount of \$1,000,000), the DIP Lender's Charge (to a principal amount of \$41,000,000 plus

accrued and unpaid interest, fees and expenses), and the Directors' Charge (to a maximum amount of \$12,900,000); and

- (d) seek such other customary relief as may be required to advance the Applicants' restructuring.

6. In addition, the Applicants also intend to seek an Order at the Comeback Hearing (the "**SISP Approval Order**") which, among other things, would:

- (a) authorize and approve BZAM's execution of a share subscription agreement (the "**Stalking Horse Purchase Agreement**") among BZAM and a corporation (the "**Stalking Horse Purchaser**") related to Bassam Alghanim, who is BZAM's largest shareholder, current Chairman, and the individual that ultimately controls Stone Pine Capital Ltd. ("**Stone Pine**"), a secured creditor of BZAM, *nunc pro tunc*, including the Bid Protections (as defined below);
- (b) grant a Court-ordered charge (the "**Bid Protections Charge**") over the Property in favour of the Stalking Horse Purchaser as security for payment of the Bid Protections, with the priority set out therein;
- (c) approve a sale and investment solicitation process (the "**SISP**") in which the Stalking Horse Purchase Agreement will serve as the "**Stalking Horse Bid**", and authorizing the Applicants and the Monitor to implement the SISP pursuant to its terms; and

- (d) authorize and direct the Applicants and the Monitor to perform their respective obligations and do all things reasonably necessary to perform their obligations under the SISP.

II. OVERVIEW

7. BZAM is a reporting issuer listed on the Canadian Securities Exchange under the symbol “BZAM”, “BZAM.WR”, “BZAM.WA”, and “BZAM.WB” and its shares trade in the United States on the OTCQX under the symbol “BZAMF”. It is the ultimate parent company to several companies in the cannabis industry in Canada. Through the Subsidiaries, its business and operations focus on production and sale of various cannabis products. The Company owns cannabis cultivation and processing facilities in Ontario and Alberta, leases production facilities in Ontario, British Columbia and Québec, leases a retail store in Saskatchewan, and has its corporate offices in Ontario and British Columbia.

8. The Applicants are in a dire liquidity crisis and, absent the approval of the additional financing proposed to be made available under the DIP Loan, will not be able to meet their obligations as they become due. Accordingly, there is significant urgency to this CCAA application and the relief sought pursuant to the Initial Order.

9. As a result, the Applicants are seeking protection under the CCAA to, among other things, obtain additional financing in order to continue operations and to implement the SISP that would see the Company restructured and/or all or a portion of the Applicants’ business and assets sold as a going concern.

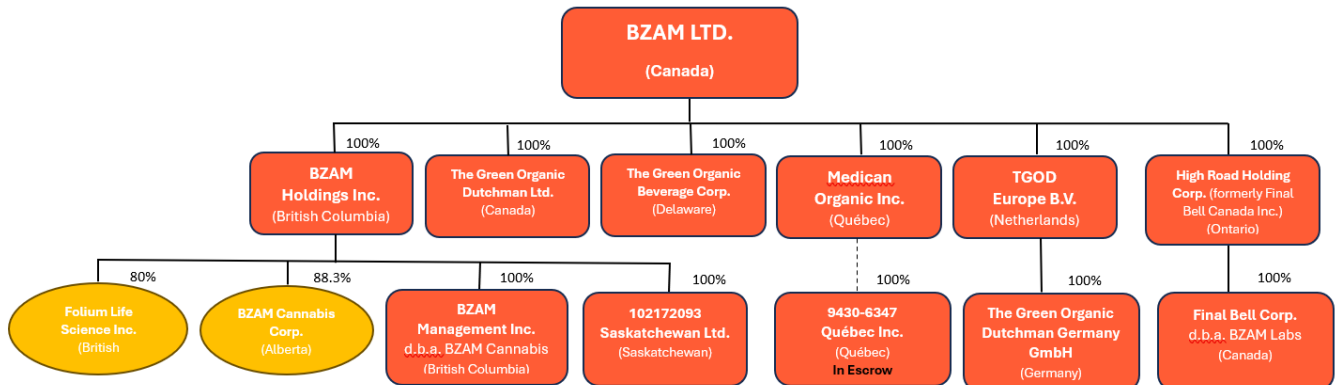
10. The Company’s existing senior secured creditor, Cortland Credit Lending Corporation ("**Cortland**"), has agreed to provide additional financing through the DIP Loan (in its capacity as lender, the "**DIP Lender**") to, among other things, provide the Applicants with the immediate access to funding needed to continue to operate and preserve the value of their operations while the SISP is conducted subject to certain conditions, including Court approval. As noted above, the relief in respect of the SISP is intended to be sought at the Comeback Hearing; no relief related to the SISP is being sought at this time.

11. The CCAA filing and the proposed SISP are intended to benefit all of the Company’s stakeholders in Canada and internationally, including the Company's many employees, customers, suppliers, secured creditors, other contracting parties, Health Canada, and the relevant provincial cannabis regulators.

III. CORPORATE STRUCTURE OF THE COMPANY

12. A copy of the Company’s current corporate structure is attached hereto as **Exhibit “A”** and is reproduced below for ease of reference:

BZAM Ltd. Corporate Org Chart
As of February 20, 2024, Issued/Outstanding Shares of BZAM Ltd: 273,578,952 common [shares](#)



13. All of the Applicants are Canadian companies and are wholly-owned, directly or indirectly, by BZAM (other than Folium Life Science and BZAM Cannabis). The Non-Applicant Stay Parties are registered in Canada, the United States, the Netherlands and Germany.

14. For the purpose of this affidavit and for greater certainty, all references to the Applicants include each of their predecessor entities.

A. BZAM

15. BZAM was incorporated under the name "The Green Organic Dutchman Holdings Ltd." ("**TGOD Holdings**") under the *Canada Business Corporations Act*, RSC 1985, c C-44 (the "**CBCA**") by articles of incorporation dated November 11, 2016, and it later amended its articles on February 23, 2023 to change its name to "BZAM Ltd.". BZAM's registered head office is located in Pitt Meadows, British Columbia. BZAM wholly-owns five of the other Applicants: BZAM Holdings, BZAM Management, TGOD, Medican Organic and High Road Holding. A copy of BZAM's corporate profile report is attached hereto as **Exhibit "B"**.

16. BZAM's name change resulted from a transaction between TGOD Holdings and BZAM Holdings. On November 3, 2022, TGOD Holdings acquired all of the issued and outstanding common shares of BZAM Holdings from BZAM Holdings' sole shareholder in exchange for common shares of TGOD Holdings. This transaction resulted in BZAM Holdings' then-sole shareholder holding approximately 49.5% of the issued and outstanding shares in TGOD Holdings.

17. On January 8, 2024, BZAM acquired all of the issued and outstanding common shares of Final Bell Canada Inc. (now known as High Road Holding) from Final Bell Holdings International

Ltd. ("**FBHI**"). This transaction combined BZAM's cultivation, production, and sales infrastructure with the portfolio of brands that FBHI is bringing to market in Canada.

B. The Applicant Subsidiaries

1. BZAM Holdings

18. BZAM Holdings was incorporated under the *Business Corporations Act*, SBC 2002, c 57 (the "**BCBCA**") on January 17, 2019 to act as a holding company over BZAM Management, 102 Saskatchewan, BZAM Cannabis and Folium Life Science. BZAM Holdings' registered office is located in Vancouver, British Columbia. A copy of BZAM Holdings' corporate profile report is attached hereto as **Exhibit "C"**.

2. BZAM Management

19. BZAM Management was incorporated under the BCBCA on March 12, 2019 and currently does business as "BZAM Cannabis". BZAM Management is a licensed entity with Health Canada that operates out of a leased facility located at Units 517-519, 19100 Airport Way, Pitt Meadows, British Columbia (the "**Pitt Meadows Facility**"). A copy of BZAM Management's corporate profile report is attached hereto as **Exhibit "D"**.

3. BZAM Cannabis

20. BZAM Cannabis was incorporated under the name "1771277 Alberta Inc." under the *Business Corporations Act*, RSA 2000, c B-9 (the "**ABCA**") by articles of incorporation dated September 10, 2013 and later renamed "BZAM Cannabis Corp." following an amalgamation with Sweetgrass Inc. BZAM Cannabis is a licensed entity with Health Canada that operated out of a

facility that it owns located at 8770 24th Street, Sherwood Park, Alberta (the "**Edmonton Property**"). The Edmonton Property is currently listed for sale. There is some cultivation equipment on the grounds of the Edmonton Property, but BZAM Cannabis does not have any active operations or inventory at the Edmonton Property. A copy of BZAM Cannabis' corporate profile report is attached hereto as **Exhibit "E"**.

4. Folium Life Science

21. Folium Life Science was incorporated under the BCBCA on April 29, 2013. Folium Life Science is a licensed entity with Health Canada that operates out of a leased facility located at #107-109, 1761 Sean Heights, Saanichton, British Columbia (the "**Saanichton Facility**"). The Saanichton Facility currently holds various cultivation equipment and inventory. A copy of Folium Life Science's corporate profile report is attached hereto as **Exhibit "F"**.

5. 102 Saskatchewan

22. 102 Saskatchewan was incorporated on June 15, 2023 under *The Business Corporations Act, 2021*, SS 2021, c 6 and sells cannabis products direct to customers under a retail sales license through a leased store located at 40 Great Plains Road, Emerald Park, Saskatchewan (the "**Regina Store**"). A copy of 102 Saskatchewan's corporate profile report is attached hereto as **Exhibit "G"**.

6. TGOD

23. TGOD was incorporated under the CBCA on January 10, 2013. TGOD is a licensed entity with Health Canada that operates out of a facility that it owns located at 1915 Jerseyville Road West, Jerseyville, Ontario (the "**Hamilton Facility**"). A copy of TGOD's corporate profile report is attached hereto as **Exhibit "H"**.

7. **Medican Organic**

24. Medican Organic was incorporated under the *Business Corporations Act*, SQ 2009, c 52 (the "**QCBCA**") on September 19, 2017 and is currently a holding company that is intended to hold all of the issued and outstanding shares of 9430-6347 Québec Inc. ("**943 Québec**") once the transaction in respect of 943 Québec closes (as described in more detail below). A copy of Medican Organic's corporate profile report is attached hereto as **Exhibit "I"**.

8. **High Road Holding**

25. High Road Holding was incorporated under the name "Final Bell Canada Inc." under the *Business Corporations Act*, RSO 1990, c B.16 (the "**OBCA**") by articles of incorporation dated January 18, 2021. As described above, Final Bell Canada Inc. amended its articles on January 8, 2024 to change its name to "High Road Holding Corp." after its acquisition by BZAM. High Road Holding wholly-owns BZAM Labs, another Applicant. A copy of High Road Holding's corporate profile report is attached hereto as **Exhibit "J"**.

9. **BZAM Labs**

26. BZAM Labs was incorporated under the name "Mettrum (Bennett North) Ltd." under the CBCA by articles of incorporation dated March 3, 2016, later renamed "Starseed Medicinal Inc." on June 21, 2019, and then later renamed "Final Bell Corp." on June 15, 2021. BZAM Labs is a licensed entity with Health Canada that currently does business as "BZAM Labs" and operates out of a leased facility located at 1100 Bennett Road, Bowmanville, Ontario (the "**Bowmanville Facility**"). A copy of BZAM Labs' corporate profile report is attached hereto as **Exhibit "K"**.

C. The Non-Applicant Stay Parties

27. There are four direct and indirect Subsidiaries of BZAM that are not Applicants in these proceedings:

(a) 943 Québec;

(b) The Green Organic Beverage Corp. ("**TGOB**"), a dormant company based in Delaware;

(c) TGOB Europe B.V. ("**TGOB Europe**"), a company based in the Netherlands; and

(d) The Green Organic Dutchman Germany GmbH ("**TGOB Germany**"), a dormant company based in Germany.

28. 943 Québec was incorporated on December 7, 2020 under the QCBCA and is a licensed entity with Health Canada that operates out of a leased facility located at 5000 Chemin Murphy, Vaudreuil-Dorion, Québec (the "**Québec Facility**"). A copy of 943 Québec's corporate profile report is attached hereto as **Exhibit "L"**.

29. On November 11, 2022, Medican Organic entered into a Share Purchase Agreement, Lease Agreement and Letter of Intent to acquire 943 Québec. Those agreements are currently being held in escrow until certain condition precedents listed in the Letter of Intent are met, and the only condition precedent remaining is that the landlord for the Québec Facility obtain municipal approval over certain improvements that it made to the building. Copies of the Share Purchase Agreement, Lease Agreement and Letter of Intent are attached hereto as **Exhibits "M", "N", and "O"**, respectively.

30. Medican Organic currently holds all the issued and outstanding shares in 943 Québec in escrow until the municipal approval is issued. The Company anticipates that the acquisition of 943 Québec will close in the near future, potentially during the pendency of these CCAA Proceedings. The landlord improvements are now complete and the parties agreed that the commencement date under the lease would start in December 2023. As of the date of this affidavit, 943 Québec has paid two instalments of rent at \$12,647.25 per month (inclusive of QST) while the application for municipal approval of the improvements remains pending. The Applicants intend to serve the landlord of the Québec Facility with notice of the CCAA Proceedings for the Comeback Hearing.

31. TGOD Europe wholly-owns TGOD Germany. Neither company has any material assets or operations.

32. TGOB similarly has no assets or operations. A copy of TGOB's corporate profile report is attached hereto as **Exhibit "P"**.

33. Notwithstanding that these parties are not Applicants the Applicants believe that it is critical to the best interests of the Applicants and their stakeholders to extend the benefits of the Stay of Proceedings to the Non-Applicant Stay Parties. The Non-Applicant Stay Parties are highly integrated with the Applicants and will benefit from the CCAA Proceedings and will maximize value and certainty for the entire Company.

34. In particular, 943 Québec has an active business and holds a license with Health Canada for its operations at the Québec Facility and it requires the benefit of the Stay of Proceedings to prevent the landlord of the Québec Facility from exercising its option to terminate the Lease Agreement. In contrast, TGOD Europe, TGOD Germany and TGOB may have tax attributes of some value to the Stalking Horse Purchaser or any potential purchaser in the SISF. The assets and

liabilities of the Non-Applicant Stay Parties would be compromised if these entities did not benefit from the Stay of Proceedings.

IV. BUSINESS OF THE APPLICANTS

A. The Cannabis Industry in Canada

35. The cannabis industry has evolved, and continues to evolve, rapidly in Canada. Licenses to cultivate, process and/or sell cannabis, among other things, are regulated under the *Cannabis Act*, S.C. 2018, c. 16 (the "*Cannabis Act*") and through the *Cannabis Regulations*, SOR/2018-144 (the "*Cannabis Regulations*").

36. On October 17, 2018, recreational use of cannabis was legalized in Canada. On that date, the *Cannabis Act*, which regulates retail cannabis for recreational adult-use, medical cannabis and industrial hemp in Canada, came into effect. Additionally, cannabis was removed as a controlled substance from the *Controlled Drugs and Substances Act*, S.C. 1996, c. 19, and the *Access to Cannabis for Medical Purposes Regulations*, SOR/2016-230 was repealed.

37. On October 17, 2019, the *Cannabis Act* was amended to broaden the scope of legal cannabis products, to include edible cannabis, cannabis extracts and cannabis topicals.

38. The cannabis industry continues to be a highly regulated industry, with the *Cannabis Act* regulating the possession, cultivation, production, distribution, sale, research, testing, import, export and promotion of cannabis.

B. The Company's Business

39. The Company engages in the production, cultivation, processing and distribution of cannabis and cannabis-related products. Its goal is to build a sustainable Canadian cannabis company.

40. Five of BZAMs Subsidiaries are licensed with Health Canada and operate facilities across Canada which cultivate, process and market a range of cannabis products, including dried cannabis and cannabis extract products.

41. BZAM's registered and records office is located in British Columbia, but the majority of the Company's business is based out of Ontario. For example, the Company operates two facilities in Ontario, the Hamilton Facility and the Bowmanville Facility, and nearly 60% of the Company's employees are in Ontario. The Company's senior secured creditor, Cortland, is headquartered in Toronto, Ontario. Several of BZAM's senior management, including the President and the Chief Financial Officer, reside in Ontario and I split my time between the Company's offices in Ontario and British Columbia. In addition, four of BZAM's seven directors reside in Ontario (and two of the other three are non-residents of Canada).

C. Employees

42. The Company collectively employs 441 people in Canada through BZAM and its Subsidiaries (collectively, the "**Employees**") of which approximately 256 of the Employees are employed in Ontario.

43. In addition to the Employees, the Company employs approximately 80-90 individuals on a contract basis. These contract workers are not paid through the Company's payroll. The

Company also pays a quarterly director fee to six directors. None of the employees of the Company are unionized and there is no pension plan.

44. The aggregate payroll for the Company is approximately \$2,344,764 per month.

D. Owned and Leased Real Property

45. The Company owns two cannabis cultivation and processing facilities:

(a) the Hamilton Facility operated by TGOD and which remains in operation; and

(b) the Edmonton Property that was operated by BZAM Cannabis and is currently listed for sale.

46. The Company cultivates and/or processes cannabis at three different leased locations:

(a) the Saanichton Facility operated by Folium Life Sciences;

(b) the Pitt Meadows Facility operated by BZAM Management; and

(c) the Bowmanville Facility operated by BZAM Labs.

47. In addition to the leased facilities above, 102 Saskatchewan leases the space for the Regina Store where it sells retail products direct to customers. The Company also has a leased storage unit located at 150 Mohawk Street, Brantford, Ontario.

48. The Company also leases certain office space, including BZAM's registered office located at the Pitt Meadows Facility and the registered office for certain Subsidiaries located at Suite 402-5520 Explorer Drive, Mississauga, Ontario. These two locations together serve as the corporate offices for the Company.

49. The Company is currently subletting two additional properties that were previously used as office space:

(a) Suite 1570, 200 Burrard Street, British Columbia; and

(b) 311-455 Boulevard Fénélon, Dorval, Québec.

50. BZAM also makes ongoing payments totaling \$25,000 per month towards a lease it previously held at 780 8th Concession, R.R. 3 Puslinch, Ontario (the "**Puslinch Property**"). BZAM makes these payments pursuant to a Lease Settlement Agreement dated June 30, 2023 it entered into with the landlord for the Puslinch Property following BZAM's sale of 100% of all the issued and outstanding shares in Galaxie Brands Corporation, the previous tenant, to 1000370759 Ontario Inc. who assumed the lease at a reduced monthly rent. BZAM has an obligation to make these ongoing payments for the duration of the new tenant's lease at the Puslinch Property and guaranteed the new tenant's base rent payments of \$40,000 per month until June 30, 2024.

51. The Company's costs for all leased locations is approximately \$355,16.57 in aggregate per month.

E. Third Party Suppliers

52. The Company relies on several vendors and third-party service providers to operate its business. In particular, various cannabis product providers, lab services, and utility and technology providers are essential to the Company's operations. Any interruption of service from these third parties, either because they are unable to continue to provide their services to the Applicants or refuse to do so on account of unpaid pre-filing amounts owed to them by the Applicants, may prevent the Applicants from operating in the ordinary course and continuing to provide

uninterrupted services to its customers. The Company is not current with respect to many of these obligations and several Subsidiaries have significant accounts payable (as reflected in the aggregate table below on the Company's liabilities).

1. Brand License Agreements

53. The Company has three brand license agreements, in its capacity as the holder of a standard processing license pursuant to the *Cannabis Act*, in which the licensors have licensed certain intellectual property for the Company's use in certain commercialization, manufacturing and ancillary activities in Canada.

2. Contract and Manufacturing Agreements

54. The Company has approximately three to four active manufacturing services agreements, in its capacity as the holder of a standard processing license pursuant to the *Cannabis Act*, in which BZAM Labs provides the counterparties with certain manufacturing and ancillary services in connection with supply chain management, manufacturing, and shipment of certain products.

3. Supply Agreements

55. The Company has four supply agreements with sellers licensed under the *Cannabis Act* pursuant to which the Company purchases certain cannabis raw material from the sellers for use in its own production and manufacturing through purchase orders.

4. Service Provider and Distribution Agreements

56. The Company has approximately three to four active services and distribution agreements pursuant to which the Company produces and supplies certain products to the counterparty who provides supply management, sale, distribution, and marketing support services for those products.

5. International Supply Agreements

57. The Company has approximately four to five active supply or purchase agreements pursuant to which it makes certain products available to international purchasers for resale under the purchaser's own brand in its territory.

6. Other Agreements

58. BZAM Management has a joint venture agreement with another party pursuant to which BZAM Management provides the necessary production and distribution infrastructure for the business and the counterparty provides the necessary intellectual property, expertise and support to the business for launching the products, including services to BZAM Management for branding and marketing, product development, and sales. The revenues from this joint venture flow through BZAM Management's accounts from the provincial boards which are then remitted back to the joint venture's account.

59. BZAM Management, TGOD and BZAM Labs each have cannabis board supply agreements with various provincial and territorial governments pursuant to which these Subsidiaries provide certain products to the relevant provincial or territorial authorities for wholesale distribution and for sale in public and private retail markets.

F. Excise Duty and Sales Taxes

60. Cannabis producers in Canada are required to post security pursuant to the *Excise Act, 2001*, S.C. 2002, c. 22 (the "*Excise Act, 2001*"). The security provides the Canada Revenue Agency ("CRA") with financial assurance for any outstanding excise duty payable. The security can be posted in the form of a surety bond or a deposit with the CRA.

61. TGOD and BZAM Management have surety bonds in place for \$1,300,000 and \$3,000,000, respectively, with Intact Insurance who holds 50% of this amount as a cash deposit in the amount of \$2,150,000. BZAM Labs has a \$350,000 cash deposit with the CRA.

62. The security required to be posted with the CRA is calculated as the highest amount of cannabis duties payable for a calendar month in the previous twelve calendar months. These duties are calculated, in part, based on the expected number of grams or milligrams of packaged cannabis products to be sold. As of February 15, 2024, TGOD, BZAM Management and BZAM Labs collectively had approximately \$9,083,289.33 in excise tax arrears. On February 2, 2024, the CRA agreed to a temporary payment plan with BZAM Management pursuant to which it agreed to pay \$164,474 per month in excise taxes. On October 18, 2023, the CRA agreed to a payment plan with TGOD pursuant to which it agreed to pay \$330,000 per month in excise taxes.

63. The following Applicants are also in arrears with respect to payroll deductions, GST, and HST in the amount of approximately \$2,644,500.75 in aggregate. As of February 15, 2024:

(a) TGOD has approximately \$1,056.11 outstanding in respect of payroll deductions;

(b) BZAM Management has approximately \$1,363,291.60 outstanding in respect of GST;

(c) BZAM Cannabis has approximately \$923,851.04 outstanding in respect of GST;

(d) BZAM Labs has approximately \$356,302 outstanding in respect of HST.

64. Each of the Applicants is current on its GST/HST filings. On June 21, 2023, the CRA agreed to a temporary payment plan with BZAM Management pursuant to which it agreed to pay \$97,638 per month in GST, which accounts for \$1,276,781.36 of the GST currently owing.

G. Cannabis Licenses

1. Licenses with Health Canada

65. Certain of the Subsidiaries hold licenses with Health Canada which permit these entities to undertake:

(a) standard cultivation activities, including: (i) to possess cannabis; (ii) to obtain dried cannabis, fresh cannabis, cannabis plants or cannabis plant seeds by cultivating, propagating and harvesting; (iii) to alter its chemical or physical properties by any means; and (iv) to sell cannabis (together, "**Standard Cultivation Activities**");

(b) standard processing activities, including: (i) to possess cannabis; (ii) to produce cannabis at the licensed site, other than to obtain it by cultivating, propagating or harvesting; and (iii) to sell cannabis (together, "**Standard Processing Activities**");

(c) activities related to the sale of cannabis for medical purposes, including: (i) to possess cannabis; and (ii) to sell cannabis ("**Medical Purpose Activities**"); and

- (d) research activities, including possession and production of cannabis for use in accordance with any research protocols submitted to Health Canada ("**Research Purpose Activities**").

66. The following Subsidiaries hold licenses issued by Health Canada in accordance with the *Cannabis Act* and *Cannabis Regulations*:

- (a) BZAM Management holds a license that permits it to undertake Standard Processing Activities at the Pitt Meadows Facility. BZAM Management's license expires on March 27, 2025;
- (b) 943 Québec holds a license that permits it to undertake Standard Cultivation Activities and Standard Processing Activities at the Québec Facility. 943 Québec's license expires on April 8, 2027;
- (c) Folium Life Science holds a license that permits it to undertake Standard Cultivation Activities and Medical Purpose Activities at the Saanichton Facility. Folium Life Science's license expires on May 10, 2024;
- (d) TGOD holds a license that permits it to undertake Standard Cultivation Activities, Standard Processing Activities and Medical Purpose Activities at the Hamilton Facility. TGOD's license expires on July 20, 2027;
- (e) BZAM Cannabis holds a license that permits it to undertake Standard Cultivation Activities, Standard Processing Activities and Medical Purpose Activities at the Edmonton Property. BZAM Cannabis' license expires on December 5, 2027;

- (f) BZAM Labs holds a license which permits it to undertake Standard Cultivation Activities, Standard Processing Activities and Medical Purpose Activities at the Bowmanville Facility. BZAM Labs' license expires on October 27, 2027; and
- (g) BZAM Labs also holds a license which permits it to undertake Research Purpose Activities at the Bowmanville Facility. BZAM Labs' license expires on February 7, 2025.

67. Copies of the above licenses with Health Canada are attached hereto as **Exhibit “Q”**.

2. Licenses with the CRA

68. BZAM Management, BZAM Labs, Folium Life Science and TGOD each have cannabis licenses with the CRA that require them to apply cannabis excise stamps to their cannabis products in accordance with the *Excise Act, 2001*.

69. The CRA wrote to BZAM Management on January 29, 2024 to advise that BZAM Management’s cannabis license will expire at midnight on February 29, 2024. The CRA imposed the condition that BZAM Management maintain contact with a collections officer to ensure that a mutually agreeable payment arrangement was followed. BZAM Management has asked the assigned collections officer for an extension to April 15, 2024 to comply with the condition. A copy of the CRA’s letter dated January 29, 2024 is attached hereto as **Exhibit “R”**.

70. BZAM Labs’ cannabis license with the CRA is set to expire on May 16, 2024. A copy of BZAM Labs’ cannabis license renewal letter from the CRA is attached hereto as **Exhibit “S”**.

71. Folium Life Science's cannabis license with the CRA is set to expire on September 30, 2024. A copy of Folium Life Science's cannabis license renewal letter from the CRA is attached hereto as **Exhibit "T"**.

72. TGOD's cannabis license with the CRA is set to expire on October 16, 2024. A copy of TGOD's cannabis license renewal letter from the CRA is attached hereto as **Exhibit "U"**.

H. Intellectual Property

73. BZAM owns trademarks on certain core branded products including BZAM™, TGOD™, Highly Dutch Organic™, and TABLE TOP™. BZAM also produces products under license for various third party brands and suppliers as described above.

I. Cash Management and Credit Cards

74. The Company maintains 19 bank accounts with BMO and Alterna Bank. The Company also has a business credit card used by certain employees that is secured by cash with BMO. BZAM maintains unsecured intercompany loan accounts with many of its Subsidiaries, and those Subsidiaries maintain unsecured intercompany loans with other Subsidiaries, and money flows between BZAM and the Subsidiaries against these intercompany loan accounts.

V. FINANCIAL POSITION OF THE APPLICANTS

75. A copy of the Company's unaudited consolidated balance sheet as at January 31, 2024 is attached hereto as **Exhibit "V"**. Certain information contained in this unaudited balance sheet is summarized below.

76. The Applicants have struggled with cash flow, and since January 31, 2024 in particular, the cash position of the Applicants has deteriorated significantly. The cash on hand for the Applicants for the week of February 25, 2024 is expected to be approximately \$1,848,000.

A. Assets

77. As at January 31, 2024 the Company had total consolidated assets with a book value of approximately \$195,711,080, which consisted primarily of the following:

Asset Type	Book Value (Consolidated)
Current Assets (Total):	\$100,203,370
Cash and Cash Equivalents	\$4,253,289
Restricted Cash	\$86,633
Trade Receivables	\$14,065,092
Biological Assets	\$5,193,174
Inventories	\$58,828,406
Prepaid Expenses and Deposits	\$5,186,618
Other Current Assets	\$455,874
Due from Related Parties	\$1,658,284
Assets Held for Sale	\$10,476,000
Non-Current Assets (Total):	\$95,507,710
Property, Plant and Equipment	\$75,127,717
Intangible Assets	\$18,353,274
Goodwill	\$790,306
Other Assets	\$1,236,413

Asset Type	Book Value (Consolidated)
Total	\$195,711,080

78. The net realizable value of the assets is expected to be considerably less than the book value.

B. Liabilities

79. As at January 31, 2024 the Company had total consolidated liabilities with a book value owing of approximately \$112,873,839, which consisted primarily of the following:

Liability Type	Book Value (Consolidated)
Current Liabilities (Total):	(\$100,883,319)
Accounts Payable and Accrued Liabilities	(\$28,211,004)
Excise Duties Payable	(\$9,525,910)
Sales Taxes Payable	(\$2,188,326)
Due to Related Parties	(\$2,420,530)
Unearned Revenue	(\$2,497,443)
Current Portion of Lease Liabilities	(\$2,491,578)
Debt	(\$53,548,528)
Non-Current Liabilities (Total):	(\$11,990,520)
Lease Liabilities	(\$11,990,520)
Total	(\$112,873,839)

C. Secured Obligations

1. Credit Agreement with Cortland

80. On March 31, 2020, TGOD entered into a credit agreement with Cortland Credit Lending Corp. ("**Cortland**"), which was subsequently amended three times pursuant to which Cortland provided TGOD with a secured revolving credit facility totaling \$22,000,000 (as amended, the "**Original Credit Agreement**"). A copy of the Original Credit Agreement is attached hereto as **Exhibit "W"**.

81. TGOD also executed a debenture that, among other things, contained prohibitions against the creation of any mortgage, lien, security interest or encumbrance against its property, assets and undertakings in priority to Cortland's security interest (the "**Debenture**"). A copy of the Debenture is attached hereto as **Exhibit "X"**.

82. The Original Credit Agreement was amended and restated in its entirety on:

- (a) September 29, 2021, pursuant to an amended and restated credit agreement to extend the term, set the total facility limit, and provide immediate funding, which was then amended a further six times (as amended, the "**First ARCA**"). A copy of the First ARCA is attached hereto as **Exhibit "Y"**; and
- (b) January 8, 2024, pursuant to a further amended and restated credit agreement (the "**Second ARCA**" and, together with the Original Credit Agreement and the First ARCA, the "**Credit Agreement**") following BZAM's acquisition of Final Bell Corp. (*i.e.*, BZAM Labs). The Second ARCA was entered into to incorporate the assets of BZAM Labs into the security collateral of Cortland and, amongst other

things: (i) amend the EBITDA financial covenant to take effect on a rolling three month average basis; (ii) repay \$1,000,000 on the fixed portion of the facility from the proceeds of sale of the Edmonton Property, such repayment amount then becoming available under the revolving portion of the facility; and (iii) allow for an unsecured promissory note to be issued to FBHI (as described in further detail below). A copy of the Second ARCA is attached hereto as **Exhibit “Z”**.

83. Under the Credit Agreement, Cortland provided TGOD with an interest-bearing term and revolving credit facility totaling \$34,000,000. Each loan advance under the Credit Agreement (as amended by the Second ARCA) bears interest at an interest rate which is the greater of: (i) 12% per annum; and (ii) the TD Prime Rate, plus the Applicable Margin (as those terms are defined in the Credit Agreement), and is calculated daily and due and payable on the last business day of each month. The guarantors under the Credit Agreement are TGOD, BZAM, Medican Organic, BZAM Holdings, BZAM Management, BZAM Cannabis, Folium Life Science, High Road Holding and BZAM Labs (together, in such capacity, the "**Cortland Obligors**"). The term of the revolving credit facility expires on March 24, 2024, after which the Company must make monthly prepayments towards the base facility amounts borrowed.

84. Contemporaneously with the Second ARCA, BZAM, Medican Organic, BZAM Holdings, BZAM Management, BZAM Cannabis and Folium Life Science entered into a guarantee and security confirmation agreement with Cortland that, among other things, confirmed that existing guarantees that were entered into at the time of the Original Credit Agreement remained in full force and effect. A copy of the guarantee and security confirmation agreement is attached hereto as **Exhibit “AA”**.

85. On January 8, 2024, High Road Holding and BZAM Labs, which were not parties to the Original Credit Agreement or the First ARCA, entered into general security agreements with Cortland to provide Cortland with a security interest over all their present and after-acquired property. These general security agreements were entered into in the context of BZAM's acquisition of Final Bell Canada Inc. and Final Bell Corp. (*i.e.*, High Road Holding and BZAM Labs) which necessitated granting Cortland security over the two acquired entities. Copies of those general security agreements are attached hereto as **Exhibit "BB"**.

86. As of the date of this affidavit, approximately \$31,919,208.84 of principal is owing under the Credit Agreement and an additional \$362,916.21 of interest has accrued month-to-date for a total amount owing of \$32,282,125.05.

2. Promissory Notes with Stone Pine

87. BZAM has entered into a series of promissory notes with Stone Pine Capital Ltd. ("**Stone Pine**"), a company ultimately controlled by the Company's largest shareholder and current Chairman, as follows:

Date	Principal Amount
March 3, 2023	\$2,500,000
August 30, 2023	\$1,325,000
October 27, 2023	\$1,190,000
November 8, 2023	\$600,000
November 30, 2023	\$2,000,000
December 4, 2023	\$900,000

Date	Principal Amount
Total	\$8,515,000

(together, the "**Stone Pine Promissory Notes**")

88. Copies of the Stone Pine Promissory Notes are attached hereto as **Exhibit "CC"**.

89. The Stone Pine Promissory Notes were all amended on January 4, 2024 to each be payable upon demand provided that Stone Pine shall not be permitted to make demand until the later of either: (i) the maturity date of the Cortland Credit Agreement; and (ii) March 31, 2025. The first two Stone Pine Promissory Notes each carry an interest rate of 10% per annum whereas the remaining Stone Pine Promissory Notes carry an interest rate of the Prime Rate (as defined in the Stone Pine Promissory Notes) plus 8% per annum, with interest being calculated monthly and payable on the last day of each month. If BZAM fails to pay on demand any amounts due and payable and such defaults remain uncured for five business days from written notice, then interest accrues at a higher rate of 18% per annum. The amendment to the Stone Pine Promissory Notes is attached hereto as **Exhibit "DD"**.

90. Contemporaneously with the execution of each of the Stone Pine Promissory Notes, BZAM and Stone Pine entered into a general security agreement (collectively, the "**Stone Pine GSAs**") under which Stone Pine was granted security over all present and after-acquired property, assets and undertakings of BZAM. Copies of the Stone Pine GSAs are attached hereto as **Exhibit "EE"**.

91. BZAM, Stone Pine and Cortland entered into subordination and postponement agreements to subordinate the amounts owing under the Stone Pine Promissory Notes to the amounts owing

under the Credit Agreement with Cortland (the "**Subordination Agreements**"). Copies of the Subordination Agreements are attached hereto as **Exhibit "FF"**.

92. BZAM and Cortland also entered into consent agreements pursuant to which Cortland consented to the Stone Pine Promissory Notes on condition of entering into the Subordination Agreements (the "**Consent Agreements**"). The Consent Agreements include an acknowledgement from BZAM that any defaults in the observance or performance of the Stone Pine Promissory Notes constitute a default under the Credit Agreement. The cash advanced by Cortland under the Credit Agreement was ultimately used to fund the operations of the Subsidiaries downstream. Copies of the Consent Agreements are attached hereto as **Exhibit "GG"**.

93. BZAM has not yet paid any interest to Stone Pine under the Stone Pine Promissory Notes. As of the date of this affidavit, the principal amount of \$8,515,000 remains owing under the Stone Pine Promissory Notes and an additional \$509,755.67 of interest has accrued month-to-date for a total amount owing of \$9,024,755.67.

3. Mortgage Loan

94. At the time of its acquisition by BZAM Holdings, BZAM Cannabis owed approximately \$5,000,000 under a loan which was refinanced on May 31, 2021 and is secured against the Edmonton Property pursuant to a commitment letter dated May 19, 2021 (the "**Mortgage Loan**"). A copy of the Mortgage Loan is attached hereto as **Exhibit "HH"**.

95. The Mortgage Loan bears interest at 10.00% per annum and matures on May 31, 2026. Interest is calculated and compounded monthly and payable monthly on the last day of each month. The loan may be prepaid on 30 days' notice upon the payment of a prepayment fee. The

prepayment fee is equal to the greater of: (i) three months interest; and (ii) the aggregate amount of the agent's and lenders' cost of funds incurred as a result of the prepayment. The Mortgage Loan may be renewed beyond the maturity date for a fee of 2.0% of the outstanding principal amount owing should the lender agree. Security for the loan includes: (i) a first mortgage over the Edmonton Property (the "**Edmonton Property Charge**"); (ii) a general assignment of rents and leases in respect of the Edmonton Property; (iii) a general security agreement over all BZAM Cannabis' present and after acquired personal property; and (iv) a corporate guarantee of BZAM Management. A copy of the security documents under the Mortgage Loan are attached hereto as **Exhibit "II"**.

96. As of the date of this affidavit, the principal amount of \$5,000,000 remains owing under the Mortgage Loan and an additional \$40,229.89 of interest has accrued month-to-date for a total amount owing of \$5,040,229.89.

D. Unsecured Obligations

1. FBHI Promissory Note

97. BZAM acquired High Road Holding from FBHI on January 8, 2024. BZAM issued 90,000,000 common shares in BZAM at a deemed price of \$0.15 per share, representing approximately one-third of the issued and outstanding shares of BZAM. High Road Holding also provided an unsecured promissory note dated January 5, 2024 to FBHI in the amount of \$8,000,000 (the "**Final Bell Promissory Note**"). The Final Bell Promissory Note does not bear any interest until March 31, 2025, following which it will bear 10% interest until the maturity date of June 15, 2027. A copy of the Final Bell Promissory Note is attached hereto as **Exhibit "JJ"**.

98. On January 15, 2024 and February 15, 2024, BZAM made payments of \$79,167 each pursuant to the payment schedule included as Exhibit "A" to the Final Bell Promissory Note. The next scheduled payment of \$79,167 under the Final Bell Promissory Note is due on March 15, 2024.

99. On February 23, 2024, counsel for FBHI wrote to the board of directors of BZAM alleging, among other things, that the proposed CCAA Proceedings would breach the Share Exchange Agreement entered into among FBHI, BZAM Labs (formerly Final Bell Canada Inc.) and BZAM dated as of December 5, 2023 (the "**Final Bell Agreement**"). In the letter, counsel for FBHI requested advanced notice of any CCAA application. A copy of the letter from counsel for FBHI is attached hereto as **Exhibit "KK"**.

100. On February 26, 2024, counsel for BZAM responded to the letter from FBHI noting, among other things, that it contained numerous factual inaccuracies and mischaracterizations. A copy of the letter from counsel for BZAM is attached hereto as **Exhibit "LL"**.

101. As of the date of this affidavit, there has been no response to the February 26, 2024 letter.

2. Third Party Suppliers

102. Given the nature of its business, the Company relies on a number of vendors and third party service providers and, as such, are party to a number of agreements for the provision of certain essential services including, among other things, insurance, phone and internet, security, utilities, professional costs and other services provided in connection with operating a business in the cannabis industry. The Company has accrued a significant amount of invoices owing to third party suppliers as reflected in the table of liabilities above.

3. Employee Liabilities

103. The Company is current with respect to its payment of payroll and the remittance of employee source reductions. However, BZAM and certain of its subsidiaries have the following employee liabilities, among others:

- (a) BZAM, TGOD, BZAM Management, Folium Life Science, 102 Saskatchewan, Medican Organic and BZAM Labs owe several employees accrued and unpaid vacation pay in the aggregate amount of \$1,103,860;
- (b) the current Chief Financial Officer of BZAM, Sean Bovingdon, will be leaving his position concurrently with the filing of these CCAA Proceedings to take on a consultant role with BZAM until May 31, 2024 and he is anticipated to receive additional remuneration under a payment plan following his departure; and
- (c) 103 of salaried employees are eligible to receive an annual bonus for 2023 under a corporate incentive program as certain objective metrics, both at an individual and corporate level, were met last year. These bonuses are due to be paid at the end of March 2024 and total approximately \$702,000.

4. Intercompany Loans

104. The Company also engages in intercompany borrowing, through which parent or affiliate companies lend funds to their subsidiaries or affiliates. For example, BZAM has advanced unsecured loans to Subsidiaries such as BZAM Holdings, TGOD, Medican Organic, and BZAM Holdings has similarly advanced unsecured loans its subsidiaries such as Folium Life Science, BZAM Cannabis and BZAM Management.

VI. THE PROPOSED INTERIM FINANCING

105. On February 28, 2024, the following parties entered into a binding term sheet in respect of the DIP Loan (the "**DIP Term Sheet**"):

- (a) TGOD as the borrower (in such capacity, the "**Borrower**");
- (b) TGOD, BZAM, BZAM Holdings, BZAM Management, BZAM Cannabis, Folium Life Science, 102 Saskatchewan, Medican Organic, High Road Holding and BZAM Labs as the guarantors (collectively, and in such capacities, the "**DIP Guarantors**"); and
- (c) Cortland as the DIP Lender.

106. A copy of the DIP Term Sheet is attached hereto as **Exhibit "MM"**.

107. The DIP Term Sheet provides for a super-priority, DIP interim, non-revolving credit facility up to a maximum principal amount that does not exceed the lesser of: (i) \$41,000,000 (the "**Facility Limit**"); and (ii) the Revolving Facility Limit (as defined in the Second ARCA) plus \$7,000,000; provided that any pre-filing obligations and post-filing obligations do not, either individually or in the aggregate, exceed the Facility Limit.

108. The amounts drawn and outstanding under the DIP Loan will bear interest at a rate that is the greater of: (i) the TD Prime Rate (as defined in the Second ARCA) plus 8.05% per annum; and (ii) 12% per annum. Interest on the principal amount outstanding shall be due and payable in cash on the first business day of each month covering interest accrued over the previous calendar month.

109. The DIP Loan includes a commitment fee of \$98,000 which shall be fully payable by the Borrower upon the issuance of the Initial Order and paid from the initial advance under the DIP Loan.

110. The DIP Loan is conditional, among other things, upon the granting of a priority charge over the Property in favour of the DIP Lender to secure the amounts borrowed under the DIP Loan (the "**DIP Lender's Charge**"), however, the DIP Lender has agreed to subordinate the DIP Lender's Charge to all pre-filing amounts owing under the Edmonton Property Charge.

111. In accordance with the DIP Term Sheet, the DIP Loan is to be used during these CCAA proceedings (the "**CCAA Proceedings**") to fund:

- (a) working capital needs in accordance with the Cash Flow Forecast (as defined below);
- (b) fees and expenses associated with the DIP Loan (including without limitation certain expenses, fees of the Monitor, and legal fees of counsel to the DIP Lender, the Applicants and the Monitor); and
- (c) such other costs and expenses of the Borrower as agreed to by the DIP Lender, in writing.

112. The facility made available pursuant to the DIP Term Sheet contemplates a "creeping-roll up" structure, pursuant to which all post-filing receipts by the Applicants will be applied to repay pre-filing obligations owing to Cortland. For greater certainty, the DIP Lender's Charge does not secure any obligation that existed prior to the granting of the Initial Order.

113. The DIP Loan is subject to customary covenants, conditions precedent, and representations and warranties made by the Applicants to the DIP Lender. The DIP Loan must be repaid in full by the date that is the earlier of:

- (a) the Maturity Date (as defined in the DIP Term Sheet);
- (b) the occurrence of an Event of Default (as defined in the DIP Term Sheet); and
- (c) the date of a sale of all or a portion of the Collateral (as defined in the DIP Term Sheet).

114. The amount of the DIP Loan to be funded during the initial Stay of Proceedings (up to a principal amount of \$2,400,000) is only that portion that is necessary to ensure the continued operation of the Applicants' business in the ordinary course during the initial 10 days.

VII. RELIEF SOUGHT AT THE INITIAL HEARING

A. Stay of Proceedings

115. The Applicants urgently require a broad stay of proceedings to prevent enforcement action by certain contractual counterparties and to provide the Applicants with breathing space while they attempt to effect a restructuring, all the while permitting their business to continue to operate as a going concern. In particular, it is critical for the Applicants and 943 Québec (one of the Non-Applicant Stay Parties) to maintain their cannabis licenses with Health Canada and the CRA to ensure the business operates as a going concern in the cannabis industry. Furthermore, BZAM Management's cannabis license with the CRA is set to imminently expire on February 29, 2024.

116. The Applicants are concerned about their failure to meet certain obligations as they become due. It would be detrimental to the Applicants' business if proceedings were commenced or continued, or rights and remedies were executed, against the Applicants. Absent the Stay of Proceedings, the Applicants will not be able to continue to operate their business and will be forced to initiate an abrupt disorderly shutdown.

117. The Applicants are seeking to extend the Stay of Proceedings to the Non-Applicant Stay Parties due to the integration of the business and operations of the Company. The extension of the Stay of Proceedings to these entities is intended to prevent uncoordinated realization and enforcement attempts from being made in different jurisdictions, and thereby preventing immediate losses of value for the Company and its stakeholders.

118. The Applicants believe that without the benefit of the Stay of Proceedings, the Applicants' ability to market and sell their interests in the Non-Applicant Stay Parties (certain of which have active businesses while others may have valuable tax attributes) and their respective assets would be compromised given the lack of stability that would exist. In particular, 943 Québec requires the benefit of the Stay of Proceedings as Medican Organic's transaction to acquire all issued and outstanding shares in 943 Québec is expected to close shortly, at which point 943 Québec will form part of the Company. Without the benefit of the Stay of Proceedings, the landlord for the 943 Québec Facility could exercise its option to terminate the Lease Agreement with 943 Québec.

119. In light of the foregoing, the Stay of Proceedings is in the best interests of the Applicants and their stakeholders. I understand that the Proposed Monitor believes that the Stay of Proceedings – including its extension to the Non-Applicant Stay Parties – is appropriate in the circumstances.

B. Proposed Monitor

120. The proposed Initial Order contemplates that FTI will act as Monitor in the Applicants' CCAA Proceedings. I understand that FTI has consented to act as Monitor of the Applicants in the CCAA Proceedings if the proposed Initial Order is granted. A copy of FTI's consent to act as Monitor is attached hereto as **Exhibit "NN"**.

C. Ability to Pay Certain Pre-Filing Amounts

121. Pursuant to the proposed Initial Order, the Applicants are seeking authorization (but not the obligation) to pay, among other things:

- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and employee expenses payable on or after the date of the Initial Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements;
- (b) with the consent of the Monitor and the DIP Lender, amounts owing for goods and services actually supplied to the Applicants prior to the date of the Initial Order, with the Monitor considering, among other factors, whether (i) the supplier or service provider is essential to the Business and ongoing operations of the Applicants and the payment is required to ensure ongoing supply, (ii) making such payment will preserve, protect or enhance the value of the Property or the Business, (iii) making such payment is required to address regulatory concerns, and (iv) the supplier or service provider is required to continue to provide goods or services to

the Applicants after the date of the Initial Order, including pursuant to the terms of the Initial Order; and

- (c) the fees and disbursements of any Assistants (as defined in the Initial Order) retained or employed by the Applicants in respect of the CCAA Proceedings, at their standard rates and charges.

122. I believe this relief is necessary to maintain ordinary course operations, particularly given the highly regulated nature of the Applicants' business. The Applicants' ability to operate their business in the normal course is dependent on their ability to obtain an uninterrupted supply of certain goods and services.

123. I understand that the Monitor and the DIP Lender are supportive of that relief.

D. Administration Charge

124. The Initial Order provides for a Court-ordered charge in favour of the Proposed Monitor, as well as counsel to the Proposed Monitor and the Applicants, over the Property, to secure payment of their respective fees and disbursements incurred in connection with services rendered in respect of the Applicants up to a maximum amount of \$500,000 (the "**Administration Charge**"). The Administration Charge is proposed to rank ahead of and have priority over all of the other Charges.

125. The Applicants require the expertise, knowledge, and continued participation of the proposed beneficiaries of the Administration Charge during the CCAA Proceedings in order to complete a successful restructuring. Each of the beneficiaries of the Administration Charge will have distinct roles in the Applicants' restructuring.

126. The Applicants and the Proposed Monitor worked collaboratively to estimate the quantum of the Administration Charge required, which takes into account the limited retainers the professionals currently have and their material outstanding fees. I believe that the Administration Charge is fair and reasonable in the circumstances. I understand that the Proposed Monitor is also of the view that the Administration Charge is fair and reasonable in the circumstances, and that the proposed DIP Lender support the Administration Charge.

127. The Applicants intend to seek an increase to the Administration Charge to \$1,000,000 at the Comeback Hearing.

E. DIP Lender's Charge

128. The DIP Term Sheet provides, among other things, that the DIP Loan is contingent on the granting of the DIP Lender's Charge:

- (a) with respect to all Property other than the Edmonton Property, the DIP Lender's Charge is proposed to rank in priority to the Directors' Charge, but subordinate to the Administration Charge; and
- (b) with respect to the Edmonton Property, the DIP Lender's Charge is proposed to rank in priority to the Directors' Charge, but subordinate to the Administration Charge and the Edmonton Property Charge.

129. Pursuant to the proposed Initial Order, the DIP Lender's Charge will secure all of the credit advanced under the DIP Loan. The DIP Lender's Charge will not secure obligations incurred prior to the CCAA Proceedings.

130. The amount to be funded under the DIP Loan during the initial Stay of Proceedings is limited to the amount necessary to ensure the continued operations of the Applicants' business. Correspondingly, the DIP Lender's Charge under the proposed Initial Order is limited to the amount to be funded during the initial Stay of Proceedings. The Applicants intend to seek an increase to the DIP Lender's Charge at the Comeback Hearing to the full principal amount available under the DIP Loan.

F. Directors' Charge

131. I am advised by Sean Zweig of Bennett Jones LLP, and believe that, in certain circumstances, directors and officers can be held liable for obligations of a company, including those owed to employees and government entities. Among other things, I understand that these obligations may include unpaid accrued wages and unpaid accrued vacation pay, together with unremitted excise, sales, goods and services, and harmonized sales taxes.

132. It is my understanding that the Applicants' present and former directors and officers (the "**Directors and Officers**") are among the potential beneficiaries under liability insurance policies maintained by Berkley Insurance Company. However, I understand that these policies have various exceptions, exclusions and carve-outs and that they may not provide sufficient coverage against the potential liability that the Directors and Officers could incur in connection with the CCAA Proceedings.

133. Given the risks related to these CCAA Proceedings and the uncertainty surrounding available indemnities and insurance, I understand that the current Directors and Officers' involvement in the CCAA Proceedings is conditional upon the granting of a priority charge in

favour of the Directors and Officers in the amount of \$5,300,000 (the “**Directors’ Charge**”) which is described in greater detail in the pre-filing report of the Proposed Monitor.

134. The Applicants require the involvement of the Directors and Officers in order to continue business operations in the ordinary course. The Directors’ Charge would serve as security for the indemnification obligations and potential liabilities the Directors and Officers may face during the initial 10-day period of the CCAA Proceedings. The proposed Initial Order contemplates that the Directors’ Charge will rank subordinate to Administration Charge and the DIP Lender's Charge, but in priority to all other claims (except any secured creditors who did not receive notice of this application).

135. The Applicants believe that the Directors’ Charge is reasonable in the circumstances. I understand that the Proposed Monitor is supportive of the Directors’ Charge and its quantum.

136. The Applicants intend to seek an increase to the Directors’ Charge at the Comeback Hearing.

G. Cash Flow Forecast

137. With the assistance of the Proposed Monitor, the Applicants have undertaken a cash flow analysis to determine the quantum of funding required to finance their operations, assuming the Initial Order is granted, over the 13-week period ending May 25, 2024 (the “**Cash Flow Forecast**”). I understand that the Cash Flow Forecast will be attached to the pre-filing report of the Proposed Monitor.

138. The Cash Flow Forecast indicates that the Applicants urgently require DIP financing to ensure that they have the liquidity required to meet their obligations and continue their business operations during the Stay of Proceedings.

H. Additional Relief

1. Relief from Reporting and Filing Obligations

139. BZAM is seeking to be relieved from incurring any further expenses in relation to any filings (including financial statements), disclosures, core or non-core documents, restatements, amendments to existing filings, press releases or any other actions (collectively the "**Securities Filings**") that may be required by any federal, provincial or other law respecting securities or capital markets in Canada. This relief is necessary given BZAM's status as a publicly-traded company and reporting issuer listed on the Canadian Securities Exchange and the OTCQX.

140. It is anticipated that the CCAA Proceedings will be a transparent process through which BZAM's many shareholders and other stakeholders will receive information and be kept apprised of BZAM's efforts to ensure a going concern transaction. Relief from making the Securities Filings is critical in that it will allow BZAM to avoid the additional time and expense required for staying current on any public filings.

141. In addition to being relieved from having to make any of the Securities Filings, BZAM and the Monitor and their respective directors, officers, employees and other representatives are seeking to be relieved from any personal liability resulting from a failure to make any Securities Filings.

2. Relief in respect of the Licenses

142. The Subsidiaries listed above that hold licenses with Health Canada and cannabis licenses with CRA seek to have their licenses and their ability to receive cannabis excise stamps preserved and maintained during the Stay Period, including their ability to sell cannabis inventory in the ordinary course under those licenses. There is no immediate concern that any of the licenses with Health Canada will expire during the Stay Period, but the term of these licenses must continue for the duration of the Stay Period to ensure these Subsidiaries operate as a going concern. On the other hand, BZAM Management's cannabis license with the CRA will soon expire on February 29, 2024. If that license is allowed to expire, or to be cancelled or revoked, BZAM Management would not be able to use its existing stock of cannabis excise stamps or continue obtaining an ongoing supply of cannabis excise stamps, which would destroy its ability to operate as a going concern. The Company has included the CRA on the service list to ensure that it receives notice of these CCAA Proceedings.

VIII. RELIEF TO BE SOUGHT AT THE COMEBACK HEARING

143. As referenced above, the Applicants intend to seek the ARIO and the SISP Approval Order at the Comeback Hearing. The relief contemplated by each of the proposed ARIO and SISP Approval Order is described below.

A. ARIO

1. Stay Extension

144. The proposed Initial Order seeks the granting of a CCAA stay of proceedings for the Initial Stay Period until March 8, 2024. At the Comeback Hearing, the Applicants intend to seek an

extension of the stay of proceedings. The proposed extension of the stay of proceedings will enable the Applicants to continue to operate the business, conduct the SISP, and close a transaction.

2. Increases to Charges

145. The charges proposed in the Initial Order are intended for the Initial Stay Period only. The proposed ARIO is anticipated to provide for the following amendments to the Charges, listed in order of priority:

- (a) Administration Charge to increase to a maximum of \$1,000,000;
- (b) an increase to the DIP Lender's Charge to a principal amount of \$41,000,000 plus accrued and unpaid interest, fees and expenses; and
- (c) Directors' Charge to increase to a maximum of \$12,900,000.

146. The Applicants do not anticipate any changes to the Edmonton Property Charge or its priority ranking with respect to the Edmonton Property at the Comeback Hearing.

147. The Applicants believe the amounts of the proposed Charges (both in the Initial Order and the ARIO) are fair and reasonable in the circumstances. I understand that the Proposed Monitor is also supportive of the proposed Charges, as increased and/or granted pursuant to the proposed ARIO. In particular, the increase in the Directors' Charge reflects an increase in the Company's liability for excise tax between February and March, from \$1,361,290 as of the date of this affidavit to approximately \$8,690,000 at the Comeback Hearing.

B. SISP Approval Order

148. As discussed above, the Applicants intend to seek the SISP Approval Order at the Comeback Hearing to pursue a going concern transaction for the benefit of its stakeholders.

1. Stalking Horse Purchase Agreement

149. The Stalking Horse Purchase Agreement between BZAM and the Stalking Horse Purchaser will serve as the basis for the Stalking Horse Bid in the SISP.

150. The Stalking Horse Purchase Agreement is contemplated to be structured as a reverse vesting transaction whereby the Stalking Horse Purchaser will restructure the Company through, among other things, an order to be granted by the Court approving the purchase of the Company by the Stalking Horse Purchaser and the vesting out of all liabilities of the Applicants in the event that the Stalking Horse Bid is the successful bid in the SISP.

151. Further details on the Stalking Horse Purchase Agreement and the Stalking Horse Bid will be provided at the Comeback Hearing.

2. SISP

152. The proposed SISP will provide for the Applicants, the Non-Applicant Stay Parties and the Monitor to solicit potentially interested parties, commencing the same day as the granting of the SISP Approval Order.

153. It is anticipated that in order to be considered a "Qualified Bidder", interested parties will be required to enter into a non-disclosure agreement and submit a binding offer meeting the requirements enumerated in the SISP (referred to as a "Qualified Bid").

154. Further details on the SISP will be provided at the Comeback Hearing.

IX. CONCLUSION

155. In consultation with the Company's professional advisors, I believe that the proposed Initial Order is in the best interests of the Applicants, the Non-Applicant Stay Parties and their stakeholders. The Stay of Proceedings and the DIP Loan will allow the Applicants and the Non-Applicant Stay Parties to continue ordinary course operations with the breathing space and stability necessary to develop and implement their restructuring. Absent the Stay of Proceedings and approval of the DIP Loan, the Company will be unable to meet its obligations as they become due, which would be detrimental to the value of their business, and in turn, the interests of their stakeholders.

156. In the circumstances, I believe that the CCAA Proceedings are the only viable means of restructuring the Applicants' business for the benefit of their stakeholders and that the relief sought in the Initial Order is limited to what is reasonably necessary to stabilize the Applicants' business in the initial ten (10) day period.

157. If the Initial Order is granted, the Applicants also respectfully submit that the relief sought in the proposed ARIO and SISP Approval Order are appropriate and in the best interests of the Applicants, the Non-Applicant Stay Entities and their stakeholders, and that such Orders be granted at the Comeback Hearing.

SWORN REMOTELY by Matthew)
Milich stated as being located in the City of)
Mississauga, in the Province of Ontario,)
before me at the City of Toronto, in the)
Province of Ontario, on February 28th,)
2024 in accordance with O. Reg. 431/20,)
Administering Oath or Declaration)
Remotely.)

DocuSigned by:
Jamie Ernst
265A8C7A10A1495...

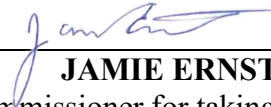
JAMIE ERNST

A Commissioner for Taking Affidavits in)
and for the Province of Ontario)

DocuSigned by:
MM
ED78A780251C4ED...

MATTHEW MILICH

THIS IS **EXHIBIT "A"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.

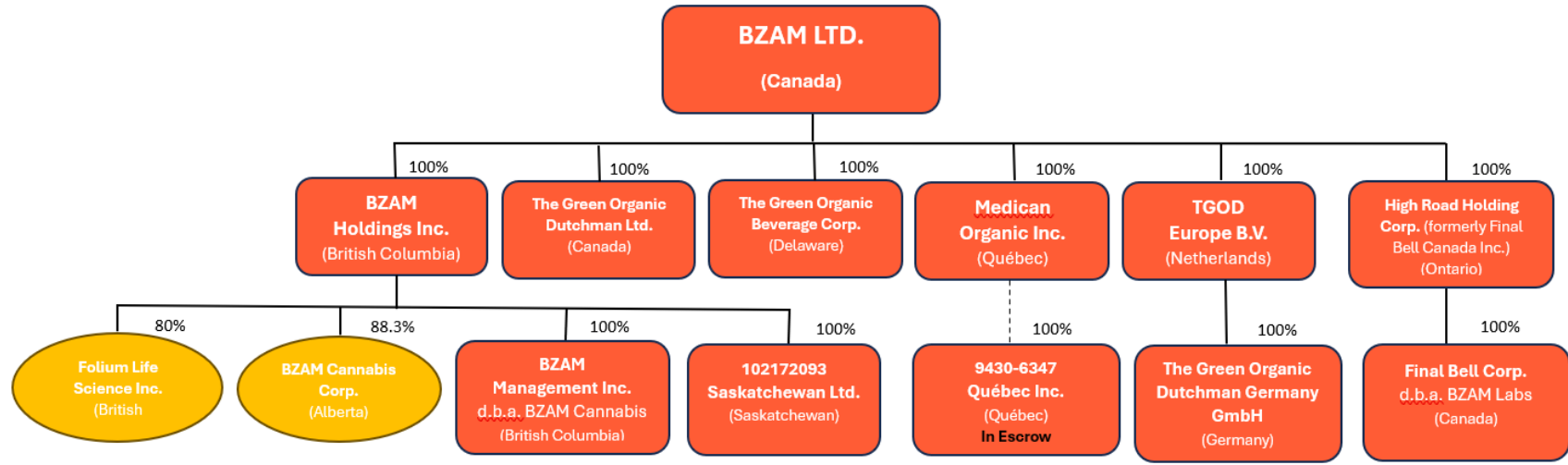


JAMIE ERNST

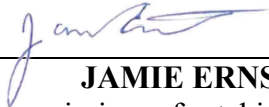
A Commissioner for taking Affidavits
(or as may be)

BZAM Ltd. Corporate Org Chart

As of February 20, 2024, Issued/Outstanding Shares of BZAM Ltd: 273,578,952 common [shares](#)



THIS IS **EXHIBIT "B"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.



JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)



Corporate Profile / Profil corporatif

Date and time of Corporate Profile (YYYY-MM-DD)	2024-02-15 2:36 PM	(AAAA-MM-JJ) Date et heure du Profil corporatif
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CORPORATE INFORMATION	RENSEIGNEMENTS CORPORATIFS	
Corporate name	Dénomination	
	BZAM LTD.	
Corporation number	998624-3	Numéro de société ou d'organisation
Business number	741549521RC0001	Numéro d'entreprise
Governing legislation	Régime législatif	
	Canada Business Corporations Act (CBCA) - 2016-11-16 Loi canadienne sur les sociétés par actions (LCSA) - 2016-11-16	
Status	Statut	
	Active Active	

REGISTERED OFFICE ADDRESS	ADRESSE DU SIÈGE
	518 - 19100 Airport Way Pitt Meadows BC V3Y 0E2 Canada

ANNUAL FILINGS	DÉPÔTS ANNUELS		
Anniversary date (MM-DD)	11-16	(MM-JJ) Date anniversaire	
Filing period (MM-DD)	11-16 to/au 01-15	(MM-JJ) Période de dépôt	
Status of annual filings	Statut des dépôts annuels		
	Not due	2024	N'est pas dû
	Filed	2023	Déposé
	Filed	2022	Déposé
Date of last annual meeting (YYYY-MM-DD)	2023-05-30	(AAAA-MM-JJ) Date de la dernière assemblée annuelle	
Type	Type		
	Distributing corporation Société ayant fait appel au public		

DIRECTORS		ADMINISTRATEURS
Minimum number	3	Nombre minimal
Maximum number	10	Nombre maximal
Current number	7	Nombre actuel
Vaughna Sherry Tross	518 - 19100 Airport Way, Pitt Meadows BC V3Y 0E2, Canada	
Keith Andrew Merker	518 - 19100 Airport Way, Pitt Meadows BC V3Y 0E2, Canada	
Kay Jessel	518 - 19100 Airport Way, Pitt Meadows BC V3Y 0E2, Canada	
Matthew Milich	518 - 19100 Airport Way, Pitt Meadows BC V3Y 0E2, Canada	
Christopher James Schnarr	518 - 19100 Airport Way, Pitt Meadows BC V3Y 0E2, Canada	
Wendy Kaufman	518 - 19100 Airport Way, Pitt Meadows BC V3Y 0E2, Canada	
Bassam Alghanim	518 - 19100 Airport Way, Pitt Meadows BC V3Y 0E2, Canada	

CORPORATE HISTORY		HISTORIQUE CORPORATIF
Corporate name history (YYYY-MM-DD)		(AAAA-MM-JJ) Historique de la dénomination
2016-11-16 to / à 2023-02-23 2023-02-23 to present / à maintenant	The Green Organic Dutchman Holdings Ltd. BZAM LTD.	
Certificates issued (YYYY-MM-DD)		(AAAA-MM-JJ) Certificats émis
Certificate of Incorporation	2016-11-16	Certificat de constitution en société
Certificate of Amendment	2016-12-12	Certificat de modification
Amendment details:		Renseignements concernant les modifications aux statuts :
Number of directors		Nombre d'administrateurs
Certificate of Amendment	2022-11-08	Certificat de modification
Amendment details:		Renseignements concernant les modifications aux statuts :
Other		Autre
Certificate of Amendment	2023-02-23	Certificat de modification
Amendment details:		Renseignements concernant les modifications aux statuts :
Corporate name		Dénomination sociale
Certificate of Amendment	2023-05-30	Certificat de modification
Amendment details:		Renseignements concernant les modifications aux statuts :
Province or Territory of Registered Office		Province ou territoire du siège social
Amendments details are only available for amendments effected after 2010-03-20. Some certificates issued prior to 2000 may not be listed.		Seuls les renseignements concernant les modifications effectuées après 2010-03-20 sont disponibles. Certains certificats émis avant 2000 pourraient ne pas être listés.
Documents filed (YYYY-MM-DD)		(AAAA-MM-JJ) Documents déposés
Proxy Circular received	2023-05-01	Circulaire de procuration reçu
Date as of	2023-05-30	En date du
Proxy Circular received	2020-11-18	Circulaire de procuration reçu
Date as of	2020-12-15	En date du
Proxy Circular received	2021-06-03	Circulaire de procuration reçu
Date as of	2021-06-29	En date du
Proxy Circular received	2022-06-06	Circulaire de procuration reçu
Date as of	2022-06-29	En date du

The Corporate Profile sets out the most recent information filed with and accepted by Corporations Canada as of the date and time set out on the Profile.	Le Profil corporatif fait état des renseignements fournis et acceptés par Corporations Canada à la date et à l'heure indiquées dans le profil.
--	---

THIS IS **EXHIBIT "C"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.



JAMIE ERNST
A Commissioner for taking Affidavits
(or as may be)



BC Company Summary

For BZAM HOLDINGS INC.

Date and Time of Search: February 13, 2024 02:26 PM Pacific Time
Currency Date: December 07, 2023

ACTIVE

Incorporation Number: BC1194470
Name of Company: BZAM HOLDINGS INC.
Business Number: 714910510 BC0001
Recognition Date and Time: Incorporated on January 17, 2019 03:54 PM Pacific Time **In Liquidation:** No
Last Annual Report Filed: January 17, 2024 **Receiver:** No

REGISTERED OFFICE INFORMATION

Mailing Address:
10TH FLOOR, 595 HOWE ST.
VANCOUVER BC V6C 2T5
CANADA

Delivery Address:
10TH FLOOR, 595 HOWE ST.
VANCOUVER BC V6C 2T5
CANADA

RECORDS OFFICE INFORMATION

Mailing Address:
10TH FLOOR, 595 HOWE ST.
VANCOUVER BC V6C 2T5
CANADA

Delivery Address:
10TH FLOOR, 595 HOWE ST.
VANCOUVER BC V6C 2T5
CANADA

DIRECTOR INFORMATION

Last Name, First Name, Middle Name:
Bovingdon, Sean

Mailing Address:
SUITE 1570, 200 BURRARD STREET
VANCOUVER BC V6C 3L6
CANADA

Delivery Address:
SUITE 1570, 200 BURRARD STREET
VANCOUVER BC V6C 3L6
CANADA

Last Name, First Name, Middle Name:

Milich, Matthew

Mailing Address:

SUITE 1570, 200 BURRARD STREET
VANCOUVER BC V6C 3L6
CANADA

Delivery Address:

SUITE 1570, 200 BURRARD STREET
VANCOUVER BC V6C 3L6
CANADA

Last Name, First Name, Middle Name:

Winnett, Jordan

Mailing Address:

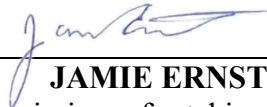
SUITE 1570, 200 BURRARD STREET
VANCOUVER BC V6C 3L6
CANADA

Delivery Address:

SUITE 1570, 200 BURRARD STREET
VANCOUVER BC V6C 3L6
CANADA

NO OFFICER INFORMATION FILED AS AT January 17, 2024.

THIS IS **EXHIBIT "D"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.

A handwritten signature in blue ink, appearing to read "Jamie Ernst", is positioned above a horizontal line.

JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)



BC Company Summary

For BZAM MANAGEMENT INC.

Date and Time of Search: February 13, 2024 02:29 PM Pacific Time
Currency Date: December 07, 2023

ACTIVE

Incorporation Number: BC1200752
Name of Company: BZAM MANAGEMENT INC.
Business Number: 705836518 BC0001
Recognition Date and Time: Incorporated on March 12, 2019 10:30 AM Pacific Time **In Liquidation:** No
Last Annual Report Filed: March 12, 2023 **Receiver:** No

REGISTERED OFFICE INFORMATION

Mailing Address:
10TH FLOOR, 595 HOWE ST.
VANCOUVER BC V6C 2T5
CANADA

Delivery Address:
10TH FLOOR, 595 HOWE ST.
VANCOUVER BC V6C 2T5
CANADA

RECORDS OFFICE INFORMATION

Mailing Address:
10TH FLOOR, 595 HOWE ST.
VANCOUVER BC V6C 2T5
CANADA

Delivery Address:
10TH FLOOR, 595 HOWE ST.
VANCOUVER BC V6C 2T5
CANADA

DIRECTOR INFORMATION

Last Name, First Name, Middle Name:
Bovingdon, Sean

Mailing Address:
SUITE 1570, 200 BURRARD STREET
VANCOUVER BC V6C 3L6
CANADA

Delivery Address:
SUITE 1570, 200 BURRARD STREET
VANCOUVER BC V6C 3L6
CANADA

Last Name, First Name, Middle Name:

Milich, Matthew

Mailing Address:

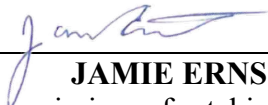
SUITE 1570, 200 BURRARD STREET
VANCOUVER BC V6C 3L6
CANADA

Delivery Address:

SUITE 1570, 200 BURRARD STREET
VANCOUVER BC V6C 3L6
CANADA

NO OFFICER INFORMATION FILED AS AT March 12, 2023.

THIS IS **EXHIBIT "E"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.



JAMIE ERNST
A Commissioner for taking Affidavits
(or as may be)

Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2024/02/13
Time of Search: 03:19 PM
Service Request Number: 41474030
Customer Reference Number: 05162287-EDD3_5_4049322

Corporate Access Number: 2023259126
Business Number: 755675477
Legal Entity Name: BZAM CANNABIS CORP.

Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Method of Registration: Amalgamation
Registration Date: 2021/02/19 YYYY/MM/DD

Registered Office:

Street: 3400, 350 - 7TH AVENUE SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P3N9

Records Address:

Street: 3400, 350 - 7TH AVENUE SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P3N9

Email Address: CGYCORP@FASKEN.COM

Primary Agent for Service:

Last Name	First Name	Middle Name	Firm Name	Street	City	Province	Postal Code	Email
SAWATSKY	BRENDAN		FASKEN MARTINEAU DUMOULIN LLP	3400, 350 - 7TH AVENUE S.W.	CALGARY	ALBERTA	T2P3N9	CGYCORP@FASKEN.COM

Directors:

Last Name: BOVINGDON
First Name: SEAN
Street/Box Number: 402 - 5520 EXPLORER DRIVE
City: MISSISSAUGA
Province: ONTARIO
Postal Code: L4W5L1

Last Name: KAPLOUN
First Name: MAX

Street/Box Number: 402 - 5520 EXPLORER DRIVE
City: MISSISSAUGA
Province: ONTARIO
Postal Code: L4W5L1

Last Name: MILICH
First Name: MATTHEW
Street/Box Number: 200 BARRARD STREET, #1570
City: VANCOUVER
Province: BRITISH COLUMBIA
Postal Code: V6C3L6

Voting Shareholders:

Legal Entity Name: ARCHON INDUSTRIES INC.
Corporate Access Number: 2016711307
Street: 1400 - 10303 JASPER AVENUE S.W.
City: EDMONTON
Province: ALBERTA
Postal Code: T5J3N6
Percent Of Voting Shares: 5.4

Last Name: BZAM HOLDINGS INC.
Street: 200 BARRARD STREET, SUITE 1570
City: VANCOUVER
Province: BRITISH COLUMBIA
Postal Code: V6C3L6
Percent Of Voting Shares: 57.02

Legal Entity Name: GAMAGES LIMITED
Corporate Access Number: 2016306538
Street: 13009 - 141B AVENUE
City: EDMONTON
Province: ALBERTA
Postal Code: T6V1P4
Percent Of Voting Shares: 8.39

Last Name: HOMEFOLIO INC.
Street: #100, 1740 STONY PLAIN ROAD N.W.
City: EDMONTON
Province: ALBERTA
Postal Code: T5S1K6
Percent Of Voting Shares: 5.03

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE ATTACHED SCHEDULE "A"
Share Transfers Restrictions: NONE

Min Number Of Directors: 1
Max Number Of Directors: 7
Business Restricted To: NONE
Business Restricted From: NONE
Other Provisions: SEE ATTACHED SCHEDULE "C"

Other Information:

Amalgamation Predecessors:

Corporate Access Number	Legal Entity Name
2017712775	BZAM CANNABIS CORP.
2019926670	SWEETGRASS INC.

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2023	2023/03/02

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2021/02/19	Amalgamate Alberta Corporation
2021/03/10	Update Business Number Legal Entity
2021/09/08	Change Agent for Service
2023/01/17	Change Director / Shareholder
2023/03/02	Enter Annual Returns for Alberta and Extra-Provincial Corp.

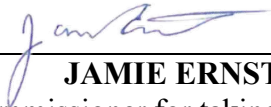
Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2021/02/19
Other Rules or Provisions	ELECTRONIC	2021/02/19
Statutory Declaration	10000207135221112	2021/02/19

The Registrar of Corporations certifies that, as of the date of this search, the above information is an accurate reproduction of data contained in the official public records of Corporate Registry.



THIS IS **EXHIBIT "F"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.



JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)



BC Company Summary

For
FOLIUM LIFE SCIENCE INC.

Date and Time of Search: February 13, 2024 02:28 PM Pacific Time
Currency Date: December 07, 2023

ACTIVE

Incorporation Number: BC1186599
Name of Company: FOLIUM LIFE SCIENCE INC.
Business Number: 813579844 BC0002
Recognition Date and Time: November 14, 2018 04:18 PM Pacific Time as a result of an Amalgamation **In Liquidation:** No
Last Annual Report Filed: November 14, 2023 **Receiver:** No

AMALGAMATING CORPORATION(S) INFORMATION

Name of Amalgamating Corporation	Incorporation Number in BC
1137773 B.C. LTD.	BC1137773
FOLIUM LIFE SCIENCE INC.	BC0968720

REGISTERED OFFICE INFORMATION

Mailing Address:	Delivery Address:
10TH FLOOR, 595 HOWE ST. VANCOUVER BC V6C 2T5 CANADA	10TH FLOOR, 595 HOWE ST. VANCOUVER BC V6C 2T5 CANADA

RECORDS OFFICE INFORMATION

Mailing Address:	Delivery Address:
10TH FLOOR, 595 HOWE ST. VANCOUVER BC V6C 2T5 CANADA	10TH FLOOR, 595 HOWE ST. VANCOUVER BC V6C 2T5 CANADA

DIRECTOR INFORMATION

Last Name, First Name, Middle Name:

Bovingdon, Sean

Mailing Address:

SUITE 1570, 200 BURRARD STREET
VANCOUVER BC V6C 3L6
CANADA

Delivery Address:

SUITE 1570, 200 BURRARD STREET
VANCOUVER BC V6C 3L6
CANADA

Last Name, First Name, Middle Name:

Milich, Matthew

Mailing Address:

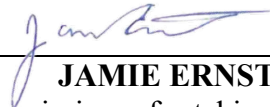
SUITE 1570, 200 BURRARD STREET
VANCOUVER BC V6C 3L6
CANADA

Delivery Address:

SUITE 1570, 200 BURRARD STREET
VANCOUVER BC V6C 3L6
CANADA

NO OFFICER INFORMATION FILED AS AT November 14, 2023.

THIS IS **EXHIBIT "G"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.



JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)



Entity Number: 102172093

Page 1 of 3

Entity Name: 102172093 SASKATCHEWAN LTD.

Report Date: 15-Feb-2024

Entity Details

Entity Type	Business Corporation
Entity Subtype	Saskatchewan Corporation
Entity Status	Active
Incorporation Date	15-Jun-2023
Annual Return Due Date	31-Jul-2024
Nature of Business	All other miscellaneous store retailers
MRAS indicator	No

Registered Office Addresses

Physical Address	1500-1874 SCARTH ST, REGINA, Saskatchewan, Canada, S4P 4E9
Mailing Address	102172093 SASKATCHEWAN LTD., 1500-1874 SCARTH ST, REGINA, Saskatchewan, Canada, S4P 4E9

Directors/Officers

MATT MILICH (Director)	Effective Date:	15-Jun-2023
Physical Address:	200 BURRARD STREET, SUITE 1570, VANCOUVER, British Columbia, Canada, V6C 3L6	
Mailing Address:	200 BURRARD STREET, SUITE 1570, VANCOUVER, British Columbia, Canada, V6C 3L6	
MATT MILICH (Officer)	Effective Date:	15-Jun-2023
Physical Address:	200 BURRARD STREET, SUITE 1570, VANCOUVER, British Columbia, Canada, V6C 3L6	
Mailing Address:	Office Held:	PRESIDENT
	200 BURRARD STREET, SUITE 1570, VANCOUVER, British Columbia, Canada, V6C 3L6	



Entity Number: 102172093

Page 2 of 3

Entity Name: 102172093 SASKATCHEWAN LTD.

Report Date: 15-Feb-2024

SEAN BOVINGDON (Director)

Effective Date:

15-Jun-2023

Physical Address: 200 BURRARD STREET, SUITE
1570, VANCOUVER, British
Columbia, Canada, V6C 3L6

Mailing Address: 200 BURRARD STREET, SUITE
1570, VANCOUVER, British
Columbia, Canada, V6C 3L6

SEAN BOVINGDON (Officer)

Effective Date:

15-Jun-2023

Physical Address: 200 BURRARD STREET, SUITE
1570, VANCOUVER, British
Columbia, Canada, V6C 3L6

Mailing Address: 200 BURRARD STREET, SUITE
1570, VANCOUVER, British
Columbia, Canada, V6C 3L6

Office Held:

CFO

ROSANNA MASTROPIETRO (Officer)

Effective Date:

15-Jun-2023

Physical Address: 200 BURRARD STREET, SUITE
1570, VANCOUVER, British
Columbia, Canada, V6C 3L6

Mailing Address: 200 BURRARD STREET, SUITE
1570, VANCOUVER, British
Columbia, Canada, V6C 3L6

Office Held:

SECRETARY

Power of Attorney

STATHY G. MARKATOS

Physical Address: 1500-1874 SCARTH ST, REGINA, Saskatchewan, Canada, S4P 4E9

Mailing Address: 1500-1874 SCARTH ST, REGINA, Saskatchewan, Canada, S4P 4E9

NATHAN A. SCHISSEL

Physical Address: 1500-1874 SCARTH ST, REGINA, Saskatchewan, Canada, S4P 4E9

Mailing Address: 1500-1874 SCARTH ST, REGINA, Saskatchewan, Canada, S4P 4E9

SAMER AWADH

Physical Address: 1500-1874 SCARTH ST, REGINA, Saskatchewan, Canada, S4P 4E9

Mailing Address: 1500-1874 SCARTH ST, REGINA, Saskatchewan, Canada, S4P 4E9

Shareholders



Entity Number: 102172093

Page 3 of 3

Entity Name: 102172093 SASKATCHEWAN LTD.

Report Date: 15-Feb-2024

Shareholder Name	Mailing Address	Share Class	Shares Held
BZAM HOLDINGS INC.	200 BURRARD STREET, SUITE 1570, VANCOUVER, BRITISH COLUMBIA, CANADA, V6C 3L6	CLASS A	1

Articles

Minimum Number of Directors: 1 **Maximum Number of Directors:** 10

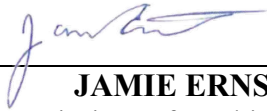
Share Structure:

Class Name	Voting Rights	Authorized Number	Number Issued
CLASS A	Yes	Unlimited	1
CLASS B	No	Unlimited	
CLASS C	No	Unlimited	
CLASS D	No	Unlimited	
CLASS E	Yes	Unlimited	
CLASS F	No	Unlimited	
CLASS G	No	Unlimited	

Event History

Type	Date
Notice of Change of Directors/Officers	15-Jun-2023
Notice of Shareholders	15-Jun-2023
Business Corporation - Incorporation	15-Jun-2023

THIS IS **EXHIBIT "H"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.



JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)



Corporate Profile / Profil corporatif

Date and time of Corporate Profile (YYYY-MM-DD)	2024-02-15 2:38 PM	(AAAA-MM-JJ) Date et heure du Profil corporatif
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CORPORATE INFORMATION	RENSEIGNEMENTS CORPORATIFS
Corporate name	Dénomination
THE GREEN ORGANIC DUTCHMAN LTD.	
Corporation number	840212-4
Business number	830134847RC0001
Governing legislation	Canada Business Corporations Act (CBCA) - 2013-01-10 Loi canadienne sur les sociétés par actions (LCSA) - 2013-01-10
Status	Active Active

REGISTERED OFFICE ADDRESS	ADRESSE DU SIÈGE
402 - 5520 Explorer Drive Mississauga ON L4W 5L1 Canada	

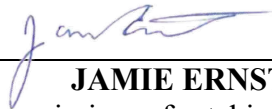
ANNUAL FILINGS	DÉPÔTS ANNUELS									
Anniversary date (MM-DD)	01-10 (MM-JJ) Date anniversaire									
Filing period (MM-DD)	01-10 to/au 03-11 (MM-JJ) Période de dépôt									
Status of annual filings	Statut des dépôts annuels									
<table> <tr> <td>Due to be filed</td> <td>2024</td> <td>Dépôt dû</td> </tr> <tr> <td>Filed</td> <td>2023</td> <td>Déposé</td> </tr> <tr> <td>Filed</td> <td>2022</td> <td>Déposé</td> </tr> </table>		Due to be filed	2024	Dépôt dû	Filed	2023	Déposé	Filed	2022	Déposé
Due to be filed	2024	Dépôt dû								
Filed	2023	Déposé								
Filed	2022	Déposé								
Date of last annual meeting (YYYY-MM-DD)	2023-03-30 (AAAA-MM-JJ) Date de la dernière assemblée annuelle									
Type	Non-distributing corporation with 50 or fewer shareholders Société n'ayant pas fait appel au public et comptant 50 actionnaires ou moins									

DIRECTORS		ADMINISTRATEURS
Minimum number	1	Nombre minimal
Maximum number	10	Nombre maximal
Current number	2	Nombre actuel
Sean Bovington Matthew Milich	269 Beechfield Road, Oakville ON L6J 5H9, Canada 1570 - 200 Burrard St., Vancouver BC V6C 3L6, Canada	

CORPORATE HISTORY		HISTORIQUE CORPORATIF
Corporate name history (YYYY-MM-DD)	(AAAA-MM-JJ) Historique de la dénomination	
2013-01-10 to present / à maintenant	THE GREEN ORGANIC DUTCHMAN LTD.	
Certificates issued (YYYY-MM-DD)	(AAAA-MM-JJ) Certificats émis	
Certificate of Incorporation	2013-01-10 Certificat de constitution en société	
Amendments details are only available for amendments effected after 2010-03-20. Some certificates issued prior to 2000 may not be listed.	Seuls les renseignements concernant les modifications effectuées après 2010-03-20 sont disponibles. Certains certificats émis avant 2000 pourraient ne pas être listés.	
Documents filed (YYYY-MM-DD)	(AAAA-MM-JJ) Documents déposés	

The Corporate Profile sets out the most recent information filed with and accepted by Corporations Canada as of the date and time set out on the Profile.	Le Profil corporatif fait état des renseignements fournis et acceptés par Corporations Canada à la date et à l'heure indiquées dans le profil.
--	---

THIS IS **EXHIBIT "I"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.



JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)

Rechercher une entreprise au registre

État des informations

Convention unanime, actionnaires, administrateurs, dirigeants, bénéficiaires ultimes et fondé de pouvoir

Établissements

Index des documents

Index des noms

Historique



État de renseignements d'une personne morale au registre des entreprises

[Retour aux résultats](#)

Renseignements en date du 2024-02-13 17:17:15

État des informations

Identification de l'entreprise

Número d'entreprise du Québec (NEQ)	1173090391
Nom	Médican Biologique inc.
Version du nom dans une autre langue	Medican Organic Inc.

Adresse du domicile

Adresse	5000 ch. Murphy Vaudreuil-Dorion (Québec) J7V4L4 Canada
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Adresse du domicile élu

Nom de l'entreprise	Langlois Avocats, S.E.N.C.R.L. / Langlois Lawyers, LLP
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Adresse	2000-1250 boul. René-Lévesque O Montréal (Québec) H3B4W8 Canada
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Immatriculation

Date d'immatriculation	2017-09-19
Statut	Immatriculée
Date de mise à jour du statut	2017-09-19
Date de fin d'existence prévue	Aucune date de fin d'existence n'est déclarée au registre.

Forme juridique

Forme juridique	Société par actions ou compagnie
Date de la constitution	2017-09-19 Constitution
Régime constitutif	QUÉBEC : Loi sur les sociétés par actions (RLRQ, C. S-31.1)
Régime courant	QUÉBEC : Loi sur les sociétés par actions (RLRQ, C. S-31.1)

Dates des mises à jour

Date de mise à jour de l'état de renseignements	2023-10-17
Date de la dernière déclaration de mise à jour annuelle	2023-01-11 2022
Date de fin de la période de production de la déclaration de mise à jour annuelle de 2024	2025-07-01
Date de fin de la période de production de la déclaration de mise à jour annuelle de 2023	2024-07-01

Faillite

L'entreprise n'est pas en faillite.

Fusion, scission et conversion

La personne morale a fait l'objet de fusion(s).

Type	Loi applicable	Date	Nom et domicile de la personne morale	Composante	Résultante
Fusion simplifiée par actions (RLRQ, C. S-31.1)	QUÉBEC : Loi sur les sociétés	2021-01-01	9371-8633 Québec inc. 1175 boul. Gérard-Cadieux Salaberry-de-Valleyfield (Québec) J6T6M1 Canada	1173348229	1173090391

Continuation et autre transformation

Aucune continuation ou autre transformation n'a été déclarée.

Liquidation ou dissolution

Aucune intention de liquidation ou de dissolution n'a été déclarée.

Activités économiques et nombre de salariés**1^{er} secteur d'activité**

Code d'activité économique (CAE)	9999
Activité	Autres services
Précisions (facultatives)	Production, transformation et vente de cannabis.

2^e secteur d'activité

Aucun renseignement n'a été déclaré.

Nombre de salariés

Nombre de salariés au Québec	De 11 à 25
Proportion de salariés qui ne sont pas en mesure de communiquer en français au travail	0%

Convention unanime, actionnaires, administrateurs, dirigeants, bénéficiaires ultimes et fondé de pouvoir**Actionnaires****Premier actionnaire**

Le premier actionnaire est majoritaire.

Nom	BZAM Ltd.
Adresse du domicile	1570-200 ST Burrad Vancouver British Columbia V6C3L6 Canada

Convention unanime des actionnaires

Il n'existe pas de convention unanime des actionnaires conclue en vertu d'une loi du Québec ou d'une autre autorité législative du Canada.

Liste des administrateurs

Nom de famille	Bovingdon
Prénom	Sean
Date du début de la charge	2022-01-11
Date de fin de la charge	
Fonctions actuelles	Chef de la direction financière
Adresse du domicile	Adresse non publiable
Adresse professionnelle	518-19100 Airport Way Pitt Meadows Colombie-Britannique V3Y0E2 Canada

Nom de famille	Milich
Prénom	Matthew Noel
Date du début de la charge	2023-01-31
Date de fin de la charge	

Fonctions actuelles

Président

Adresse du domicile

Adresse non publiable

Adresse professionnelle

518-19100 Airport Way Pitt Meadows Colombie-Britannique
V3Y0E2 Canada

[Historique](#)

Dirigeants non membres du conseil d'administration

Nom de famille	Mastropietro
Prénom	Rosanna
Fonctions actuelles	Secrétaire
Adresse du domicile	Adresse non publiable
Adresse professionnelle	518-19100 Airport Way Pitt Meadows Colombie-Britannique V3Y0E2 Canada

Déclaration relative aux bénéficiaires ultimes

Aucun renseignement n'a été déclaré.

Fondé de pouvoir

Aucun fondé de pouvoir n'a été déclaré.

Administrateurs du bien d'autrui

Aucun administrateur du bien d'autrui n'a été déclaré.

Établissements

Aucun établissement n'a été déclaré.

Documents en traitement

Aucun document n'est actuellement traité par le Registraire des entreprises.

Index des documents

Documents conservés

Type de document	Date de dépôt au registre
Déclaration de mise à jour courante	2023-10-17
Déclaration de mise à jour courante	2023-06-26
Déclaration de mise à jour courante	2023-03-09
Déclaration de mise à jour courante	2023-02-13
DÉCLARATION DE MISE À JOUR ANNUELLE 2022	2023-01-11
Déclaration de mise à jour courante	2022-08-15
Déclaration de mise à jour courante	2022-03-28
Déclaration de mise à jour courante	2022-03-22
DÉCLARATION DE MISE À JOUR ANNUELLE 2021	2022-01-18
Déclaration de mise à jour courante	2021-05-18
Déclaration de mise à jour courante	2021-04-06
Certificat de modification	2021-02-15
DÉCLARATION DE MISE À JOUR ANNUELLE 2020	2021-01-19
Certificat de fusion	2020-12-30
Déclaration de mise à jour courante	2020-11-20
Déclaration de mise à jour courante	2020-01-10
Déclaration de mise à jour courante	2019-12-17
Déclaration de mise à jour courante	2019-12-06
DÉCLARATION DE MISE À JOUR ANNUELLE 2019	2019-05-07
DÉCLARATION DE MISE À JOUR ANNUELLE 2018	2019-02-02
Déclaration de mise à jour courante	2018-11-30
Déclaration de mise à jour courante	2018-11-23
Déclaration de mise à jour courante	2018-07-23
Déclaration de mise à jour courante	2018-04-19
Déclaration de mise à jour courante	2018-03-16
Déclaration initiale	2017-09-27
Certificat de constitution	2017-09-19

Index des noms

Nom

Nom	Versions du nom dans une autre langue	Date de déclaration du nom	Date de déclaration du retrait du nom	Situation
Médican Biologique inc.	Medican Organic Inc.	2017-09-19		En vigueur

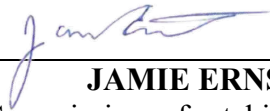
Autres noms utilisés au Québec

Autre nom	Versions du nom dans une autre langue	Date de déclaration du nom	Date de déclaration du retrait du nom	Situation
Médican	Medican	2018-03-16		En vigueur

[Retour aux résultats](#)[Assistance technique >>>](#)[Sécurité](#) | [Confidentialité](#) | [Configuration nécessaire](#)**Québec**

© Gouvernement du Québec

THIS IS **EXHIBIT "J"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.



JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)



Profile Report

HIGH ROAD HOLDING CORP. as of February 13, 2024

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	HIGH ROAD HOLDING CORP.
Ontario Corporation Number (OCN)	2809107
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Incorporation	January 18, 2021
Registered or Head Office Address	5520 Explorer Drive, 402, Mississauga, Ontario, Canada, L4W 5L1

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Active Director(s)

Minimum Number of Directors 1
Maximum Number of Directors 10

Name GREGORY BOONE
Address for Service 46 Felker Crescent, Stoney Creek, Ontario, Canada, L8G 2A7
Resident Canadian Yes
Date Began November 30, 2022

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

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Active Officer(s)

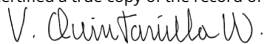
Name GREGORY BOONE
Position Vice-President
Address for Service 46 Felker Crescent, Stoney Creek, Ontario, Canada, L8G 2A7
Date Began May 05, 2021

Name GREGORY BOONE
Position President
Address for Service 46 Felker Crescent, Stoney Creek, Ontario, Canada, L8G 2A7
Date Began November 30, 2022

Name GREGORY BOONE
Position Secretary
Address for Service 46 Felker Crescent, Stoney Creek, Ontario, Canada, L8G 2A7
Date Began November 30, 2022

Name JENNIFER MACCARONE
Position Treasurer
Address for Service 915 Henry Street, Whitby, Ontario, Canada, L1N 5E6
Date Began May 05, 2021

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.



Director/Registrar

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Corporate Name History

Name	HIGH ROAD HOLDING CORP.
Effective Date	January 08, 2024
Previous Name	FINAL BELL CANADA INC.
Effective Date	January 18, 2021

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

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Active Business Names

This corporation does not have any active business names registered under the Business Names Act in Ontario.

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

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Expired or Cancelled Business Names

This corporation does not have any expired or cancelled business names registered under the Business Names Act in Ontario.

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Director/Registrar

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Document List

Filing Name	Effective Date
CIA - Notice of Change PAF: ROSANNA MASTROPIETRO	January 29, 2024
BCA - Articles of Amendment	January 08, 2024
Annual Return - 2022 PAF: GREGORY BOONE	January 24, 2023
Annual Return - 2021 PAF: GREGORY BOONE	January 24, 2023
CIA - Notice of Change PAF: GREGORY BOONE	December 09, 2022
CIA - Notice of Change PAF: JEFFREY PAIKIN - DIRECTOR	May 31, 2021
CIA - Notice of Change PAF: JEFFREY PAIKIN - DIRECTOR	May 10, 2021
BCA - Articles of Amendment	March 17, 2021
CIA - Initial Return PAF: JEFFREY PAIKIN - DIRECTOR	March 10, 2021
BCA - Articles of Incorporation	January 18, 2021

All "PAF" (person authorizing filing) information is displayed exactly as recorded in the Ontario Business Registry. Where PAF is not shown against a document, the information has not been recorded in the Ontario Business Registry.

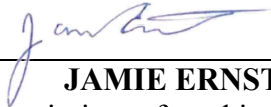
Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

THIS IS **EXHIBIT "K"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.



JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)



Corporate Profile / Profil corporatif

Date and time of Corporate Profile (YYYY-MM-DD)	2024-02-15 2:49 PM	(AAAA-MM-JJ) Date et heure du Profil corporatif
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CORPORATE INFORMATION		RENSEIGNEMENTS CORPORATIFS
Corporate name	Dénomination	
	FINAL BELL CORP.	
Corporation number	1142507-2	Numéro de société ou d'organisation
Business number	780639324RC0001	Numéro d'entreprise
Governing legislation	Régime législatif	
	Canada Business Corporations Act (CBCA) - 2019-06-21 Loi canadienne sur les sociétés par actions (LCSA) - 2019-06-21	
Status	Statut	
	Active Active	

REGISTERED OFFICE ADDRESS	ADRESSE DU SIÈGE
	1100 Bennett Road Bowmanville ON L1C 3K5 Canada

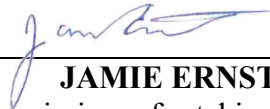
ANNUAL FILINGS	DÉPÔTS ANNUELS		
Anniversary date (MM-DD)	06-21	(MM-JJ) Date anniversaire	
Filing period (MM-DD)	06-21 to/au 08-20	(MM-JJ) Période de dépôt	
Status of annual filings	Statut des dépôts annuels		
	Not due	2024	N'est pas dû
	Filed	2023	Déposé
	Filed	2022	Déposé
Date of last annual meeting (YYYY-MM-DD)	2022-06-23	(AAAA-MM-JJ) Date de la dernière assemblée annuelle	
Type	Type		
	Non-distributing corporation with 50 or fewer shareholders Société n'ayant pas fait appel au public et comptant 50 actionnaires ou moins		

DIRECTORS		ADMINISTRATEURS
Minimum number	1	Nombre minimal
Maximum number	20	Nombre maximal
Current number	2	Nombre actuel
Jennifer Maccarone	915 Henry Street, Whitby ON L1N 5E6, Canada	
Gregory Boone	46 Felker Crescent, Hamilton ON L8G 2A7, Canada	

CORPORATE HISTORY		HISTORIQUE CORPORATIF
Corporate name history (YYYY-MM-DD)		(AAAA-MM-JJ) Historique de la dénomination
2019-06-21 to / à 2021-06-15 2021-06-15 to present / à maintenant	Starseed Medicinal Inc. FINAL BELL CORP.	
Certificates issued (YYYY-MM-DD)		(AAAA-MM-JJ) Certificats émis
Certificate of Continuance Previous jurisdiction: Ontario	2019-06-21	Certificat de prorogation Juridiction précédente : Ontario
Certificate of Amendment Amendment details: Corporate name	2021-06-15	Certificat de modification Renseignements concernant les modifications aux statuts : Dénomination sociale
Amendments details are only available for amendments effected after 2010-03-20. Some certificates issued prior to 2000 may not be listed.		Seuls les renseignements concernant les modifications effectuées après 2010-03-20 sont disponibles. Certains certificats émis avant 2000 pourraient ne pas être listés.
Documents filed (YYYY-MM-DD)		(AAAA-MM-JJ) Documents déposés

The Corporate Profile sets out the most recent information filed with and accepted by Corporations Canada as of the date and time set out on the Profile.	Le Profil corporatif fait état des renseignements fournis et acceptés par Corporations Canada à la date et à l'heure indiquées dans le profil.
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THIS IS **EXHIBIT "L"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.



JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)

Rechercher une entreprise au registre

État des informations

Convention unanime, actionnaires, administrateurs, dirigeants, bénéficiaires ultimes et fondé de pouvoir

Établissements

Index des documents

Index des noms

Historique



État de renseignements d'une personne morale au registre des entreprises

[Retour aux résultats](#)

Renseignements en date du 2024-02-13 17:18:18

État des informations

Identification de l'entreprise

Número d'entreprise du Québec (NEQ)	1176033497
Nom	9430-6347 Québec inc.

Adresse du domicile

Adresse	2044 av. Bédard Saint-Lazare (Québec) J7T2E5 Canada
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Adresse du domicile élu

Adresse	Aucune adresse
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Immatriculation

Date d'immatriculation	2020-12-07
Statut	Immatriculée
Date de mise à jour du statut	2020-12-07
Date de fin d'existence prévue	Aucune date de fin d'existence n'est déclarée au registre.

Forme juridique

Forme juridique	Société par actions ou compagnie
Date de la constitution	2020-12-07 Constitution
Régime constitutif	QUÉBEC : Loi sur les sociétés par actions (RLRQ, C. S-31.1)
Régime courant	QUÉBEC : Loi sur les sociétés par actions (RLRQ, C. S-31.1)

Dates des mises à jour

Date de mise à jour de l'état de renseignements	2022-11-01
Date de la dernière déclaration de mise à jour annuelle	2022-11-01 2021
Date de fin de la période de production de la déclaration de mise à jour annuelle de 2024	2025-06-01
Date de fin de la période de production de la déclaration de mise à jour annuelle de 2023	2024-06-01

Faillite

L'entreprise n'est pas en faillite.

Fusion, scission et conversion

Aucune fusion ou scission n'a été déclarée.

Continuation et autre transformation

Aucune continuation ou autre transformation n'a été déclarée.

Liquidation ou dissolution

Aucune intention de liquidation ou de dissolution n'a été déclarée.

Activités économiques et nombre de salariés

1^{er} secteur d'activité

Code d'activité économique (CAE)	7799
Activité	Autres services aux entreprises
Précisions (facultatives)	Gestion d'entreprise

2^e secteur d'activité

Aucun renseignement n'a été déclaré.

Nombre de salariés

Nombre de salariés au Québec	Aucun
Proportion de salariés qui ne sont pas en mesure de communiquer en français au travail	Non tenue de déclarer cette information

Convention unanime, actionnaires, administrateurs, dirigeants, bénéficiaires ultimes et fondé de pouvoir

Actionnaires

Premier actionnaire

Le premier actionnaire n'est pas majoritaire.

Nom de famille	Boisvert
Prénom	France
Adresse du domicile	2044 av. Bédard Saint-Lazare (Québec) J7T2E5 Canada
Adresse professionnelle	

Deuxième actionnaire

Nom de famille	Fontaine
Prénom	Daniel
Adresse du domicile	2044 av. Bédard Saint-Lazare (Québec) J7T2E5 Canada
Adresse professionnelle	

Convention unanime des actionnaires

Aucun renseignement n'a été déclaré.

Liste des administrateurs

Nom de famille	Boisvert
Prénom	France
Date du début de la charge	2020-12-07
Date de fin de la charge	
Fonctions actuelles	Président
Adresse du domicile	2044 av. Bédard Saint-Lazare (Québec) J7T2E5 Canada
Adresse professionnelle	

Nom de famille	Fontaine
Prénom	Daniel
Date du début de la charge	2020-12-07
Date de fin de la charge	
Fonctions actuelles	Vice-président
Adresse du domicile	2044 av. Bédard Saint-Lazare (Québec) J7T2E5 Canada
Adresse professionnelle	

Dirigeants non membres du conseil d'administration

Aucun dirigeant non membre du conseil d'administration n'a été déclaré.

Déclaration relative aux bénéficiaires ultimes

Aucun renseignement n'a été déclaré.

Fondé de pouvoir

Aucun fondé de pouvoir n'a été déclaré.

Administrateurs du bien d'autrui

Aucun administrateur du bien d'autrui n'a été déclaré.

Établissements

Aucun établissement n'a été déclaré.

Documents en traitement

Aucun document n'est actuellement traité par le Registraire des entreprises.

Index des documents

Documents conservés

Type de document	Date de dépôt au registre
DÉCLARATION DE MISE À JOUR ANNUELLE 2021	2022-11-01
Déclaration initiale	2020-12-07
Certificat de constitution	2020-12-07

Index des noms

Date de mise à jour de l'index des noms 2020-12-07

Nom

Nom	Versions du nom dans une autre langue	Date de déclaration du nom	Date de déclaration du retrait du nom	Situation
9430-6347 Québec inc.		2020-12-07		En vigueur

Autres noms utilisés au Québec

Aucun autre nom utilisé au Québec n'a été déclaré.

[Retour aux résultats](#)



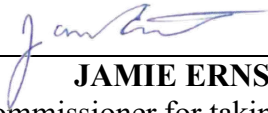
Assistance technique >>>

[Sécurité](#) | [Confidentialité](#) | [Configuration nécessaire](#)

Québec

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THIS IS **EXHIBIT "M"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.



JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)

SHARE PURCHASE AGREEMENT ENTERED INTO IN MONTRÉAL AS OF NOVEMBER 11, 2022

BETWEEN: France Boisvert, domiciled at 2044 Bedard, Saint-Lazare, Province of Quebec, J7T 2E3;

(hereinafter “**France**”)

AND: Daniel Fontaine, domiciled at 2044 Bedard, Saint-Lazare, Province of Quebec, J7T 2E3;

(hereinafter “**Daniel**” and together with France, the “**Vendors**”)

AND: Médican Biologique Inc., a corporation incorporated and governed by the *Business Corporations Act* (Quebec), having its head office at 1250 René-Lévesque Blvd. W., Suite 2000, Montréal, Province of Quebec, H3B 4W8, hereby represented by Sean Bovingdon, its Chief Executive Officer, duly authorized as he so declares;

(hereinafter the “**Purchaser**”)

(the Vendors and the Purchaser are hereinafter individually referred to as a “**Party**” or collectively as the “**Parties**”)

TO WHICH INTERVENES: 9430-6347 Québec inc., a corporation incorporated and governed by the *Business Corporations Act* (Quebec), having its head office at 2044 Bedard, St-Lazare, Province of Quebec, J7T 2E3, hereby represented by France, its President, duly authorized as she so declares;

(the “**Corporation**”)

WHEREAS each of the Vendors are the owner of 500 Class A shares (the “**Shares**”), which constitutes all the issued and outstanding shares in the share capital of the Corporation;

WHEREAS the Vendors have agreed to sell to the Purchaser and the Purchaser has agreed to purchase from the Vendors all of the issued and outstanding shares in the capital of the Corporation upon and subject to the terms and conditions of this Agreement;

WHEREAS the Corporation is the holder of a cultivation license issued by Health Canada authorizing the cultivation of cannabis (the “**Cultivation License**”), and is in the process of obtaining a processing license issued by Health Canada authorizing the processing of cannabis (the “**Cultivation License**” and, together with the Cultivation License, the “**Licenses**”) to be conducted on the property located on 5000 Murphy Road, Vaudreuil-Dorion Quebec, J7V 8P2 (the “**Property**”), by the Corporation; and

AND WHEREAS the present Agreement shall only be valid and enforceable upon the concurrent closing of (i) the lease agreement between the Corporation, as lessee, and 9317228 Canada Inc., as lessor, regarding the lease of the Property (the “**Lease**”); and (ii) any other formalities of the terms and conditions described in the letter of intent entered into on November 11, 2022 by and between the Purchaser, 9317228 Canada Inc., France and Daniel and to which intervened the Corporation (the “**LOI**”).

THE PARTIES HEREBY AGREE AS FOLLOWS:

1 DEFINITIONS AND INTERPRETATION

- 1.1 Definitions in this Agreement, unless specifically defined otherwise or the context otherwise requires, shall have the following meanings, and terms defined elsewhere herein shall have the meaning there defined:
- 1.1.1 “**Agreement**” means this share purchase agreement including all schedules attached hereto, all of which are incorporated herein by reference and form part hereof and all amendments and supplements hereto, and the terms “herein”, “hereof”, “hereto”, “hereunder” and like terms refer to this Agreement;
 - 1.1.2 “**Applicable Laws**” means any and all applicable (i) statutes, laws, treaties, constitutions, codes, rules, regulations, by-laws, ordinances, orders, decrees and requirements of Governmental Authorities; (ii) judgments, orders, writs, injunctions, decisions, awards and directives of any Governmental Authority; and (iii) policies, guidelines, notices and protocols of any Governmental Authority;
 - 1.1.3 “**Business Day**” means any day, other than a Saturday, a Sunday or a statutory holiday in the Province of Quebec;
 - 1.1.4 “**Claims**” means any claims, demands, accusations, notices, investigations, proceedings, complaints, actions, suits, liabilities, expenses, costs, damages or losses, legal fees, professional fees, extrajudicial costs and all costs incurred in investigating or pursuing any of the foregoing or any proceeding relating to any of the foregoing;
 - 1.1.5 “**Closing Documents**” shall mean all documents ancillary to the present Agreement;
 - 1.1.6 “**Contract**” means any and all written or verbal contracts and agreements (including quotations, orders and rebates), work in progress, derivative contracts, leases, insurance policies, deeds, indentures, instruments, entitlements, warranties and warranty rights, commitments, indemnities, guarantees, undertakings and orders made by or to which the Corporation is a party or by which the Corporation, as the context requires, is bound or under which the Corporation, as the context requires, has, or will have, any rights or obligations and includes rights to use, franchise, license and sub-licence agreements and agreements for the purchase and sale of assets or shares;

- 1.1.7 “**Corporation**” shall be given the meaning set forth in the recitals;
- 1.1.8 “**Daniel**” shall be given the meaning set forth in the recitals;
- 1.1.9 “**Effective Date**” shall be given the meaning set forth in Section 2.1;
- 1.1.10 “**Employees**” means any and all of the employees of the Corporation;
- 1.1.11 “**Employment Laws**” means all applicable Quebec and federal laws governing the Employees of the Corporation, their workplace and condition of employment and applicable privacy legislation;
- 1.1.12 “**Encumbrances**” shall mean encumbrances, liens, hypothecs, mortgages, pledges, charges, privileges, security interests, title defects, restrictions, options, leases, offers to lease, licenses, conditional sales contracts or other title retention agreements, or other similar interests or instruments of any kind or character whatsoever charging, or creating a security interest in, or against title in, or affecting, all or any part of the Corporation’s assets, either of the Shares or any interest therein, or any Contract to enter into or create any of the foregoing;
- 1.1.13 “**France**” shall be given the meaning set forth in the recitals;
- 1.1.14 “**Governmental Authority**” means (i) any government, legislature, municipality, regional county municipality, ministry, regulatory authority, agency, commission, department, board or court or other law, regulation or rule-making entity with authority to legally bind; (ii) any subdivision or authority of any of the above; and (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the above; and “Governmental Authorities” shall have an equivalent meaning;
- 1.1.15 “**Indebtedness**” means (a) any indebtedness, obligations and liabilities of whatsoever nature and kind of the Corporation for borrowed money (including reimbursement and all other obligations with respect to surety bonds, letters of credit, note purchase obligations, bankers’ acceptances and shareholder loans or advances, whether or not matured); (b) any indebtedness, obligations and liabilities of whatsoever nature and kind of the Corporation resulting from any subsidy agreement, contribution agreement or similar agreement between the Corporation and any Governmental Authority; (c) any indebtedness, obligations and liabilities of whatsoever nature and kind of the Corporation created or arising under any conditional sale, other title retention agreements with respect to acquired property or for the deferred purchase price of property or services (but excluding trade accounts payable); (d) any indebtedness, obligations and liabilities of the type referred to in clauses (a) through (c) of any other Person, the payment of which the Corporation is liable as obligor, guarantor, surety or otherwise; (e) any indebtedness, obligations and liabilities of the type referred to in clauses (a) through (d) of any other Person secured by any Encumbrance on any property or Asset, whether or not such obligation is assumed by the Corporation; and (f) any prepayment

premiums or penalties or break-up fees of any nature relating to any indebtedness, obligations and liabilities of the type referred to in clauses (a) through (d).

- 1.1.16 **“Intellectual Property”** means all rights arising out of or associated therewith, in any jurisdiction, whether registered or not, including any or all: (i) patents, patent applications and patent rights, and the subject matter thereof; (ii) trade-marks, trade-mark applications, trade names, service marks, brand names, certification marks, trade dress and other indications of origin, whether registered or not and the goodwill associated therewith; (iii) copyrights, whether registered or not, and the subject matter thereof, including computer programs, source codes, databases and the documentation therefore; (iv) trade secrets and other confidential or non-public innovation including inventions, discoveries, formulae, compositions, inventor’s notes, discoveries and improvements, know-how, manufacturing and production processes and techniques (including for scale-up), research and development innovation, drawings, schematics, specifications, plans, proposals and technical data; (v) internet protocol addresses and domain names, whether or not used or currently in service; (vi) any similar intellectual or industrial property or proprietary rights including industrial designs; (vii) registrations of, and applications to register any of the foregoing, and any renewal, extension, reissue, division, continuation, continuation in part, patent of addition, re-examination, derivation or modification thereof;
- 1.1.17 **“Lease”** shall be given the meaning set forth in the recitals;
- 1.1.18 **“License”** shall be given the meaning set forth in the recitals;
- 1.1.19 **“Party”** and **“Parties”** shall be given the meaning set forth in the recitals;
- 1.1.20 **“Permits”** means franchises, licences, qualifications, authorizations, consents, certificates, registrations, exemptions, waivers, filings, grants, notifications, privileges, rights, orders, judgments, rulings, directives, permits and other approvals, obtained from or required by a Governmental Authority;
- 1.1.21 **“Person”** means an individual, partnership, corporation, trust, joint venture, any Governmental Authority or any incorporated or unincorporated entity or association of any nature and the executors, administrators, or other legal representatives of an individual in such capacity;
- 1.1.22 **“Purchaser”** shall be given the meaning set forth in the recitals;
- 1.1.23 **“Property”** shall be given the meaning set forth in the recitals;
- 1.1.24 **“Purchase Price”** shall be given the meaning set forth in Section 3.1;
- 1.1.25 **“Shares”** shall be given the meaning set forth in the recitals;
- 1.1.26 **“Tax Act”** means the *Income Tax Act* (Canada);

1.1.27 **“Taxes”** means (i) any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies, franchise taxes and other charges or assessments of any kind whatsoever imposed by any Governmental Authority, whether computed on a separate, consolidated, unitary, combined or other basis, including those levied on, or measured by, or described with respect to, income, gross receipts, profits, gains, capital gains, windfalls, capital, capital stock, production, recapture, transfer, land transfer, license, gift, occupation, wealth, environment, net worth, indebtedness, surplus, sales, retail sales, goods and services, harmonized sales, use, value-added, excise, special assessment, stamp, withholding, business, franchising, real or personal property, health, employee health, payroll, workers’ compensation, employment or unemployment, severance, social services, social security, education, utility, surtaxes, customs, import or export, and including all license and registration fees and all employment insurance, health insurance and government pension plan premiums or contributions; (ii) all charges, interests, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Authority on or in respect of amounts of the type described in clause (i) above or this clause (ii); (iii) any liability for the payment of any amounts of the type described in clause (i) above or clause (ii) above as a result of being a member of an affiliated, consolidated, combined or unitary group for any period; and (iv) any liability for the payment of any amounts of the type described in clause (i) above or clause (ii) above as a result of any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any party;

1.1.28 **“Transaction”** shall be given the meaning set forth in Section 2.1;

1.1.29 **“Vendors”** shall be given the meaning set forth in the recitals;

2 **PURPOSE**

- 2.1 The Vendors hereby sell to the Purchaser, and the Purchaser hereby purchases from the Vendors the Shares (the **“Transaction”**). The effective date of the Transaction shall be the date this document is released from escrow as per the LOI’s terms and conditions (the **“Effective Date”**).
- 2.2 The Parties agree that this Agreement shall only be executable and enforceable if the conclusion of the Agreement is realized concurrently with the closing of the Lease and the fulfillment of all terms and conditions described in the LOI, by all of its parties, including, without limitation, the obtainment of Health Canada’s approval relating to the change of control of the Cultivation License’s holder and the start of the process to obtain Health Canada’s Processing License.
- 2.3 It is understood by the Parties that the condition set forth in Section 2.2 is essential to this Agreement and that the failure to fulfill such condition shall result in the pure and simple nullity of the present Agreement.

3 PURCHASE PRICE AND TERMS OF PAYMENT

- 3.1 The aggregate purchase price for the Shares shall be Can\$100 (the “**Purchase Price**”).
- 3.2 On the Effective Date, the Purchaser shall deliver to the Vendors an amount corresponding to the Purchase Price as follow:
 - 3.2.1 To Daniel: by wire transfer of immediately available funds of \$50 to an account designated in writing by Daniel; and
 - 3.2.2 To France: by wire transfer of immediately available funds of \$50 to an account designated in writing by France.

4 REPRESENTATIONS AND WARRANTIES OF THE VENDORS

- 4.1 **Representations and Warranties.** The Vendors and the Corporation hereby represent and warrant to the Purchaser and the Vendors and the Corporation recognize that the Purchaser is purchasing the Shares based on the accuracy and truthfulness of same, that:
 - 4.1.1 **Incorporation.** The Corporation is duly incorporated and organized, is validly subsisting and in good standing under the laws of Canada. A true copy of the articles and all by-laws of the Corporation has been delivered to the Purchaser by the Vendors on or before the date of this Agreement. Such articles and by-laws constitute all of the constating documents and by-laws of the Corporation in effect as of the date of this Agreement, and are complete, correct and in full force and effect.
 - 4.1.2 **Enforceability.** This Agreement is and constitutes a valid and binding obligation of the Vendors and the Corporation enforceable against them in accordance with their respective terms.
 - 4.1.3 **Due Authorization.** All actions, steps and corporate proceedings of the Corporation necessary to approve and authorize it to execute and deliver this Agreement, and to perform all of its obligations hereunder, have been completed.
 - 4.1.4 **No Other Agreements to Purchase.** Except for the Purchaser’s rights under this Agreement, no Person has any written or oral agreement, option or warrant, or any right or privilege (whether by Applicable Law, pre-emptive or contractual) capable of becoming such for the purchase or acquisition from the Vendors of any of the issued and outstanding shares or other securities of the Corporation, including but not limited to the Shares.
 - 4.1.5 **No Conflict.** The execution and delivery of and performance by the Vendors and the Corporation of this Agreement:
 - 4.1.5.1 does not and will not (or would not with the giving of notice, the lapse of time or the happening or any other event or condition)

constitute or result in a breach or violation of, or conflict with or allow any other Person to exercise any rights under, any of the terms or provisions of any Contracts to which he is a party;

4.1.5.2 does not and will not result in a violation of any agreement regarding the affairs of the Corporation, any by-laws, articles, agreements or shareholders' agreement of the Corporation;

4.1.5.3 does not and will not result in the violation of any Applicable Law.

4.1.6 **Residency.** The Vendors are not a "non-resident" of Canada within the meaning of the Tax Act.

4.1.7 **Compliance with Laws.** The Corporation is in compliance with all Applicable Laws, rules and regulations and is duly licensed, registered or qualified in all jurisdictions in which it owns, licenses or operates its property and all such licenses, registrations and qualifications are valid and subsisting and in good standing, including, but not limited to the License.

4.1.8 **Regulatory Approvals and Consents.** There is no requirement on the part of the Corporation to obtain any Consent from any third party or make any filing with or give notice to any Governmental Authority in connection with the completion of the transactions contemplated by this Agreement or to maintain in full force and effect any commitments, Contracts, Permits and to operate the Business in its ordinary course following the transaction contemplated herein. All consents, to the extent required to complete the transaction contemplated herein, have been obtained by the Vendors prior to the Closing Date, including, but not limited to Health Canada's approval relating to the change of control of the Cultivation License's holder.

4.1.9 **Capitalization.**

4.1.9.1 There are no other issued shares of the Corporation other than the Shares. The Corporation has never issued any shares other than the Shares. The Vendors have always been the only shareholders of the Corporation, at all times.

4.1.9.2 No person, firm or corporation has any agreement, option, understanding or commitment, or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement, option or commitment, including convertible securities, warrants or convertible obligations of any nature, for the purchase, subscription, allotment or issuance of or conversion into, any of the unissued shares in the capital of the Corporation or of any securities of the Corporation, or for the purchase or other acquisition from the Corporation of any of its undertakings, property or assets.

4.1.10 **Private Issuer.** The Corporation is a private issuer, as such term is defined in National Instrument 45-106 of the Canadian Securities Administrators.

- 4.1.11 **Ownership of Shares.** The Vendors are the registered and absolute legal and beneficial owners of the Shares, with good and marketable title thereto, free and clear of all Encumbrances, and have the right to dispose of the Shares in favour of the Purchaser as provided in this Agreement. None of the Shares is or will be at the Effective Date subject to (i) any contract or restriction which in any way limits or restricts the transfer to the Purchaser of the Shares (or any of them) and/or (ii) any voting trust, pooling agreement, shareholders agreement, voting agreement or other contract, arrangement or understanding with respect to the voting of the Shares (or any of them).
- 4.1.12 **Investments.** The Corporation (i) has no subsidiaries and does not own directly or indirectly any shares in the capital of any corporation; (ii) has no interest in any general partnership, joint venture or similar entity; (iii) is not a partner in any general partnership or limited partnership; and (iv) has no right to acquire any subsidiaries or any shares in the capital of any other corporations or any ownership interest in any Person.
- 4.1.13 **Shareholder Agreements.** There are no shareholders agreements, pooling agreements, voting trusts or other similar agreements with respect to the ownership or voting of any of the shares of the Corporation, including the Shares.
- 4.1.14 **Dividends.** There are no declared dividends on any of the Shares.
- 4.1.15 **Bankruptcy.** The Corporation is (i) not an insolvent person within the meaning of the *Bankruptcy and Insolvency Act (Canada)* or the *Winding-up and Restructuring Act (Canada)*; (ii) has not made an assignment in favour of any creditors or a proposal in bankruptcy to any creditors or any class thereof; (iii) has not had any petition for a receiving order presented in respect of it; or (iv) has not initiated proceedings with respect to a compromise or arrangement with its creditors or for its winding up, liquidation or dissolution.
- 4.1.16 **License.** The Corporation is the true and valid owner of the Licenses and will obtain Health Canada's approval regarding the change of control of the Cultivation License's holder.
- 4.1.17 **Taxes.**
- 4.1.17.1 There are no Claims pending or threatened against the Corporation in respect of Taxes and, there is no reason to expect that any such Claim will be asserted against the Corporation by a Governmental Authority at any time in the future.
- 4.1.17.2 The Corporation has no permanent establishment in any jurisdictions, other than in the Province of Quebec.
- 4.1.18 **Non-arm's Length Transactions.** There are no outstanding amounts owing by the Corporation to any Person or to the Corporation by any Person, with whom the Corporation was not dealing at arm's length at the

time such amounts became owing and no debt or other amount owing by the Corporation has been settled or extinguished or deemed to be settled or extinguished for purposes of the Tax Act for less than the principal amount thereof.

- 4.1.19 **Liabilities and Indebtedness.** The Corporation has not incurred any indebtedness and is not a party to any Contract or otherwise bound by, or subject to, any contract or other liability or obligation of any nature, whether direct or indirect, accrued or unaccrued, asserted or unasserted, fixed or contingent, liquidated or unliquidated, mature or inchoate or due or to become due.
- 4.1.20 **Assets.** Except for the License, the Corporation holds no assets and there are no agreements or commitments to purchase property or assets by the Corporation.
- 4.1.21 **Contracts.** There are no Contracts currently valid regarding the Corporation.
- 4.1.22 **Intellectual Property.** The Corporation does not own or lease any Intellectual Property.
- 4.1.23 **Employment Matters.**
- 4.1.23.1 The Corporation does not currently have and never had any Employees.
- 4.1.23.2 There are no Persons receiving compensation for work or services provided to the Corporation (including, without limitation, any independent contractor, consultant, subcontractor, agent or other freelancer who provides services to the Corporation).
- 4.1.23.3 As of the date of this Agreement, no complaint against the Corporation is pending before any labour relations board or other employment related Governmental Authority.
- 4.1.24 **Litigation.** There are no claims currently nor have there been any Claims, at law or in equity, grievances, arbitrations or alternative dispute resolution processes, by any Person against the Corporation, or instituted by the Corporation against any Person, including any customer, supplier, creditor and shareholder, or administrative or other proceedings by or before any Governmental Authority, pending, or, threatened against or affecting the Corporation regarding its business or its assets, and there is no valid basis for any such Claim by or against the Corporation.
- 4.1.25 **Complete Disclosure.** This Agreement constitutes full disclosure of all material facts relating to the Corporation and do not contain any untrue statements and there are no material facts which have not been disclosed to the Purchaser which if disclosed to a prudent person would cause such

person acting on business motives similar to those of Purchaser not to complete the transactions contemplated in this Agreement.

5 REPRESENTATIONS AND WARRANTY OF THE PURCHASER

- 5.1 The Purchaser represents and warrants to the Vendors as follows and acknowledges and confirms that the Vendors are relying upon such representations and warranties in entering into this Agreement and completing the Transaction:
- 5.1.1 The Purchaser is a corporation incorporated, duly organized, validly existing and in good standing under the laws of Quebec;
 - 5.1.2 The Purchaser has the capacity and power to enter into and perform its obligations under this Agreement;
 - 5.1.3 The execution and delivery of and performance by the Purchaser of this Agreement do not and will not result in the breach of, or conflict with any obligation of the Purchaser or the rights of any third party;
 - 5.1.4 The execution and delivery of, and performance by the Purchaser of this Agreement and the purchase of the Shares have been duly authorized by all necessary corporate actions on behalf of the Purchaser; and
 - 5.1.5 This Agreement has been duly and validly executed and delivered by the Purchaser and constitutes legal, valid and binding obligations of the Purchaser, enforceable against it in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency and other laws affecting the rights of creditors generally.

6 CLOSING ARRANGEMENTS

- 6.1 On the Effective Date, the Vendors shall further deliver to the Purchaser:
- 6.1.1 A copy of Heath Canada's approval of the change of control of the Corporation regarding the License;
 - 6.1.2 Certificates representing the Shares duly endorsed in blank for transfer or accompanied by duly executed blank stock transfer powers;
 - 6.1.3 Evidence that all necessary steps and proceedings to permit the Shares to be transferred to the Purchaser have been taken; and
 - 6.1.4 Duly executed resignations effective as at the Effective Date from the Vendors as directors and officers of the Corporation, together with a release in favour of the Corporation with respect to all claims against the Corporation up to the Effective Date, which may have arisen prior to the Effective Date, the whole in a form acceptable for the Purchaser.

7 CONFIDENTIALITY

7.1 The Parties will keep confidential all information in their possession or under their control relating to the Transaction or relating to the Purchaser or the Vendors unless such information is or becomes generally available to the public other than as a result of a disclosure by the Vendors or the Purchaser, as the case may be, in violation of this Agreement or unless required to be disclosed by law or in connection with a dispute pursuant to this Agreement.

8 FURTHER ASSURANCES

8.1 Each Party will do, sign, perform, execute and deliver from time to time and as often as necessary, and cause to be done, signed, performed, executed and delivered, any further acts and documents as may be reasonably required by the other Party to give full effect to this Agreement.

9 GENERAL

9.1 **Amendment.** No amendment to this Agreement shall be valid or binding unless set forth in writing and duly executed by all Parties.

9.2 **Waiver.** No waiver of any breach of any provision of this Agreement or any waiver or consent to depart from the requirements of this Agreement shall be effective or binding unless made in writing and signed by the Party purporting to give the same and, unless otherwise provided, will be limited to the specific breach so waived.

9.3 **Enurement.** This Agreement enures to the benefit of and is binding upon the Parties and their respective heirs, executors and successors.

9.4 **Severability.** Each provision of this Agreement is distinct and as such any decision of a court or arbitration panel declaring null and void any of the provisions of this Agreement shall not affect the validity of the other provisions of this Agreement nor their binding nature.

9.5 **Counterparts.** This Agreement may be executed in counterparts and by the affixing of an electronic signature and delivered by means of facsimile or electronic transmission (PDF, image or other format), each such counterpart when so executed and delivered constitutes an original, and all such counterparts together shall constitute one and the same instrument.

9.6 **Entire Agreement.** This Agreement, including its recitals and its schedules, if any, constitutes the entire agreement between the Parties and cancels and supersedes all prior understandings, negotiations, communications and agreements, oral or written, with regards to the Transaction.

9.7 **Non-Renunciation.** The fact that a Party hereto does not insist on the full performance of any of the undertakings contained herein or does not always exercise the rights provided herein must not be considered in the future as a renunciation to such rights or to the performance of such undertakings. Except as expressly provided, any renunciation by one of the Parties to any of its rights is effective only if it is in writing and such renunciation

shall only be applicable to the rights and circumstances expressly provided in such renunciation.

9.8 Notices.

- 9.8.1 Any notice herein provided or permitted to be given by the parties to each other pursuant to this Agreement shall be in writing and addressed as follows:

For the Vendors

Daniel Fontaine

Address: 2044 Bedard, St-Lazare, Province of Quebec, J7T 2E3

Email: dfontaine@globe-cann.com

And:

France Boisvert

Address: 2044 Bedard, St-Lazare, Province of Quebec, J7T 2E3

Email: franceboisvert14@hotmail.com

For the Purchaser:

Medican Biologique Inc.

To the attention of: Sean Bovingdon

Address: 1250 René-Lévesque Blvd. W., Suite 2000, Montréal, Quebec, H3B 4W8

Email: SBovingdon@tgod.ca

With copy to:

Langlois Lawyers LLP

To the attention of: Ms. Mylany David

Address: 1250 René-Lévesque Blvd. W., Suite 2000, Montréal, Quebec, H3B 4W8

Email: mylany.david@langlois.ca

For the Corporation:

9430-6347 Québec inc.

To the attention of: Sean Bovingdon

Address: 5000, Murphy Road, Vaudreuil-Dorion, Quebec J7V 8P2

Email: SBovingdon@tgod.ca

- 9.8.2 Any notice herein provided or permitted to be given by the parties to each other pursuant to this Agreement shall be sufficiently given if delivered or if mailed in Canada, registered and postage prepaid, addressed to the party's address as hereinabove indicated. Any such notice given as aforesaid shall be conclusively deemed to have been given on the day on which such notice is delivered or on the third day that there is postal delivery following the day on which such notice is mailed, as the case may be. Either party may at any time give notice in writing to the other of any change of address of the party giving such notice and from and after the giving of such notice the address therein specified shall be deemed to be the address of such

party for the giving of notices hereunder. The word "notice" shall be deemed to include any request, statement or other writing in this Agreement provided or permitted to be given by the Purchaser to the Vendors or by the Vendors to the Purchaser. If there is more than one party named as Vendors, notice to one shall be deemed sufficient as notice to all.

- 9.9 **Signatures.** Delivery of this Agreement by e-mail or functionally equivalent electronic transmission constitutes a valid and effective delivery.
- 9.10 **Freely Negotiated.** The parties declare that all essential terms and conditions of this Lease were freely negotiated, with the benefit of their respective legal counsel, and this Lease is not a contract of adhesion.
- 9.11 **Governing Law.** This Agreement is to be governed by and construed according to the laws of the Province of Quebec. Notwithstanding the party's domicile or the location of the Property, the parties expressly agree to submit to the exclusive jurisdiction of the competent courts sitting in the Judicial District of Montreal for the adjudication of any dispute or claim arising from or in connection with this Agreement.
- 9.12 **Language.** The Parties confirm that it is their wish that this Agreement and all documents relating thereto, including notices, be drawn upon in the English language only. *Les Parties confirment leur volonté que cette entente de même que tous documents, y compris tous avis, s'y rapportant soient rédigés en langue anglaise seulement.*

[Signature page follows]

IN WITNESS WHEREOF, the Parties have signed on the date and at the place first hereinabove written.

DocuSigned by:

02047268F30E402

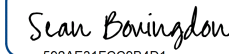
FRANCE BOISVERT

DocuSigned by:

719A749F211B418

DANIEL FONTAINE

MEDICAN BIOLOGIQUE INC.


per: 
608AE24FCC084D1

Name: Sean Bovington
Title: Chief Executive Officer

INTERVENTION

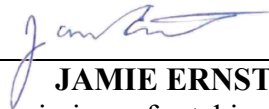
The Corporation intervenes to this Agreement and acknowledges and confirms that it has taken cognizance of all terms and conditions of this Agreement and that it hereby binds and obliges itself to act, at all times, in conformity with same.

9430-6347 QUÉBEC INC.

per: 
02047268F30E402

Name: France Boisvert
Title: President

THIS IS **EXHIBIT "N"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.



JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)

LEASE AGREEMENT

Entered in the city of Vaudreuil-Dorion, Province of Quebec, as of the • day of •, 2022 (the “Effective Date”).

BETWEEN: **9317228 CANADA INC.**, a corporation legally constituted pursuant to the laws of Canada, having its head office at 14 Trianon Road, Rigaud, Quebec, J0P 1P0 represented by Claude Lapointe its President and duly authorized representative as he so declares;

(the “**Landlord**”)

AND: **9430-6347 QUÉBEC INC.**, a corporation legally constituted pursuant to the laws of Quebec, having its head office at 153 Willowdale Street, Dollard-Des Ormaux, Quebec, H9A 1S1 represented by France Boisvert, its President and duly authorized representative as she so declares;

(the “**Tenant**”)

PREAMBLE

WHEREAS the Landlord is the owner of the immovable property, bearing civic number 5000 Chemin Murphy, Vaudeuil-Dorion QC, J7V 8P2, known and designated as being lot ONE MILLION EIGHT HUNDRED THIRTY THOUSAND EIGHT HUNDRED SIXTY-FIVE (1 830 865) of the Cadastre of Québec, Registration Division of Vaudreuil, with the buildings thereon erected, including a 4,000 sqft indoor cultivation and processing space (the “**Property**”);

WHEREAS it is the intent of the parties that the Landlord will complete the Landlord Work (as herein defined in Schedule “B”, attached and forming an integral part hereto) on the Property in order to allow optimal cannabis production from the Property;

WHEREAS the present Lease shall only be valid and enforceable upon the concurrent closing of (i) the acquisition by Medican Biologique Inc., or an entity of its group to be designated subsequently, of all the issued and outstanding shares in the share capital of 9430-6347 Québec inc. (the “**Transaction**”); and (ii) any other formalities of the terms and conditions described in the letter of intent entered into by and between Medican Biologique Inc., 9317228 Canada Inc., France Boisvert and Daniel Lafontaine and to which intervenes 9430-6347 Québec inc. (the “**LOI**”);

WHEREAS the Tenant, following the conclusion of the Transaction and fulfilment of the obligations described in the LOI, shall be a holder of a licence issued by Health Canada authorizing the activities included in the Permitted Use (the “**Licence**”), as defined hereinafter, to be conducted on the Property, by the Tenant;

WHEREAS the Tenant wishes to lease and access the whole Property and as more fully described herein and as approximately shown on Schedule “A” attached and forming an integral part hereto;

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Initials

Landlord	Tenant

WHEREAS subject to the foregoing, the Tenant intends to use the Property during the Term of the Lease for the cultivation of cannabis, as well as for processing and transforming cannabis, the whole as more fully detailed hereinafter;

WHEREAS the Landlord and the Tenant (each being a “Party” and collectively, the “Parties”) have agreed that the lease of the Property by the Tenant shall be in accordance with terms and conditions hereinafter set forth (the “Lease”);

AND THE PARTIES HAVE AGREED AS FOLLOWS:

1. PREAMBLE

- 1.1 The preamble forms an integral part hereof.
- 1.2 The commencement date of this Lease shall be the date the Landlord Work (Schedule B) is accepted by the Tenant pursuant to Section 3.4, and the Tenant holds all applicable licences issued by Health Canada authorizing the activities included in the Permitted Use, as defined hereinafter, to be conducted on the Property (the “Commencement Date”).

2. LEASE

- 2.1 The Parties agree that this Lease shall only be executable and enforceable if the conclusion of the Lease is realised concurrently with the closing of the Transaction and the fulfillment of all terms and conditions described in the LOI, by all of its parties, including, without limitation, the obtainment of Health Canada’s approval relating to the change of control of License’s holder.
- 2.2 It is understood by the Parties that the condition set forth in paragraph 2.1 is essential to this Lease and that the failure to fulfill such condition shall result in the pure and simple nullity of the present Lease.
- 2.3 This Lease is granted by the Landlord to the Tenant under the express condition that the Tenant respects and fulfils all its obligations as provided herein, including without limitation, the payment of all rent and other amounts to the Landlord.

3. PROPERTY

- 3.1 The Landlord hereby leases the Property to the Tenant pursuant to the terms and conditions set out in this Lease.
- 3.2 The Parties agree and understand that the Property is leased exclusively by Tenant.
- 3.3 The Tenant accepts the Property, except for the Landlord Work (Schedule B), in the condition “as is, where is” and declares it is entirely satisfied with same.
- 3.4 Further to Section 1.2, a precondition to the Commencement Date is the acceptance by Tenant of the Landlord Work, such acceptance not being unreasonably withheld. The Landlord undertakes to use best efforts, at its own costs and expense, to complete all Landlord Work necessary to attain a “grow-ready state” as outlined in Schedule B herein. The Landlord shall complete the Landlord Work to the Tenant’s satisfaction within 5 months

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Initials

Landlord	Tenant

of the Effective Date. If the Landlord Work has not been completed within 5 month of the Effective Date, and the Parties cannot come to some alternative arrangement in writing, the Tenant, at its sole discretion, can either elect to accept the Landlord Work as built or Terminate this Lease without prejudice or liability. For the sake of clarity, Rents or any other amounts are not payable by the Tenant during the period between the Effective Date and the Commencement Date.

“Property” means the land known and designated as being lot ONE MILLION EIGHT HUNDRED THIRTY THOUSAND EIGHT HUNDRED SIXTY-FIVE (1 830 865) of the Cadastre of Québec, Registration Division of Vaudeuil, bearing civic number 5000 Chemin Murphy, Vaudeuil-Dorion QC, J7V 8P2, as may be modified from time to time during the Term of this Lease, together with all structures and buildings thereon erected from time to time.

“HVAC System” means the system, installations, equipment and facilities for interior climate control (including heating, ventilation, and air-conditioning) situated in the buildings on the Property.

“Structural Elements” means the structural elements of the buildings erected from time to time on the Property, building envelope, the roof and the structural components thereof, foundations, exterior weather walls, structural subfloors, footings, load bearing walls and structural columns and beams and structural steel of the buildings. For the sake of clarity, the roof membrane, if any, the structural floors, exterior windows and doors (seals and jams), curtain walls, and the structural ceilings are Structural Elements; therefore, all costs related to their maintenance, repair and replacement will be paid by the Landlord.

4. **LEASE TERM**

4.1 The term of this Lease shall be for the period commencing on the Commencement Date and ending five (5) years following the Commencement Date (the **“Term”**), unless earlier terminated pursuant to the present Lease or by law. For the duration of the Term the Tenant shall have the sole and exclusive right to renew this Lease on the same exact terms for another period of five (5) years so long as he provides the Landlord with a written notice of his intention to renew prior to the end of the Term. This extended term shall be included in the definition of Term, if such extension right is exercised by Tenant in accordance with the provisions hereof.

4.2 **Overholding** - If the Tenant continues to occupy the Property after the termination of the Lease in accordance hereto or the expiry (actual or deemed) of the Term, and without the execution and delivery of a new lease, notwithstanding Article 1879 of the Civil Code of Quebec or any other legislation to the contrary, there shall be no tacit renewal of this Lease and the Term hereby granted, and the Tenant shall be deemed to be occupying the Property as a Tenant from month to month upon the same terms and conditions as are set forth in this Lease, except as to duration of Term, mutatis mutandis the (**“Overholding period”**). The Tenant may exercise its renewal option as expressed in Section 4.1 (the **“Renewal right”**) during the Overholding period unless the Landlord has previously and expressly withdrawn the renewal option in writing during this period. It is understood that the withdrawal of the Renewal right by the Landlord during the Overholding period shall only be effective upon reception by Tenant of the written notice to that effect.

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Initials

Landlord	Tenant

5. **USE**

5.1 The Tenant shall only use the Property for the Permitted Use as follows and for no other purpose (the "**Permitted Use**"):

- cultivation of cannabis and for the transformation and processing of cannabis and all derivative products thereof, including such uses as, without limitation, for the cultivation, for administrative purposes, for research, for development, for training, for processing, for manufacturing, for transformation, and for packaging (the whole subject to and in compliance with limitations, restrictions and conditions as set out in all governmental permits to be obtained by the Tenant and all applicable laws and regulations including, without limitation, usages permitted in an agricultural zone).

The Tenant represents and warrants to the Landlord that it has satisfied itself that the zoning of the Property is satisfactory for its purposes and the Permitted Use.

The Tenant will comply with all rules and regulations for the Property as communicated by and revised by the Landlord, acting reasonably, from time to time (the "**Rules and Regulations**"), as long as Tenant is provided with a written copy of the Rules and Regulations. No Rules and Regulations will be enforced against the Tenant in a discriminatory manner or impose any charge or payment on the Tenant which is not expressly provided for in this Lease.

5.2 The Tenant may only install signs in, on or near the Property, subject to the prior written approval of the Landlord as to location and size and subject to laws and regulations. Any signage approved by the Landlord shall be at the Tenant's costs for installation, repair and removal (including all permit costs) and to be in conformity with all applicable laws.

6. **RENT**

6.1 The Landlord and the Tenant acknowledge and agree that it is intended that this Lease shall be a **triple net** lease. Except as expressly herein set out, the Landlord shall not be responsible during the Term for any costs, charges, expenses and outlays of any nature whatsoever arising from or relating to the Property, Property's use, occupancy or contents, or business carried on in it, and the Tenant will pay all charges, impositions, Operating Costs (as defined under section 6.4.1 hereto) and expenses relating to the Property. It is agreed and understood by the parties that although Tenant leases and has access on the whole Property, because the Tenant will exclusively occupy and operate from the Property, the Tenant will not be responsible of any costs, charges, expenses and outlays of any nature nor any maintenance cost arising from or relating to the Structural Elements.

The Tenant will pay Sales Tax imposed by the applicable legislation on the Tenant in respect of this Lease and on all payments of Basic Rent and Additional Rent payable hereunder, in the manner and at the times directed by the applicable legislation. The Landlord will have all of the same remedies and right of recovery for it as it has for non-payment of Rent.

6.2 During the Term, starting on the Commencement Date, the Tenant shall pay in equal payments, in advance on or before the first day of each month, without any prior demand therefore, the following rent (the "**Basic Rent**"):

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Initials

Landlord	Tenant

Annual Basic Rent (before the Sales Tax)	Monthly Basic Rent (before the Sales Tax)
\$132,000.00	\$11,000.00

6.3 During the Term, starting on the Commencement Date, the Tenant shall pay the Basic Rent and all other charges and amounts owed to the Landlord under this Lease, such as any Real Estate Taxes and Operating Costs (the “**Additional Rent**”) if and as when due. Any amount due to the Landlord under this Lease shall be deemed to be payable and recoverable as Rent.

6.4 For the purposes of this Lease:

6.4.1 “**Rent**” means both the Basic Rent and Additional Rent;

“**Operating Costs**”: means any and all costs, charges, impositions, expenses and outlays incurred by either party, without duplication and profit, in connection with the operation, maintenance, repair, replacement, insuring, management or administration of the Property or any part thereof, and, by way of example only, and without limiting the generality of the foregoing, shall include all costs, charges and expenses incurred or allocated by the Landlord, acting reasonably, with respect to the following: **(a)** the HVAC System and other building systems; **(b)** electricity, water (including sewer rental), fuel and other utilities used; **(c)** all premiums and deductibles relating to liability, property, boiler or pressure vessel and machinery, loss of rental, environmental and such other forms of insurance as the Landlord may from time to time maintain with respect to the Property; **(d)** cleaning, supervising, maintaining, operating and repairing the Property or any part of it, and making replacements thereto; **(e)** supplies necessary for the operation of the buildings on the Property; **(f)** the total annual amortization of capital (on a straight line basis over the useful life of the good in question) of the cost of equipment, modification of, replacement and improvement to the Property or any part of it (including interest payable on the non-amortized portion of capital at a lending rate equivalent to the lending rate actually charged or chargeable by Landlord’s bankers from time to time), except for any cost excluded as per any provision contained herein or in the Lease, the whole in conformity with general recognized accounting principles and pursuant of which those expenses are of a capital nature; **(g)** cleaning exterior curtain walls; maintaining and painting the exterior surface of garage doors and back exit doors as well as repairing and maintaining the staircases and access ladders giving access to back exit doors and roof; **(h)** cleaning and maintaining the grounds (including snow removal and landscaping); **(i)** any service contracts with independent contractors for property risk management, environmental risk management, maintenance, repairs, replacements and security operations. Without limiting the generality of the foregoing, such contracts shall include those taken out for HVAC System and all building systems; **(j)** audit, accounting, legal and other professional and consulting fees and disbursements incurred; **(k)** water and business taxes (except as charged to tenants), licenses and fees; and **(l)** salaries, wages and benefits, uniforms, cost of vehicles’ leases and operation and communication devices for all personnel (whether on or off site and whether employed by the Landlord or a management company) engaged in the operation, management, maintenance and repair and accounting services provided in respect of the Property (if such personnel provides services or work related to other properties or business, the associated costs shall be prorated accordingly);

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Initials

Landlord	Tenant

and (n) expenditures relating to energy conservation measures and to building certification programs.

Operating Costs will not include, or shall be deducted from Operating Costs: (i) net proceeds of insurances received by the Landlord from its insurers, to the extent that the proceeds relate to costs previously included in Operating Costs; (ii) income taxes; (iii) interest on and capital retirement of debt; (iv) ground rentals; (v) expenses relating to the correction of initial construction defects or deficiencies or initial equipment modification or adjustments; (vi) any costs resulting from any breach of the Landlord's covenants under this Lease; (vii) costs of structural repairs or replacements (other than relating to the roof membrane repairs, if any, which are included in Operating Costs); (viii) any costs related to further construction and development of the Property; and (ix) any costs incurred or expenses specifically attributable to another part of the Property not covered by this Lease (including for maintenance and repair).

Furthermore, Operating Costs will not include any and all operating costs relating to buildings, constructions, or structures which will be erected or substantially completed on the Property after the date hereof and which are incurred or accrued (whether disbursed or not) before the Commencement Date.

6.5 In addition to and at the same time as its payment of the Basic Rent to the Landlord, the Tenant shall pay as Additional Rent throughout the Term (and any renewal).

“Real Estate Taxes”: means the total of: (a) all real property taxes or charges (including local improvements and special taxes, the surtax on non-residential immovable or tax on non-residential immovables) from time to time imposed in respect of all or any part of the Property by any taxing authority, and any other amounts that may be imposed instead of or in addition to them, whether against the Landlord or the Tenant and whether or not similar to the foregoing, and whether in existence at the Commencement Date or not, and whether or not within the contemplation of the parties; (b) all consulting, appraisal, legal and other costs reasonably incurred in attempting to minimize or reduce those amounts. Real Estate taxes include any other tax, levy, fee or imposition that will be borne by the Landlord and which replaces or supplements or be reasonably deemed or intended to replace or supplement such taxes or charges. Real Estate Taxes do not include corporate, income, profits or excess profits taxes assessed upon the income of the Landlord. Furthermore, Real Estate Taxes will not include any and all taxes and charges levied in relation to or based on the assessment of buildings, constructions, or structures which will be erected after the date hereof as long as the Property has not been remeasured to include such buildings, constructions, or structures.

The Tenant shall deliver to the Landlord forthwith upon the Tenant’s receiving the same copies of all assessment notices, tax bills, receipts and other documents received by Tenant relating to Real Estate Taxes on the Property.

The Landlord may contest any Real Estate Taxes and appeal any assessments related thereto and may withdraw any such contest or appeal or may agree with the relevant authorities on any settlement in respect thereof. The Parties understand that the assessment of the Property is being contested as of the date hereof. The Tenant will co-operate with the Landlord in respect of any such contest and appeal and shall provide to the Landlord such information and execute such documents as the Landlord requests to

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Initials

Landlord	Tenant

give full effect to the foregoing. If there are any refunds or reimbursements of Real Estate Taxes made to the Landlord for periods during which the Tenant has paid its Proportionate Share of Real Estate Taxes, the Landlord shall reimburse the Tenant accordingly.

Tenant may, at its sole cost and expense and on behalf of Landlord, contest any Real Estate Taxes and appeal any assessments related thereto and may withdraw any such contest or appeal or may agree with the relevant authorities on any settlement in respect thereof.

6.6 Estimates and Adjustments of Operating Costs and Real Estate Taxes

The Operating Costs and Real Estate Taxes shall be payable provisionally throughout the Term on the basis of a reasonable estimate of each applicable charge. The Landlord will then furnish the estimate to the Tenant prior to the commencement of the period for which the estimate is intended to apply or as soon as reasonably practical thereafter. In each case, the previously existing estimate shall apply until replaced by another.

Within a reasonable delay after the end of the period for which the estimated payments are intended to apply, the Landlord will furnish the Tenant with a detailed statement showing the actual amount the Tenant is required to pay toward Operating Costs and Real Estate Taxes. If the total of the Tenant's provisional payments with respect to any such charges is less than the actual amount payable, the difference will become due and exigible with the next payment of Base Rent following receipt of the Landlord's statement. If the Tenant's provisional payments exceed the actual amounts payable, the Landlord will reimburse the Tenant within fifteen (15) days of such detailed statement.

Upon demand, Tenant will be provided or allowed access to all supporting documentation regarding Operating Costs and Real Estate Taxes, for its review.

7. TENANT'S OBLIGATIONS

7.1 Permits – Save for the Tenant's obligations to Health Canada and all other relevant related government authority as pertaining to licenses and permits required to comply with all applicable laws in order to carry out the Permitted Use on the Property, the Landlord shall be solely responsible for and pay all other permits, charges, impositions, costs and expenses of every nature and kind, to the applicable government authority or persons relating to the Property or the Tenant's use and occupancy of the Property, or the contents thereof, or the business carried on therein. The Tenant shall comply with all applicable legal requirements (including Environmental Laws) affecting the Property, anything thereon, the business transacted or things placed thereon or the use made thereof. The Tenant shall provide the Landlord with copies of all permits and authorizations for a valid occupation of the Property within a reasonable delay after the Commencement Date.

7.2 Business and Water Tax - The Tenant shall pay promptly and directly to the taxing authorities or to the Landlord if the Landlord is invoiced therefore, all Business Taxes and water taxes which may be imposed on or applicable to the Tenant or the Property, in connection with Tenant's business and/or its use of the Property. If by law, regulation or otherwise, at any time during the Term or any renewal thereof, such business or water taxes are made payable personally by landlords or owners of buildings, Tenant shall pay the amount of such rates or taxes as are applicable to Tenant or the Property in connection

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Initials

Landlord	Tenant

with Tenant's business and/or its use of the Property.

If a separate bill is not issued by the relevant authority for Business Taxes for the Property, the Tenant will pay the Business Taxes for the Property and same shall then be considered as Additional Rent.

“**Business Taxes**” means taxes imposed upon the Tenant or upon the business, activities, use, occupancy, improvements, equipment, facilities in any part of the Property of the Tenant or its subtenants or licensees, and any substitute taxes and other charges whether imposed against the Landlord or the Tenant.

7.3 **Goods and Services Taxes and Quebec Sales Tax** - The Tenant shall, at the time of payment of Rent to the Landlord, remit to the Landlord, in addition to the rent, all federal (GST) and provincial (QST) goods, sales and services taxes (the “**Sales Taxes**”) with respect thereto.

7.4 **Utilities** – The Tenant is responsible for the payment of all Property costs as they relate to utilities (heat, water, gas, electricity or any other utility used or consumed on the Property). Where separate meters are installed, as the case may be, or Tenant is billed directly by suppliers for its utilities, Tenant will pay the costs of such utilities directly to the utility supplier to the entire exoneration of the Landlord. If Landlord is billed by utility suppliers, the Tenant shall pay the cost of utilities used or consumed on the Property to the Landlord.

7.5 **Hazardous Substances** - The Tenant agrees to occupy the Property and operate its business in a manner so that no part of the Property or surrounding lands are used to generate, manufacture, refine, treat, transport, store, handle, dispose of, transfer, produce or process any Hazardous Substances, except in strict compliance with all applicable federal, provincial and municipal statutes, by-laws and regulations, including, without limitation, environmental, land use and occupational and health and safety laws, regulations, requirements, permits, statutes, by-laws and regulations (the “**Environmental Laws**”). Further the Tenant hereby agrees to indemnify and save harmless, and does hereby indemnify and save harmless, the Landlord and those for whom the Landlord is in law responsible from any and all losses, costs, claims, damages, liabilities, expenses or injuries caused or contributed to by any Hazardous Substances which are at any time located, stored or incorporated in any part of the Property by the Tenant. The Tenant hereby agrees that the Landlord or its authorized representatives shall have the right, within fifteen (15) days of receipt of an invoice therefore, to conduct such environmental site reviews and investigations as it may deem necessary for the purposes of ensuring compliance with this Section. The Tenant's obligations pursuant to this Section will survive the expiration or earlier termination of the Term.

The term "**Hazardous Substances**" as used herein means any contaminant, pollutant, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, hazardous waste, flammable, explosive or radioactive material, urea formaldehyde foam insulation, asbestos, PCB's or any other substances or materials that are declared or defined to be hazardous, toxic, contaminants or pollutants in or pursuant to any applicable **Environmental Law**.

7.6 **Alterations** – The Tenant has no right to alter, add, improve or otherwise modify the Structural Elements of the Property or any equipment or system servicing the Property (an

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Initials

Landlord	Tenant

“Alteration”) unless it has obtained the Landlord’s prior written consent. The Tenant must accompany each request for the Landlord’s written approval with detailed plans and specifications for the intended Alteration, and will ensure that the work is done according to the relevant provisions of this Lease, and that all plans and specifications for the intended work shall conform with all the requirements of any competent authority. Any Alteration that may be approved by the Landlord and which are made by the Tenant or made by the Landlord on the Tenant’s behalf on consent and by agreement under this Lease shall be at the Tenant’s entire costs and remain the responsibility of the Tenant throughout the Term. Such Alteration shall not be removed from the Property without the Landlord’s prior written consent. The Tenant has the right, without the Landlord’s consent, to change, demolish, install, upgrade, move, and modify all other elements of the Property from time to time as needed to aid and allow for the Permitted Use (“Modification”) as long as any such Modification is carried out at the Tenant’s cost, is not an Alteration, and the Landlord is notified of same in writing prior to the commencement of any work. Upon expiration of this Lease, the Tenant at its entire costs shall, at the option of the Landlord, remove and restore all Alterations or Modifications and restore the Property to the condition as provided herein. If the Tenant fails or is not required by the Landlord to remove such Alterations or Modifications and to restore the Property, then upon the expiration of this Lease, all such Alterations and Modifications shall, at the Landlord’s sole option, become the property of the Landlord or shall be removed by the Landlord at the expense of the Tenant. In no case will the Tenant be entitled to any compensation for any Alteration and Modifications that is left in or removed from the Property unless otherwise agreed in writing. The Tenant shall not commence any Alteration until the Landlord’s prior approval has been obtained in writing. The Tenant shall obtain all necessary building and other permits before starting any work. The Tenant agrees not to obtain such permits without first obtaining the Landlord’s written permission to effect the Alteration or before giving notice of any Modifications. Upon completion, the Tenant shall secure all applicable certificates of completion and occupancy. The Landlord, at its own option, shall have the right to effect any work affecting the structure, the plumbing, electrical and mechanical systems of the Property at its own cost with prior written consent from the Tenant. All Alterations shall be completed in new materials. Materials and workmanship shall be of a uniformly high quality and used and/or performed in accordance with the very best standards of practice and shall not be in contravention of any governing codes or regulations and shall be subject to the approval of the Landlord and/or its architect. Any damage to the Property or the Property caused by the Tenant or persons for whom the Tenant is legally responsible shall be immediately repaired by the Tenant at its expense (or at the by the Landlord, at its option but at the Tenant’s entire costs).

7.7 **Return of the Property** - Without limiting the generality of the foregoing, at the expiration or earlier termination of the Term, the Tenant shall surrender the Property in the same condition as they were in upon delivery of possession thereto under this Lease, reasonable wear and tear only excepted, and shall surrender all keys for the Property to the Landlord. The Tenant’s obligations to observe or perform this obligation shall survive the expiration or earlier termination of the Term of this Lease.

7.8 **Discharge of Construction Legal Hypothecs** - The Parties will ensure that no legal hypothec in favour of persons having taken part in the construction or renovation of an immovable, or any similar encumbrance, or charge, or notice thereof, is registered, published, or filed against the Property or any part of it, by any person claiming by, through, under or against a Party or its contractors or subcontractors. If a legal hypothec,

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Initials

Landlord	Tenant

encumbrance, charge or notice thereof is registered, filed or published by Tenant's fault and Tenant fails to discharge it within ten (10) days of the reception of a written notice from the Landlord, the Landlord may discharge it by paying the amount claimed to be due into court or directly to the claimant and the Tenant will pay to the Landlord on demand all costs (including legal fees) incurred by the Landlord in connection therewith.

7.9 **Tenant's Insurance** - The Tenant shall throughout the Term, at its own cost and expense, take out and keep in full force and effect and in the names of the Tenant, the Landlord and its hypothecary creditors (the "**Landlord's Lender**"), as their respective interests may appear, the following insurance;

- i) All-risks (including flood and earthquake) insurance upon property of every description and kind owned by the Tenant or for which the Tenant is legally liable (including, without limitation, signs and plate glass) and which is located within the Property in an amount of not less than ninety percent (90%) of the full replacement cost thereof;
- ii) broad form boiler and machinery insurance on a blanket repair and replacement basis with limits for each accident in the amount of not less than the replacement cost of all leasehold improvements and of all boilers, pressure vessels, air conditioning equipment and miscellaneous electrical apparatus owned or operated by the Tenant or by others (other than the Landlord) on behalf of the Tenant in the Property;
- iii) business interruption insurance in such amounts as will reimburse the Tenant for direct or indirect loss of earnings attributable to all perils insured against by the Tenant hereunder;
- iv) public liability and property damage insurance including personal injury liability, tenant legal liability, contractual liability and owners' protective insurance coverage with respect to the Property. Such policies shall be written on a comprehensive basis within inclusive limits of not less than five million dollars (\$5,000,000.00) or such higher limits as the Landlord or the Landlord's Lender, may reasonably require from time to time; and
- v) any other form of insurance as the Landlord or the Landlord's Lender, may reasonably require from time to time in form, in amounts and for insurance risks against which a prudent tenant would insure.

All policies required to be written on behalf of the Tenant pursuant to this Section shall contain the standard hypothec (mortgage) clause of the Landlord's Lender, if required by them, and shall contain a waiver of any subrogation rights which the Tenant's insurers may have against the Landlord and against those for whom the Landlord is in law responsible, whether any such damage is caused by the act, omission or negligence of the Landlord or those persons or things for whom and for which the Landlord is in law responsible.

The Tenant agrees that certificates of insurance if required by the Landlord or the Landlord's Lender, certified copies of each such insurance policy will be delivered to the Landlord as soon as practicable after the placing of the required insurance. The Tenant

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Initials

Landlord	Tenant

shall notify the Landlord, in writing not less than thirty (30) days prior to any material change, cancellation or termination thereof.

The Tenant agrees that if the Tenant fails to take out or keep in force any such insurance referred to in this Section, or should any such insurance not be approved by either the Landlord or the Landlord's Lender, and should the Tenant not rectify the situation immediately after written notice by the Landlord to the Tenant, the Landlord has the right without assuming any obligation in connection therewith to effect such insurance at the sole cost of the Tenant and all outlays by the Landlord shall be immediately paid by the Tenant to the Landlord without prejudice to any other rights and remedies of the Landlord under this Lease.

The Tenant will not allow or cause anything to occur on the Property which shall cause any increase of premium for any insurance on Property or any part thereof above the rate for the least hazardous type of occupancy legally permitted in the Property. If the Tenant is in default under this Section, the Tenant shall pay any resulting additional premium on any insurance policies taken out or maintained by the Landlord, including any additional premium on any Rent income insurance policy that may be carried by the Landlord. If notice of cancellation shall be given respecting any insurance policy or if any insurance policy upon the Property or any part thereof shall be cancelled or refused to be renewed by an insurer by reason of the use or occupation of the Property or any part thereof (other than the Permitted Use) or the acts or omissions of the Tenant or persons for whom the Tenant is legally responsible, the Tenant shall forthwith remedy or rectify such use or occupation upon request to do so in writing by the Landlord, and if the Tenant shall fail to do so within twenty-four (24) hours of such written request, subject to Section 9.1 hereof, the Landlord shall have the right to enter the Property and rectify the situation, without liability to the Tenant for any loss or damage occasioned by such entry and rectification, or shall be entitled to hold the Tenant liable for any damage or loss resulting from such cancellation or refusal, or the Landlord may at its option terminate this Lease forthwith by leaving upon the Property notice in writing of its intention to do so, and thereupon all unpaid Rent for which the Tenant is liable under this Lease shall be apportioned and paid in full to the date of such termination of the Lease, and no other Tenant liability shall be incurred or due to the Landlord under the terms of the Lease, which the Landlord agrees is reasonable, and the Tenant shall immediately deliver up possession of the Property to the Landlord. In determining whether increased premiums are the result of the Tenant's use of the Property, a schedule issued by the organization making the insurance rate on the Property, showing the various components of such rate, shall be conclusive evidence of the several items and charges which make the fire insurance rate of the Property. Bills for such additional premiums shall be rendered by the Landlord to the Tenant at such times as the Landlord may elect, and shall be due from and payable by the Tenant when rendered, and the amount thereof shall be deemed to be and be paid as Rent.

8. LANDLORD'S OBLIGATIONS

8.1 **Taxes** - The Landlord shall pay all real estate taxes (the "**Taxes**") which are levied, rated, charged or assessed against the Property or any part thereof, subject to the provisions of this Lease. However, the Landlord may defer payment of any such Taxes or defer compliance with any statute, law, by-law, regulation or ordinance in connection with the levying of any such Taxes in each case to the fullest extent permitted by law, so long as it diligently prosecutes any contest or appeal of any such Taxes.

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Initials

Landlord	Tenant

8.2 **Repairs** – Subject to the provisions on damage and destruction in this Lease, the Landlord will maintain and repair the Structural Elements as would a prudent owner of a similar industrial building, having regard to size, age and location, subject to normal wear and tear.

If, however, the Landlord is required to carry out any maintenance, repair or replacement (whether of a structural or non-structural nature) to the Property due to an act or omission of the Tenant or persons for whom it is legally responsible, the Tenant shall pay to the Landlord reasonable costs for making such maintenance, repairs or replacements, upon reception of a written request to that effect.

8.3 **Landlord's Insurance** - The Landlord shall carry public liability and property damage insurance and such other form or forms of insurance as the Landlord or the Landlord's Lender reasonably considers advisable.

9. **LANDLORD'S RIGHT TO ENTER AND CONTROL OF THE PROPERTY**

9.1 Notwithstanding anything to the contrary in the Lease, Landlord's right to enter and access the Property shall remain subject and be exercised in accordance with all applicable requirements and security concerns with regards to any licenses, permits or legislation applying to the Permitted Use, including Tenant's Health Canada license.

9.2 The Landlord or its authorized representatives, may after a 48 hour prior notice, enter the Property at reasonable times to (i) examine them, or (ii) make permitted or required emergency repairs to the Property (including the pipes, conduits, wiring, ducts, columns and other installations on the Property, and in each case (to the extent reasonably possible in the circumstances) without unreasonably interfering with the Tenant's business operations on the Property, and the Landlord may take material into and on the Property for those purposes. Rent shall be abate proportionally while the repairs, Alterations, improvements or additions are being made, but none of the foregoing (or the entry itself) constitute a default to provide the Tenant peaceable enjoyment. The Landlord will take reasonable steps to minimize any interruption of business resulting from any entry. Any abatement will be assessed based on the area of the Property so affected.

9.3 The Landlord may exhibit the Property to prospective purchasers at any time during the Lease, after a 48 hour prior notice. During the last four (4) months prior to the expiry of the Lease Term, the Landlord may exhibit the Property to prospective tenants after a 48 hour prior notice. The Tenant shall permit that usual signs or notices for sale or for rent to be placed near the Property, and remain where placed without interference.

9.4 If the Tenant's representative shall not be personally present to open and allow access into the Property, at any time, when for an emergency an entry therein shall be necessary or permissible, the Landlord or the Landlord's agents, may enter the same by a master key, or may forcibly enter the same, without rendering the Landlord or its agents liable therefor, and without in any manner affecting the obligations and conditions of this Lease.

The Landlord does not have the right to construct other buildings, structures or improvements on the Property and to make such alterations and/or improvements to the same and/or the Property and create such servitudes and other rights as may be necessary or desirable in order to permit any new structure or structures to be connected to the Property without the Tenant's written consent.

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Initials

Landlord	Tenant

The Landlord shall not have the right to make such modifications, alterations or additions to the Property and any building thereon erected, and any subtractions therefrom or rearrangements thereof and to create such rights and enter into such agreements to accommodate the requirements of or to benefit any part of or all of the Property, including, without limiting the generality of the foregoing, the elimination of views, the creation or execution of such servitudes, rights to use, reciprocal rights, shared services, shared use and other similar agreements and rights as may be necessary or desirable in order to permit all or any part of the Property to be connected above, below or at grade, to permit access to and egress from parking areas, loading, shipping and receiving areas, and rentable areas, and to permit or suffer illegal views without the Tenant's written consent.

The Tenant covenants and agrees that any such modifications to any part of the Property and all matters incidental or ancillary thereto, if consented to by the Tenant, are permitted to be accomplished without the further consent or approval of Tenant. No such event shall be alleged or construed as a disturbance of Tenant's enjoyment of the Property or render Landlord liable in damages to Tenant or entitle Tenant to claim any diminution in Basic Rent or any other amount payable under this Lease, as long as Landlord acts to minimize disruption of the Tenant's enjoyment of the Property. Notwithstanding anything to the contrary contained in this Lease, no change made to the Property by Landlord shall restrict or block the natural light in any part of the Property used by Tenant for cultivation purposes.

The Landlord shall have the right at any time and from time to time to do and perform such other acts in and to the Property as Landlord, acting reasonably, determines to be necessary or advisable for the more efficient and proper operation and use of the Property.

The Tenant acknowledges and agrees that Landlord's proper exercise of its rights as hereinabove provided in this section shall not constitute a default of any obligation of the Landlord to provide peaceable enjoyment to the Tenant nor shall it constitute any default of any other nature whatsoever hereunder nor shall it in any way affect the validity of this Lease nor allow the Tenant any right or recourse against the Landlord in respect thereof. Despite anything to the contrary in this Lease, the Landlord is not liable for and the Tenant will not be entitled to any compensation or Rent reduction as a result of the Landlord's exercise of its rights under this section.

10. LOSS, DAMAGE AND INDEMNITY

- 10.1 The Landlord shall not be liable for any injury, death or damage to property of the Tenant or of others located on the Property, nor shall it be responsible for any loss of or damage to any property of the Tenant or others from any cause whatsoever, unless such damage results from the fault or gross negligence of the Landlord or persons for whom the Landlord is in law responsible.
- 10.2 Notwithstanding anything to the contrary, all property of the Tenant kept or stored on the Property shall be so kept or stored at the risk of the Tenant only and the Tenant shall indemnify the Landlord and save it harmless from any claims arising out of any damages to the same, including, without limitation, any subrogation claims by the Tenant's insurers.
- 10.3 The Tenant will indemnify the Landlord and save it harmless, and does hereby indemnify the Landlord and save it harmless, from and against any and all claims, actions, damages, liability and expense in connection with loss of life, personal injury and/or damage to

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Initials

Landlord	Tenant

property arising from or out of any occurrence in, upon or at the Property, the occupancy or use by the Tenant of the Property or any part thereof, or occasioned wholly or in part by any act or omission of the Tenant or persons for whom the Tenant is legally responsible. In case the Landlord shall, without fault on its part, be made a party to any litigation commenced by or against the Tenant, then the Tenant shall hold the Landlord harmless and shall pay all costs, expenses and all attorneys' fees, whether judicial or extra-judicial, incurred or paid by the Landlord in connection with such litigation.

11. DAMAGE, DESTRUCTION AND EXPROPRIATION

11.1 Total or Partial Destruction of Property - If, during the Term, the Property is expropriated or totally or partially destroyed, damaged or sustains an ingress of water from a Structural Element by any cause in respect of which the Landlord is insured or responsible, the following provisions shall have effect:

- i) if the Property are rendered partially unfit for occupancy, the Basic Rent only shall abate in part only, in the proportion that the part of the Property rendered unfit for occupancy bears to the whole of the Property or if the Property is rendered wholly unfit for occupancy by the Tenant the Basic Rent hereby reserved shall be suspended in each case until the Property has been rebuilt and/or repaired or restored;
- ii) notwithstanding the provisions of subparagraph (i), if the Property in the opinion of the Landlord's architect shall be incapable of being rebuilt and/or repaired or restored with reasonable diligence within 180 days of the happening of such destruction or damage, then either the Landlord or the Tenant may at its option terminate this Lease by notice in writing to the other given within thirty (30) days of the date of such opinion of Landlord's architect and in the event of such notice being so given, this Lease shall cease and become null and void from the date of such destruction or damage and the Tenant shall immediately surrender the Property and all interest therein to the Landlord and the Basic Rent shall be apportioned and shall be payable by the Tenant only to the date of such destruction or damage and the Landlord may re-enter and repossess the Property discharged of this Lease but if within the said period of thirty (30) days neither the Tenant nor the Landlord shall give notice terminating this Lease as aforesaid or if within the said period the Landlord and the Tenant shall agree not to give such notice then upon the expiration of the said period of thirty (30) days or upon the Landlord and the Tenant having agreed as aforesaid, whichever shall be the sooner, the Landlord shall with reasonable promptitude proceed to rebuild and/or repair or restore the Property; and
- iii) if the Property shall be capable with reasonable diligence of being rebuilt and/or repaired or restored within 180 days of the happening of such destruction or damage then the Landlord shall rebuild and/or repair or restore the Property with diligence within the aforesaid 180 days.

The certificate of the Landlord's architect shall bind the parties as to the extent to which the Property are unfit for occupancy, time required to rebuild and/or repair or restore the Property, and due completion of repairs. In the case of water ingress, the Tenant may provide a mold report which shall be considered in determining fitness for occupancy.

Initials

Landlord	Tenant

11.2 **Total or Partial Destruction of Property** - In the event that fifty percent (50%) or more of the Property shall be expropriated or damaged or destroyed by fire or other cause, the Landlord shall have the right, to be exercised by notice in writing delivered to the Tenant within sixty (60) days from and after said occurrence, to elect to cancel and terminate this Lease. Upon the giving of such notice to the Tenant, the Term of this Lease shall expire upon the third (3rd) day after such notice is given, and the Tenant shall vacate the Property and surrender the same to the Landlord.

11.3 **Expropriation Awards** - The Landlord and the Tenant will co-operate with each other if there is an expropriation of all or part of the Property, so that each may receive the maximum award that it is entitled to at law. To the extent, however, that a part of the Property is expropriated, as long as the Lease can remain in force and that the Tenant continues to have full access and enjoyment of the Property, the full proceeds that are paid or awarded as a result, will belong solely to the Landlord, and the Tenant will assign to the Landlord, any rights that it may have or acquire in respect of the proceeds or awards and will execute the documents that the Landlord, may reasonably require in order to give effect to this intention.

12. **STATUS STATEMENT, SUBORDINATION AND ATTORNMENT**

12.1 **Status Statement** - Within five (5) days after request, the Tenant will sign and deliver to the Landlord or anyone with or proposing to take an interest in all or part of the Property, a status statement or certificate, stating that this Lease is in full force and effect, any modifications to this Lease, the commencement and expiry dates of this Lease, the date to which Rent has been paid, the amount of any prepaid Rent or deposits held by the Landlord, whether there is any existing default and the particulars, and any other information reasonably required by the party requesting it.

13. **TRANSFER BY LANDLORD**

13.1 If the Landlord transfers or disposes of all or any part of the Landlord's interest under this Lease, then to the extent that the transferee or donee agrees with the Landlord to assume its obligations under this Lease, the Landlord will be released from them, except for existing defaults as of the date of the transfer or disposition.

14. **TRANSFER BY TENANT**

14.1 **Transfer** - For purposes of this Lease, the term "**Transfer**" means, (i) an assignment, sale, Lease, or other disposition of this Lease or the Property, or any part of them or any interest in this Lease (whether by operation of law or otherwise), or in a partnership that is a Tenant under this Lease, (ii) a hypothec, charge or debenture (floating or otherwise) or other encumbrance of this Lease or the Property or any part of them, or of any interest in this Lease or of a partnership, or partnership interest, where the partnership is a Tenant under this Lease, and (iii) a parting with or sharing of possession of all or part of the Property.

14.2 There shall be no Transfer of this Lease by the Tenant unless otherwise agreed as between the Tenant and the Landlord in writing. The Tenant shall have the right to sublease the Property, in whole or in part, on consent of the Landlord, which shall not be unreasonably withheld.

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Initials

Landlord	Tenant

15. **DEFAULT**

15.1 The Tenant shall be in default in any of the following events (an “**Event of Default**”):

i) a default of any of the Tenant’s obligations under this Lease, and which is not remedied within the cure period herein provided:

- a default to pay any Rent when due, and such default shall continue for a period of five (5) consecutive days following a written notice by Landlord to the Tenant stating the amount of rent due;

- a default of any of its obligations or agreements under this Lease or of any term or condition of this Lease (other than the obligation to pay Rent), and such default shall continue for a period of fifteen (15) consecutive days after written notice by the Landlord to the Tenant specifying with reasonable particularity the nature of such defaults and requiring the same to be remedied; if such default cannot be remedied within fifteen (15) days, the Tenant will be in default only if Tenant has not been diligent in taking the necessary measures to start remediation; and

- any act or omission by the Tenant and/or persons for whom the Tenant is legally responsible which results in the suspension, refusal, cancellation or revocation of the Tenant’s Health Canada licence and/or any permit that is issued for the Property to allow the Tenant to operate for the Permitted Use, or any such act or omission of the Tenant and/or persons for whom the Tenant is legally responsible which results in the suspension, refusal, cancellation, revocation, additional conditions, the assessment of penalties or fines under any governmental permit or qualification for the Property as a cannabis cultivation, production, transformation and processing facility, if such default is not remedied within 24 hours of a notice to the Tenant to this effect, or if such default cannot be remedied in 24 hours, if Tenant does not take the appropriate measures to correct such default as soon as possible ;

ii) the Tenant becomes bankrupt or insolvent or takes the benefit of any law now or hereafter in force for bankrupt or insolvent debtors or files any proposal on a proposed arrangement or makes an assignment for the benefit of its creditors or any arrangement or compromise;

iii) any steps are taken or any action or proceedings are instituted by any person for the dissolution, winding-up or the liquidation of Tenant or of its assets;

iv) a receiver, receiver-manager, trustee, agent, custodian or any official having similar powers takes possession of all or any part of the Property or any property located therein;

v) the Tenant fails to take possession of the Property or if having taken possession of the Property, if the Tenant vacates them or if the Property is used or operated by any person not permitted by this Lease;

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Initials

Landlord	Tenant

- vi) any of the property in the Property is seized before or after judgment and a discharge of the seizure is not obtained within fifteen (15) days of the seizure being practised;
- vii) a Transfer is effected or purported to be effected in any manner other than as permitted by this Lease or the Tenant makes a bulk sale of its assets other than in conjunction with a permitted Transfer;
- viii) any insurance policy for the Property or the Property is cancelled or risks cancellation by reason of the Tenant's use (other than the Permitted Use) or the condition of the Property; or
- ix) if this Lease is cancelled, resiliated, terminated or repudiated as a result of a default or pursuant to the *Bankruptcy and Insolvency Act* or in accordance with a transaction or an arrangement pursuant to the *Creditors Companies Arrangements Act* or any similar insolvency legislation.

15.2 **Right to Terminate** - Any such Event of Default shall, by the mere lapse of time for the performance of the obligation, constitute a default under this Lease and at Landlord's option, exercisable by written notice to Tenant and notwithstanding any provisions of law to the contrary including without limitation Article 1863 of the Civil Code of Quebec, Landlord may *ipso facto* terminate this Lease, without necessity of any legal proceedings, and without prejudice to all other rights and recourses of Landlord in the circumstances.

Upon termination, Tenant shall immediately vacate and surrender the Property and all of its rights thereto and to the Lease to Landlord.

Upon termination, Landlord shall be immediately entitled to payment of the equivalent of Rent for the then current month, and Landlord may immediately claim the same together with any arrears then unpaid and any other amounts owing to Landlord by Tenant. The Tenant shall not be liable for any other amounts, costs or damages to the Landlord.

15.3 **No Compensation** – All Rent will be payable by the Tenant without compensation, deduction, set-off, diminution or abatement, except as expressly provided for to the contrary in this Lease.

15.4 **Interest** – If the Tenant fails to pay, when the same is due and payable, any Rent or other amount payable by the Tenant under this Lease, such unpaid amounts shall bear interest from the due date thereof to the date of payment at the rate of eight (8) percent per annum until full payment (the “**Stipulated Rate**”).

15.5 **Further Remedies** - Whenever Tenant defaults in the performance of any of its obligations under this Lease, the Landlord may, after giving notice and subject to Section 9.1 hereof, perform any such obligation for the account of Tenant and may enter upon the Property for that purpose without notice. Tenant shall pay to Landlord on demand, the amount of all costs, charges and expenses incurred by Landlord in connection with such default or in curing or attempting to cure such default, subject to any security requirement in relation with Tenant's permit or license or any other legislation or regulation that may apply to the Permitted Use.

15.6 **Remedies Generally** - Mention in this Lease of any particular remedy or remedies in

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Initials

Landlord	Tenant

favour of one Party shall not preclude it from exercising any other remedy in respect thereof, whether pursuant to this Lease or pursuant to law. No remedy shall be exclusive or dependent upon any other remedy, but each Party may from time to time exercise any one or more of such remedies independently or in combination, such remedies being cumulative and not alternative.

15.7 **No Waiver** - No condoning, excusing or over-looking by either Party of any default by the other at any time in respect of any of its obligations herein contained shall operate as a waiver of Landlord's or Tenant's rights hereunder in respect of any such default or any subsequent default or so as to defeat or affect in any way the rights of Landlord or Tenant herein in respect of any such default or subsequent default. No waiver shall be inferred from or implied by anything done or omitted to be done, in whole or in part, by Landlord or Tenant save only where such waiver is expressed in writing.

Notwithstanding anything to the contrary, the subsequent acceptance of Rent hereunder by the Landlord shall not be deemed to be a waiver of any preceding breach by the Tenant of any term, covenant or condition of this Lease, other than the failure of the Tenant to pay the particular rent so accepted, regardless of the Landlord's knowledge of such preceding breach at the time of acceptance of such Rent. No payment by the Tenant or receipt by the Landlord of a lesser amount than the monthly Rent herein stipulated shall be deemed to be other than on account of the earliest stipulated Rent, irrespective of any contrary imputation or designation by Tenant, nor shall any endorsement or statement or any cheque or any letter accompanying any cheque or payment as Rent be deemed an acceptance of the Tenant's position or a waiver of the Landlord's rights and the Landlord may accept such cheque or payment without prejudice to the Landlord's right to recover the balance of such Rent or pursue any other remedy in this Lease provided.

16. **GENERAL PROVISIONS**

16.1 **Successors** - This Lease is binding upon the parties, the successors and assigns of the Landlord and the heirs, executors, administrators and permitted successors and permitted assigns of the Tenant. If there is more than one party named as Tenant, they are solidarily liable under this Lease without benefit of division or discussion.

16.2 **Entire Agreement** - This Lease, including its Schedules, sets forth all the obligations, promises, agreements, conditions and understandings between the Landlord and the Tenant concerning the Property and there are no obligations, promises, agreements, conditions or representations, either oral or written, between them other than as set out herein and. Except as herein otherwise provided, no subsequent modification to this Lease shall be binding upon the parties unless in a writing and signed by both parties.

16.3 **Performance by the Landlord** - If the Tenant fails to pay any sum to any third party or perform any other obligation under this Lease, the Landlord may, without notice or *mise en demeure* to any person, pay the said sum or perform the said obligation in the place and stead of the Tenant who shall be thereupon obliged to repay the said sum and/or reimburse any costs incurred by the Landlord in performing such obligation, as the case may be, the whole without prejudice to any other rights or recourses of the Landlord which may accrue in the circumstances.

16.4 **No Partnership** - The Landlord does not, in any way or for any purpose, become a partner

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Initials

Landlord	Tenant

of the Tenant in the conduct of its business, or otherwise, or joint venturer or a member of a joint enterprise with the Tenant.

- 16.5 **Force Majeure** – In the event that either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of strikes, lock-outs, labour troubles, superior force, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, war, pandemic, or other reason of a like nature not the fault of the party delayed in performing work or doing acts required under the terms of this Lease, then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. Notwithstanding anything herein contained, the provisions of this Section shall not operate to excuse the Tenant from the prompt payment of Rent or any other payments required by the terms of this Lease, nor entitle the Tenant to compensation for any inconvenience, nuisance or discomfort thereby occasioned.
- 16.6 **Notices** - Any notice herein provided or permitted to be given by the parties to each other pursuant to this Lease shall be sufficiently given if delivered or if mailed in Canada, registered and postage prepaid, addressed to the party's address as hereinabove indicated. Any such notice given as aforesaid shall be conclusively deemed to have been given on the day on which such notice is delivered or on the third day that there is postal delivery following the day on which such notice is mailed, as the case may be. Either party may at any time give notice in writing to the other of any change of address of the party giving such notice and from and after the giving of such notice the address therein specified shall be deemed to be the address of such party for the giving of notices hereunder. The word "**notice**" shall be deemed to include any request, statement or other writing in this Lease provided or permitted to be given by the Landlord to the Tenant or by the Tenant to the Landlord. If there is more than one party named as Tenant, notice to one shall be deemed sufficient as notice to all.
- 16.7 **Written Approval** - Wherever the Landlord's consent is required to be given hereunder or wherever the Landlord must approve any act or performance by the Tenant, such consent or approval, as the case may be, shall be given in writing by the Landlord before same shall be deemed to be effective.
- 16.8 **Lease Publication** -The Tenant shall only publish this Lease by notice in accordance with Article 2999.1 of the *Civil Code of Quebec* and then only after the form and terms of such notice have been approved by Landlord, the whole at the cost of Tenant, including the cost of publication and providing a copy to Landlord. Should notice of this Lease be published, Tenant shall, at the expiration or termination thereof, cause same to be radiated at its expense, failing which Landlord will have the right to cause such radiation and charge Tenant with the cost of same. The Tenant agrees that within thirty (30) days after the expiry or termination of this Lease, the Tenant shall provide the Landlord with written proof that the notice to discharge the lease registration has been filed with the applicable Land Registry Office and will thereafter provide the Landlord with a copy of the registered discharge or a copy of the index of immovable showing such registered discharge.
- 16.9 **Confidentiality** – The Tenant shall not disclose to any person, the financial or any other terms of this Lease, except to its professional advisers, consultants and auditors, if any, and except as required by law.

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Initials

Landlord	Tenant

16.10 **Delays** – Time shall be of the essence of this Lease (all delays are delays “*de rigueur*”).

All delays in this Lease are calculated by calendar days. However, if a delay expires on a day that is Saturday, Sunday or a statutory holiday in the Province of Quebec (a “**Non-Juridical Day**”), then the expiry date of such delay shall be deemed to be extended to the next calendar day that immediately follows which is not a Non-Juridical Day.

16.11 **Partial Invalidity** – If any term, obligation or condition of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease and/or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, obligation or condition of this Lease shall be separately valid and enforceable to the fullest extent permitted by law.

16.12 **Freely Negotiated** – The parties declare that all essential terms and conditions of this Lease were freely negotiated, with the benefit of their respective legal counsel, and this Lease is not a contract of adhesion.

16.13 **Law** – This Lease is to be governed by and construed according to the laws of the Province of Quebec. Notwithstanding the party’s domicile or the location of the Property, the parties expressly agree to submit to the exclusive jurisdiction of the competent courts sitting in the Judicial District of **Montreal** for the adjudication of any dispute or claim arising from or in connection with this Lease.

16.14 **Counterparts** – This Lease may be executed and delivered in any number of counterparts, with the same effect as if all parties had signed and delivered the same document, and all counterparts shall together constitute one and the same original document. Delivery of this Lease by facsimile or electronic transmission of an originally executed document shall be effective as delivery of an originally executed copy of this Lease.

16.15 **Landlord Equipment** – The Landlord will allow and grant to the Tenant the exclusive use of a tractor and attachments for snow removal and grass cutting (as described in Schedule “C”, forming an integral part hereto) as part of the terms of this Lease and during the Term without any additional cost to the Tenant (the “**Equipment**”). The Equipment shall be used only on the Property, and all costs associated with the use of the Equipment shall be born by the Tenant exclusively. For clarity and without limitation, the Tenant shall undertake to insure the Equipment, and shall be fully responsible for fulling, repairing and maintaining the Equipment during the Term. Ownership of the Equipment shall not pass to the Tenant. The Equipment shall be returned to Landlord upon expiration or termination of this Lease in good condition, with the exception of normal wear and tear caused by the use of the Equipment by Tenant to operate its business.

16.16 **Language** - The parties have requested that this Lease and all related documentation be drafted in the English language. *Les parties ont demandé que ce Bail et toute documentation afférente soient rédigés dans la langue anglaise.*

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Initials

Landlord	Tenant

The signatures of the parties are on the following page.

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Page 21

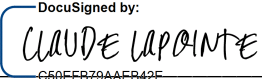
Initials

Landlord	Tenant

AND THE PARTIES HAVE SIGNED AS OF THE DATE AND PLACE HEREINABOVE MENTIONED:

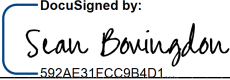
BY THE LANDLORD

9317228 CANADA INC.

Per: 
DocuSigned by:
C69EFB79AAEB42E...
Claude Lapointe, President
Duly authorized representative as he so declares

BY THE TENANT

9430-6347 QUÉBEC INC.

Per: 
DocuSigned by:
592AE31ECC9B4D1
Sean Bovingdon, Chief Financial Officer
Duly authorized representative as he so declares

Landlord	Tenant

SCHEDULE A

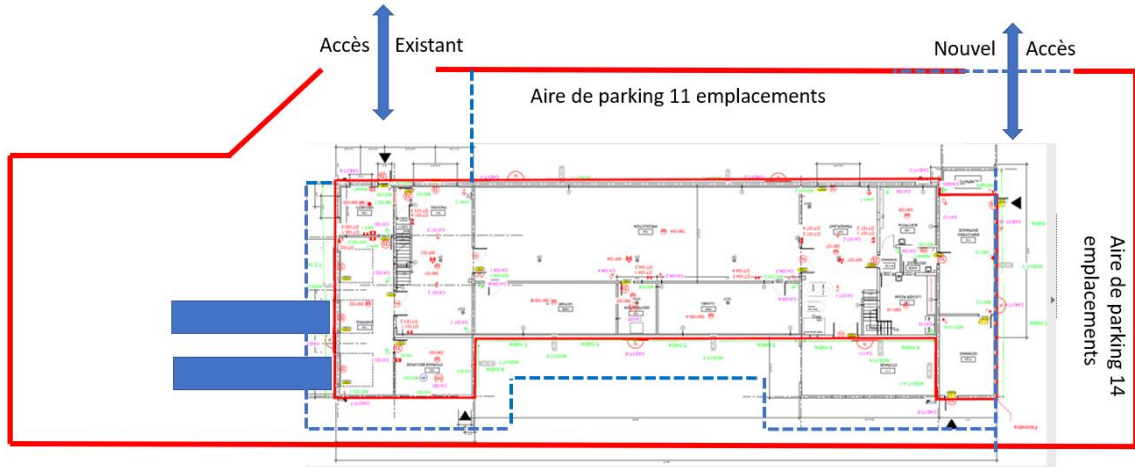
Site Plan – Property Plan

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Page 23

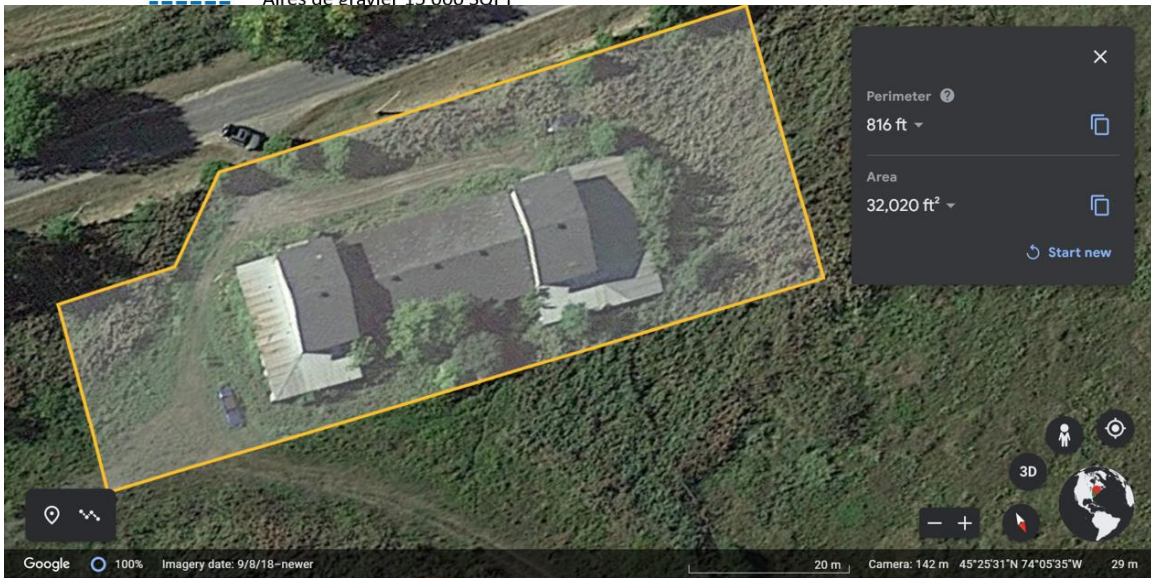
Initials

Landlord	Tenant

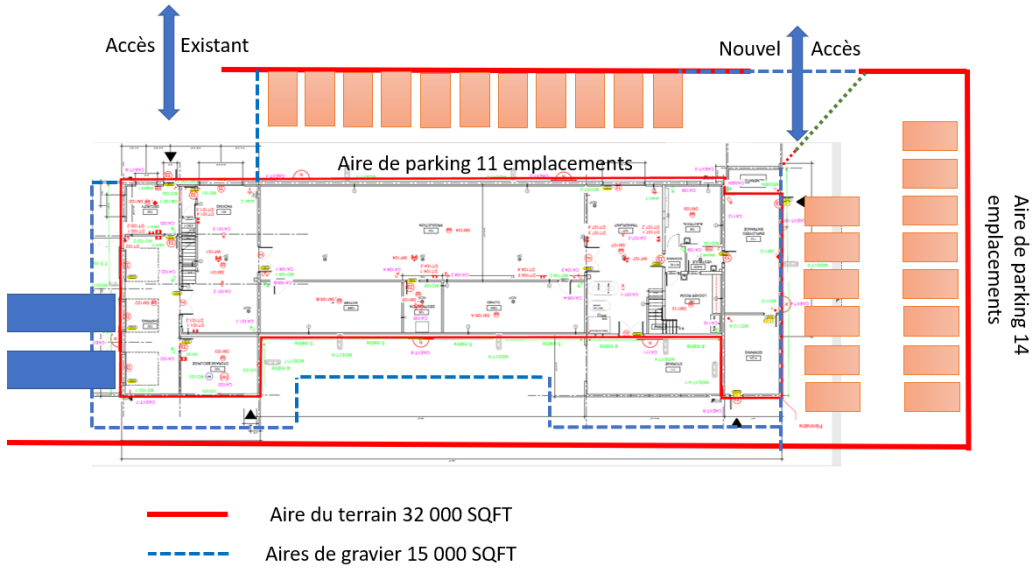


— Aire du terrain 32 000 SQFT

- - - Aires de gravier 15 000 SQFT



Landlord	Tenant



Landlord	Tenant

SCHEDULE B

The Parties have agreed that the Landlord will be responsible for completing the air conditioning work (approximate value of \$20,000) as well as contributing \$100,000 to the Landlord Work list below. The Landlord and the Tenant will work together to determine the division of work and agree on the priorities and tasks under the responsibility of the Landlord. The Tenant will be responsible for any other work required to ensure that this list of works is completed before taking possession as provided for in the Lease.

Landlord Work:

- Installation and connection of a diesel generator allowing the supply of the security system and part of the building in case of power failure.
- Installation of a septic system allowing the control of the waste generated by 25 people and irrigation run off.
- Finish employee entrance/locker room. Floor with an epoxy coating, light and heating.
- Extraction room: complete heating/cooling commissioning (minimally 3 tons of cooling required) with sufficient air exchange.
- Manufacturing room: have the necessary power outlet (240/120V), complete heating/cooling commissioning (minimally 3 tons of cooling required) with sufficient air exchange.
- Cutting room: Install a wall and double door in the packaging area. Add climate control/air exchange in the new room and necessary electrical supply for the operation.
- Built a corridor between the processing rooms and the grow room to avoid crossing production areas. Install a wall with 2 double doors opening towards the grow room and reverse the original double door towards the packaging room.
- Cleaning of the front at the building and addition of a second entrance to the site. Grading 10' from the building all around it and pads at the shipping area and apply crushed stone.
- Irrigation room: Installation and commissioning of the equipment to treat, fertigate and supply water for the growing room.

e

Initials

Landlord	Tenant

- Growing room: installation of the tables and irrigation in the room. Finalize and commission the climate system.
- Drying room: Install and electrically supply 2 drying containers at the receiving/shipping area.
- Additional storage room for dry material with floor drain, concrete slab, garage door, electrical.
- The parties agree that the Landlord Work includes the Landlord applying for and receiving all proper and required permits for the Property, including an Occupancy Permit.

Landlord Work Exemptions to Sections 1.2 and 3.4:

1. The parties agree that the Landlord Work includes an upgrade to the existing electrical room to 600V/400A, transformation 208V/120V, 240V/120V and connected to 3 phase power from Hydro Quebec. This upgrade is required for the Permitted Use. Nevertheless, the parties also agree that if all other non-exempt Landlord Work has been accepted by the Tenant, the Tenant will take possession of the Property even if this upgrade remains incomplete. Accordingly, if this upgrade remains incomplete, and upon the Commencement Date, the Base Rent will be abated by 17.6% until such time as when this upgrade has been completed by the Landlord.

e

Initials

Landlord	Tenant

SCHEDULE C

Equipment included

- Tractor and snow removal and grass cutting equipment.

DGCdocs - 14262530 v2

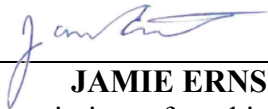
e

Page 28

Initials

Landlord	Tenant

THIS IS **EXHIBIT "O"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.



JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)

LETTER OF INTENT

ACQUISITION OF ALL THE ISSUED AND OUTSTANDING SHARES OF 9430-6347 QUÉBEC INC. AND CONCLUSION OF A LEASE

This letter of intent (the “**Letter of Intent**”) sets out the principal terms and conditions of the proposed acquisition (the “**Acquisition**”) by Medican Biologique Inc. (“**Medican**”) of all the issued and outstanding shares in the share capital of 9430-6347 Québec inc. (the “**Corporation**”) which are held by Daniel Fontaine and France Boisvert (collectively, the “**Sellers**”), as well as the conclusion of a lease (the “**Lease**”, and together with the Acquisition, the “**Transactions**”) between the Corporation, as lessee, and 9317228 Canada Inc. (the “**Lessor**”, and together with Medican and the Vendors, the “**Parties**” and each individually a “**Party**”), regarding the premises located at 5000 Murphy Road, Vaudreuil-Dorion, Province of Quebec, J7V 8P2 (the “**Premises**”).

The Parties agree to be bound by this Letter of Intent until (a) the release of the definitive agreements relating to the Acquisition (including the share purchase agreement between Medican and the Vendors (the “**Share Purchase Agreement**”) and ancillary documents attached to this Letter of Intent as Schedule A, and any other documents reasonably required by the parties) (collectively, the “**Definitive Agreements**”) held in escrow by Langlois Lawyers, LLP (the “**Agent**”) until all conditions described below are met, (b) the release of the lease agreement and ancillary documents attached to this Letter of Intent as Schedule B (the “**Lease Agreement**”) held in escrow by the Agent until all conditions described below are met, or (c) Medican informs the Sellers and the Lessor that one of the condition precedent to the closing of the Transactions set out herein has not or will reasonably not be met prior to the Outside Date (as defined herein) provided the Parties have diligently accomplished the actions under their responsibility in view of the completion of the Transactions. In the event of the termination of the Letter of Intent for any reason other than the closing of the Transactions, the terms herein shall cease to have effect except for the Sections entitled “Confidentiality and Public Announcements”, “Costs”, “Governing Laws”, and “Choice of Forum”, which shall remain in force indefinitely.

A. PURCHASE OF ALL THE ISSUED AND OUTSTANDING SHARES IN THE SHARE CAPITAL OF THE CORPORATION	
Proposed Transaction:	Acquisition by Medican of all the issued and outstanding shares held by each of the Sellers in the share capital of the Corporation, free and clear of any encumbrances.
Parties:	<ul style="list-style-type: none"> - Purchaser: Medican - Sellers: Daniel Fontaine and France Boisvert
Terms and Conditions:	The terms and conditions of the share purchase agreement relating to the Acquisition are fully described in the Share Purchase Agreement attached as Schedule A.
Other conditions precedent to Closing:	<p>The conclusion of the Acquisition and release of the Definitive Agreements held in escrow is subject to and contingent upon:</p> <ul style="list-style-type: none"> - Completion by Medican of a legal due diligence, the results of which shall be to the entire satisfaction of Medican, in its sole discretion (the “Due Diligence Investigations”).

	<ul style="list-style-type: none"> - Obtaining Health Canada's approval for the licensee's change of control regarding the cultivation license issued by Health Canada to the Corporation for the site located on the Premises (the "Cultivation License"). Sellers shall provide assistance to obtain Health Canada's approval. - Obtaining a processing license from Health Canada for the Corporation for the site located on the Premises (the "Processing License" and, together with the Cultivation License, the "Licenses"). The Sellers shall provide assistance to Medican to obtain Health Canada's Processing Licence. - All documentation relevant to the Licenses application for the facilities located on the Premises – including but not limited to GPP documentation, physical security, site and building plans (including electrical, HVAC, flow of material, etc.), notices to local authority – shall be provided by the Sellers or the Lessor, depending on the case, to Medican in a timely manner. - The release of the Lease Agreement held in escrow in accordance with the terms hereof. - Obtaining any necessary authorizations, consents, or approvals from third parties, including governmental authorities, if any. - Any other condition as determined by Medican following its completion of the Due Diligence Investigation.
B. LEASE AGREEMENT	
Parties:	<ul style="list-style-type: none"> - Lessee: The Corporation - Lessor: 9317228 Canada Inc.
Leased Premises:	Production facility located at 5000 Murphy Road, Vaudreuil-Dorion, Province of Quebec, J7V 8P2.
Terms and Conditions:	<p>The main terms and conditions are as follows:</p> <ul style="list-style-type: none"> - Lease term: A period of five (5) years - Right of renewal (sole and exclusive): Another period of five (5) years - Use: Cultivation of cannabis, transformation and processing of cannabis and all derivative products - Rent: Triple net - Basic Rent: <ul style="list-style-type: none"> - Annual Basic Rent: \$132,000.00 (before the Sales Tax) - Monthly Basic Rent: \$11,000.00 (before the Sales Tax) <p>Please note that the terms and conditions relating to the Lease are fully described in the Lease Agreement attached as Schedule B.</p>
Landlord Work	The Parties have agreed that the Landlord will be responsible for completing the air conditioning work (approximate value of \$20,000) as well as contributing \$100,000 to the Landlord Work list below. The Landlord and the Tenant will work together to determine the division of work and agree on the priorities and tasks

	under the responsibility of the Landlord. The Tenant will be responsible for any other work required to ensure that this list of works is completed before taking possession as provided for in the Lease.
Other conditions precedent to Closing:	<p>The conclusion of the Lease is subject to and contingent upon:</p> <ul style="list-style-type: none"> - The completion of Landlord Work, as this term is defined in the attached Lease Agreement, to the satisfaction of Medican and the Corporation. - The release of the Definitive Agreements held in escrow in accordance with the terms hereof. - Obtaining Health Canada's approval for the licensee's change of control regarding the Cultivation License. - Obtaining any necessary authorizations, consents, or approvals from third parties, including governmental authorities, if any.
C. OTHER TERMS AND CONDITIONS	
Release of the Escrow:	The Definitive Agreements attached as Schedule A and the Lease Agreement attached as Schedule B shall be released from escrow if each and every of the conditions precedent to closing mentioned in this Letter of Intent are met before or on the Outside Date.
Due Diligence Investigation:	<p>The Corporation and the Sellers shall grant Medican and its representatives and advisors reasonable in-person access, during normal business hours and upon reasonable advance notice, to the Corporation's properties, facilities, books, records and information in order to have the full opportunity to conduct the Due Diligence Investigation as Medican may reasonably require and the Lessor shall grant Medican and its representatives and advisors reasonable in-person access, during normal business hours and upon reasonable advance notice, to the Premises.</p> <p>To that effect, the Sellers shall grant Medican, together with its representatives and advisors, access to a virtual data room containing the relevant information required by Medican, its representatives and advisors regarding the Corporation and the Sellers.</p>
Application costs:	Medican shall reimburse the Sellers for the costs incurred by the Sellers for the application of the Licenses.
Exclusivity:	The Sellers hereby agree not to, directly or indirectly, through any representative or otherwise, initiate, pursue or solicit any discussions or negotiations or in any manner encourage, accept, or consider any proposal of, any other person relating to the sale or transfer of all or part of the Corporation's assets or shares from the date of execution by all parties of the Letter of Intent until the earlier of (i) the release from escrow of the Definitive Agreements; (ii) the date of transmittal of a written notice from Medican to the Sellers stating that at least one of the conditions set out herein has not been met or will not be met prior to April 30, 2023 (the " Outside Date ") or (iii) the Outside Date.

	<p>The Lessor hereby agrees not to, directly or indirectly, through any representative or otherwise, initiate, pursue or solicit any discussions or negotiations or in any manner encourage, accept, or consider any proposal of, any other person relating to the leasing of the Premises from the date of execution by all parties of the Letter of Intent until the earlier of (i) the release from escrow of the Lease Agreement; (ii) the date of transmittal of a written notice from Medican to the Lessor stating that at least one of the conditions set out herein has not been met or will not be met prior to the Outside Date or (iii) the Outside Date.</p>
Conduct of Business:	<p>Upon the execution of this Letter of Intent and until the Outside Date, the Sellers shall provide assistance in the process to obtain the Processing License and shall maintain its Cultivation License, and to not engage in any other business. In particular, the Sellers agree to give Medican prior written notice of the occurrence of any of the following matters at the earliest reasonable opportunity upon any of them becoming aware of the same: (i) hiring of any employee in the Corporation; (ii) incurring any debts or indebtedness; (iii) creating any encumbrances on the assets of the Corporation; (iv) selling of any assets of the Corporation; (v) entering into any contracts; (vi) implementing any corporate transaction or other reorganization, including for tax purposes in view of the Acquisition; and (viii) the loss of Health Canada's Licenses.</p>
Confidentiality and Public Announcements:	<p>The Transactions and this Letter of Intent and any and all information regarding the Transactions and this Letter of Intent must be treated by each Party as strictly confidential and will, unless to the extent required by applicable law or any competent regulatory body having jurisdiction, not, directly or indirectly, be disclosed to any other person than the Parties and their respective representatives or professional advisors in the context of the Transactions. The foregoing restriction does not apply to any information which is or becomes generally available to the public or which was known to such Party and disclosed from an independent third party who obtained the information lawfully and was not bound by any confidentiality covenant.</p> <p>Where an announcement is required to be made by either Party in connection with the Transactions, such Party shall consult the other Party concerned about the subject matter, wording and timing of such announcement and shall use all reasonable endeavours to give effect to the wishes of the other Party.</p>
Costs:	<p>Medican shall pay the costs and expenses incurred by the Sellers and itself in connection with the negotiation and drafting of the Letter of Intent and the Definitive Agreements (including fees and expenses of legal counsels, accountants and other representatives and advisors).</p> <p>The Lessor shall pay the costs and expenses incurred by itself in connection with the negotiation and drafting of the Letter of Intent and the Lease Agreement (including fees and expenses of legal counsels, accountants and other representatives and advisors).</p>
Notices:	<p>Any notice or other communication required or permitted to be given hereunder shall be in writing and addressed as follows:</p> <ul style="list-style-type: none"> • For the Sellers Daniel Fontaine Address: 2044 Bedard, St-Lazare (Québec) J7T 2E5

	<p>Email: dfontaine@globe-cann.com</p> <p>And :</p> <p>France Boisvert Address: 2044 Bedard, St-Lazare (Québec) J7T 2E5 Email: franceboisvert14@hotmail.com</p> <ul style="list-style-type: none"> • For the Purchaser: Medican Biologique Inc. To the attention of: Sean Bovingdon Address: 1250 boul. René-Lévesque W, Office 2000, Montreal (Québec) H3B 4W8 Email: SBovingdon@tgod.ca <p>With copy to:</p> <p>Langlois Lawyers LLP To the attention of: Me Mylany David Address: 1250 boul. René-Lévesque W, Office 2000, Montreal (Québec) H3B 4W8 Email: mylany.david@langlois.ca</p> <ul style="list-style-type: none"> • For the Corporation: 9430-6347 Québec inc. To the attention of: France Boisvert Address: 2044 Bedard, St-Lazare (Québec) J7T 2E5 Email: franceboisvert14@hotmail.com • For the Lessor: 9317228 Canada Inc. To the attention of: Claude Lapointe Address: 14 Chemin Trianon, Rigaud (Québec) J0P 1P0 Email: Lapointeclaude@live.ca
Governing Laws:	This Letter of Intent is governed by, and is to be construed and interpreted in accordance with, the laws of the Province of Quebec and the laws of Canada applicable therein, without giving effect to the conflict of law provisions which would result in the application of the laws of any other jurisdiction.
Choice of Forum:	The parties irrevocably agree that any legal proceedings that may be instituted by any party in connection with the interpretation or application of this Letter of Intent, the Lease Agreement or the Definitive Agreements shall be subject to the exclusive jurisdiction of the Courts having jurisdiction in the judicial district of Montreal.
Currency:	All references to “dollars” or “\$” in this Letter of Intent are in lawful money of Canada, which is the currency used for all purposes in this Letter of Intent, in the Lease Agreement and in the Definitive Agreements.

Amendment:	This Letter of Intent may be amended by mutual agreement of the Parties set forth in writing, except for the validity period below which may be amended by Medicant by simple notice to the other Parties.
Language:	The parties have requested that this Letter of Intent and all related documentation, including the Lease and the Definitive Agreements, be drafted in the English language. <i>Les parties ont demandé que cette Lettre d'intention et toute documentation afférente, y compris le Bail et les Contrats définitifs, soient rédigés dans la langue anglaise.</i>
Counterparts:	This Letter of Intent may be executed in counterparts and by the affixing of an electronic signature and delivered by means of facsimile or electronic transmission (PDF, image, or other format), each such counterpart when so executed and delivered constitutes an original, and all such counterparts together shall constitute one and the same instrument.
Validity:	This Letter of Intent shall be valid only if all Parties thereto have signed it at the latest on November 11, 2022, at 17:00 p.m. EST.

IN WITNESS WHEREOF the parties have duly executed this Letter of Intent:

MEDICAN BIOLOGIQUE INC.

DocuSigned by:

Sean Bovingdon

592AE31FCC9B4D1...

per: Sean Bovingdon, Chief Executive
Officer
Date:

9317228 CANADA INC.

DocuSigned by:

CLAUDE LAPOINTE

C50EFB79AAEB42E...

per: Claude Lapointe, President
Date:

DocuSigned by:

Daniel Fontaine

719A749E211B418...

DANIEL FONTAINE

Date:

DocuSigned by:

France Boisvert

92917268E89E492...

FRANCE BOISVERT

Date:

INTERVENTION

The undersigned intervenes to this Letter of Intent and acknowledges and confirms that it has taken cognizance of all terms and conditions of this Letter of Intent and that it is hereby bound and obliged to act, at all times, in conformity with same.

9430-6347 QUÉBEC INC.

DocuSigned by:

France Boisvert

92917268E89E492...

per: France Boisvert, President
Date:

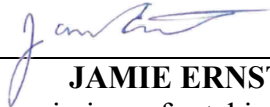
SCHEDULE A
SHARE PURCHASE AGREEMENT

See the attached document.

**SCHEDULE B
LEASE**

See the attached document.

THIS IS **EXHIBIT "P"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.



JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)

Department of State: Division of Corporations

[Allowable Characters](#)

HOME

Entity Details

THIS IS NOT A STATEMENT OF GOOD STANDING

[File Number:](#) **7344952** [Incorporation Date /](#) **3/26/2019**
[Formation Date:](#) (mm/dd/yyyy)

[Entity Name:](#) **THE GREEN ORGANIC BEVERAGE CORP.**

[Entity Kind:](#) **Corporation** [Entity Type:](#) **General**

[Residency:](#) **Domestic** State: **DELAWARE**

[REGISTERED AGENT INFORMATION](#)

Name: **CORPORATION SERVICE COMPANY**

Address: **251 LITTLE FALLS DRIVE**

City: **WILMINGTON** County: **New Castle**

State: **DE** Postal Code: **19808**

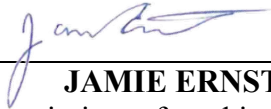
Phone: **302-636-5401**

Additional Information is available for a fee. You can retrieve Status for a fee of \$10.00 or more detailed information including current franchise tax assessment, current filing history and more for a fee of \$20.00.

Would you like Status Status, Tax & History Information

For help on a particular field click on the Field Tag to take you to the help area.

THIS IS **EXHIBIT "Q"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.



JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)

Licence No. - N° de licence
LIC-JTUPWJZJ50-2022

LICENCE

This licence is issued in accordance with the *Cannabis Act* and *Cannabis Regulations*

LICENCE

Cette licence est délivrée conformément à la *Loi sur le cannabis* et le *Règlement sur le cannabis*

Licence Holder / Titulaire de la licence :
BZAM Management Inc. d.b.a. BZAM Cannabis

Licensed Site / Lieu autorisé :
518 - 19100 AIRPORT WAY
PITT MEADOWS, BC, CANADA, V3Y 0E2

The above-mentioned person is authorized to conduct, at the site specified on this licence, the activities listed below for the following licence classes and subclasses.

La personne susmentionnée est autorisée à effectuer, sur le site spécifié sur cette licence, les activités énumérées ci-dessous pour les catégories et les sous-catégories de licence suivantes.

Standard Processing

Transformation standard

Activities	Activités
<ul style="list-style-type: none"> To possess cannabis To produce cannabis, other than obtain it by cultivating, propagating or harvesting it To sell cannabis in accordance with subsection 17(5) of the Cannabis Regulations 	<ul style="list-style-type: none"> Avoir du cannabis en sa possession Produire du cannabis, sauf en l'obtenant par la culture, la multiplication et la récolte Vendre du cannabis en vertu du paragraphe 17(5) du Règlement sur le cannabis
Conditions	Conditions
The licence holder must meet the requirements set out in the Health Canada document entitled " <i>Mandatory cannabis testing for pesticide active ingredients - Requirements</i> ".	Le titulaire de la licence doit respecter les exigences énoncées dans le document de Santé Canada intitulé « <i>Analyse obligatoire du cannabis pour les résidus de principes actifs de pesticides-Exigences</i> ».
The only cannabis products that the licence holder may sell or distribute to (i) a holder of a licence for sale, and (ii) a person that is authorized under a provincial Act referred to in subsection 69(1) of the Act to sell cannabis, are as follows: cannabis plants; cannabis plant seeds; dried cannabis; fresh cannabis; cannabis topicals; cannabis extracts; and edible cannabis.	Les seuls produits du cannabis que le titulaire de la licence peut vendre ou distribuer (i) à un titulaire d'une licence de vente et (ii) à une personne autorisée sous le régime d'une loi provinciale visée au paragraphe 69(1) de la Loi à vendre du cannabis sont les suivants : plantes de cannabis; graines provenant d'une plante de cannabis; cannabis séché; cannabis frais; cannabis pour usage topique; extrait de cannabis; et cannabis comestible.
The only cannabis products that the licence holder may send or deliver to the purchaser at the request of (i) a holder of a licence for sale, and (ii) a person that is authorized under a provincial Act referred to in subsection 69(1) of the Act to sell cannabis, are as follows: cannabis plants; cannabis plant seeds; dried cannabis; fresh cannabis; cannabis topicals; cannabis extracts; and edible cannabis.	Les seuls produits du cannabis que le titulaire de la licence peut expédier ou livrer à l'acheteur à la demande (i) d'un titulaire d'une licence de vente et (ii) d'une personne autorisée sous le régime d'une loi provinciale visée au paragraphe 69(1) de la Loi à vendre du cannabis sont les suivants : plantes de cannabis; graines provenant d'une plante de cannabis; cannabis séché; cannabis frais; cannabis pour usage topique; extrait de cannabis; et cannabis comestible.

Indoor Area(s) / Zone(s) intérieure(s)

The possession of cannabis and the other activities mentioned above are authorized in the following building(s) / La possession de cannabis et les autres activités mentionnées ci-haut sont autorisées dans les bâtiment(s) suivant(s) :

Building 1

Effective date of the licence:

This licence is effective as of **December 7, 2022**

Date d'entrée en vigueur de la licence:

Cette licence entre en vigueur à compter du **7 décembre 2022**

Expiry date of the licence:

This licence expires on **March 27, 2025**

Date d'expiration de la licence:

La présente licence expire le **27 mars 2025**



Acting Director, Licensing and Security, Controlled Substances and Cannabis Branch

Directrice par intérim, Licences et sécurité, Direction générale des substances contrôlées et du cannabis

Licence No. - N° de licence
LIC-J5USTB6Z3V-2022

LICENCE

This licence is issued in accordance with the *Cannabis Act* and *Cannabis Regulations*

LICENCE

Cette licence est délivrée conformément à la *Loi sur le cannabis* et le *Règlement sur le cannabis*

Licence Holder / Titulaire de la licence :
BZAM Cannabis Corp.

Licensed Site / Lieu autorisé :
8770 24TH STREET
SHERWOOD PARK, AB, CANADA, T6P 1X8

The above-mentioned person is authorized to conduct, at the site specified on this licence, the activities listed below for the following licence classes and subclasses.

La personne susmentionnée est autorisée à effectuer, sur le site spécifié sur cette licence, les activités énumérées ci-dessous pour les catégories et les sous-catégories de licence suivantes.

Standard Cultivation

Culture standard

Activities	Activités
<ul style="list-style-type: none"> To possess cannabis To obtain dried cannabis, fresh cannabis, cannabis plants or cannabis plant seeds by cultivating, propagating and harvesting cannabis For the purposes of testing, to obtain cannabis by altering its chemical or physical properties by any means To sell cannabis in accordance with subsection 11(5) of the Cannabis Regulations 	<ul style="list-style-type: none"> Avoir du cannabis en sa possession Obtenir du cannabis séché, du cannabis frais, des plantes de cannabis ou des graines provenant de telles plantes par la culture, la multiplication et la récolte de cannabis Afin d'effectuer des essais sur du cannabis, obtenir du cannabis par l'altération, par tout moyen, de ses propriétés physiques ou chimiques Vendre du cannabis en vertu du paragraphe 11(5) du Règlement sur le cannabis

Conditions	Conditions
The licence holder must meet the requirements set out in the Health Canada document entitled "Mandatory cannabis testing for pesticide active ingredients - Requirements".	Le titulaire de la licence doit respecter les exigences énoncées dans le document de Santé Canada intitulé « Analyse obligatoire du cannabis pour les résidus de principes actifs de pesticides-Exigences ».

Standard Processing

Transformation standard

Activities	Activités
<ul style="list-style-type: none"> To possess cannabis To produce cannabis, other than obtain it by cultivating, propagating or harvesting it To sell cannabis in accordance with subsection 17(5) of the Cannabis Regulations 	<ul style="list-style-type: none"> Avoir du cannabis en sa possession Produire du cannabis, sauf en l'obtenant par la culture, la multiplication et la récolte Vendre du cannabis en vertu du paragraphe 17(5) du Règlement sur le cannabis

Conditions	Conditions
The licence holder must meet the requirements set out in the Health Canada document entitled "Mandatory cannabis testing for pesticide active ingredients - Requirements".	Le titulaire de la licence doit respecter les exigences énoncées dans le document de Santé Canada intitulé « Analyse obligatoire du cannabis pour les résidus de principes actifs de pesticides-Exigences ».
The only cannabis products that the licence holder may sell or distribute to (i) a holder of a licence for sale, and (ii) a person that is authorized under a provincial Act referred to in subsection 69(1) of the Act to sell cannabis, are as follows: cannabis plants; cannabis plant seeds; dried cannabis; and fresh cannabis.	Les seuls produits du cannabis que le titulaire de la licence peut vendre ou distribuer (i) à un titulaire d'une licence de vente et (ii) à une personne autorisée sous le régime d'une loi provinciale visée au paragraphe 69(1) de la Loi à vendre du cannabis sont les suivants : plantes de cannabis; graines provenant d'une plante de cannabis; cannabis séché; et cannabis frais.
The only cannabis products that the licence holder may send or deliver to the purchaser at the request of (i) a holder of a licence for sale, and (ii) a person that is authorized under a provincial Act referred to in subsection 69(1) of the Act to sell cannabis, are as follows: cannabis plants; cannabis plant seeds; dried cannabis; and fresh cannabis.	Les seuls produits du cannabis que le titulaire de la licence peut expédier ou livrer à l'acheteur à la demande (i) d'un titulaire d'une licence de vente et (ii) d'une personne autorisée sous le régime d'une loi provinciale visée au paragraphe 69(1) de la Loi à vendre du cannabis sont les suivants : plantes de cannabis; graines provenant d'une plante de cannabis; cannabis séché; et cannabis frais.



Acting Director, Licensing and Security, Controlled Substances and Cannabis Branch

Directrice par intérim, Licences et sécurité, Direction générale des substances contrôlées et du cannabis



Sale for Medical Purposes

Vente à des fins médicales

Activities	Activités
<ul style="list-style-type: none"> To possess cannabis To sell cannabis products in accordance with section 27 and Part 14, Division 1 of the Cannabis Regulations 	<ul style="list-style-type: none"> Avoir du cannabis en sa possession Vendre des produits du cannabis en vertu de l'article 27 et la section 1 de la partie 14 du Règlement sur le cannabis
Conditions	Conditions
N/A	nd

Indoor Area(s) / Zone(s) intérieure(s)

The possession of cannabis and the other activities mentioned above are authorized in the following building(s) / La possession de cannabis et les autre activités mentionnées ci-haut sont autorisées dans les bâtiment(s) suivant(s) :

Building 1

Effective date of the licence:

This licence is effective as of **December 5, 2022**

Date d'entrée en vigueur de la licence:

Cette licence entre en vigueur à compter du **5 décembre 2022**

Expiry date of the licence:

This licence expires on **December 5, 2027**

Date d'expiration de la licence:

La présente licence expire le **5 décembre 2027**

Acting Director, Licensing and Security, Controlled Substances and Cannabis Branch

Directrice par intérim, Licences et sécurité, Direction générale des substances contrôlées et du cannabis

Licence No. - N° de licence
LIC-E5FM5PUXBF-2020-5

LICENCE

This licence is issued in accordance with the *Cannabis Act* and *Cannabis Regulations*

LICENCE

Cette licence est délivrée conformément à la *Loi sur le cannabis* et le *Règlement sur le cannabis*

Licence Holder / Titulaire de la licence :
FINAL BELL Corp.

The above-mentioned person is authorized to conduct, at the site specified on this licence, the activities listed below for the following licence classes and subclasses:

- Research

La personne susmentionnée est autorisée à effectuer, sur le site spécifié sur cette licence, les activités énumérées ci-dessous pour les catégories et les sous-catégories de licence suivantes :

- Recherche

Site and authorized activities

Site et activités autorisées

Site	Activities	Activités
3 - 1100 BENNETT ROAD BOWMANVILLE, ON, CANADA, L1C 0Y7	<ul style="list-style-type: none"> • to possess cannabis for the purpose of research • to produce cannabis for the purpose of research 	<ul style="list-style-type: none"> • aux fins de recherche, avoir du cannabis en sa possession • aux fins de recherche, produire du cannabis

Conditions

Conditions

This licence is restricted, in addition to all other applicable conditions, in that all research conducted under this licence is based on the Research Protocol "Cannabis Sensory Test Protocol – Inhalable and Ingestible Products" provided to Health Canada on March 10, 2022.	Cette licence est restreinte, en plus des autres conditions qui s'appliquent, du fait que toute la recherche effectuée sous cette licence est basée sur le protocole de recherche « Cannabis Sensory Test Protocol – Inhalable and Ingestible Products », fourni à Santé Canada le 10 mars 2022.
The maximum quantity of cannabis to be stored on site for the purpose of research at the address indicated on this licence, in relation to the research protocols cited above, is 10 kg of dried cannabis (or equivalent) at any given time.	La quantité maximale de cannabis pour des fins de recherche qui peut être entreposé au lieu à l'adresse indiquée sur cette licence, pour les protocoles de recherche mentionnés ci-dessus, est de 10 kg de cannabis séché (ou équivalent) en tout temps.
The researcher may only possess and produce cannabis if such possession and production is to use in accordance with the research protocols submitted.	Le chercheur peut seulement posséder et produire du cannabis que si cette possession et cette production sont pour une utilisation en conformité aux protocoles de recherche soumis.
With respect to research involving the administration or distribution of cannabis to human research subjects for assessments of taste, sight, smell or touch of cannabis, in addition to any other conditions listed in this licence, the researcher must meet the requirements set out in the document entitled <i>Appendix: Additional conditions for licensed researchers administering or distributing cannabis to human research subjects using cannabis obtained from a holder of a licence for processing in the final form of cannabis</i> .	En ce qui a trait aux recherches qui nécessitent l'administration ou la distribution de cannabis à des sujets de recherche humains à fins d'évaluation de goût, d'apparence, d'odeur ou de propriétés tactiles du cannabis, en plus de tout autres conditions indiquées sur la licence, le chercheur doit rencontrer les exigences énoncées dans le document intitulé <i>Annexe : Conditions additionnelles pour des titulaires de licence de recherche qui administrent ou distribuent du cannabis à des sujets de recherche humains en utilisant du cannabis qui a été obtenu d'un titulaire d'une licence de transformation sous sa forme finale de cannabis</i> .
All record keeping requirements pertaining to this research licence must be met in accordance with Part 11 of the Cannabis Regulations.	Toutes les exigences relatives à la tenue des dossiers de cette licence de recherche doivent être satisfaites conformément à la partie 11 du Règlement sur le cannabis.
At the end of the research, all cannabis must be destroyed in accordance with s.43 of the Cannabis Regulations unless distributed in a manner authorized by the Cannabis Regulations.	À la fin de la recherche, tout cannabis doit être détruit en conformité avec l'article 43 du Règlement sur le cannabis à moins d'être distribué d'une manière autorisée par le Règlement sur le cannabis.



Acting Director, Licencing and Security, Controlled Substances and Cannabis Branch

Directrice par intérim, Licences et sécurité, Direction générale des substances contrôlées et du cannabis



Effective date of the licence:

This licence is effective as of **March 24, 2022**

Date d'entrée en vigueur de la licence:

Cette licence entre en vigueur à compter du **24 mars 2022**

Expiry date of the licence:

This licence expires on **February 7, 2025**

Date d'expiration de la licence:

La présente licence expire le **7 février 2025**

Acting Director, Licencing and Security, Controlled Substances and Cannabis Branch

Directrice par intérim, Licences et sécurité, Direction générale des substances contrôlées et du cannabis

Licence No. - N° de licence
LIC-ZOTV09QHPG-2022

LICENCE

This licence is issued in accordance with the *Cannabis Act* and *Cannabis Regulations*

LICENCE

Cette licence est délivrée conformément à la *Loi sur le cannabis* et le *Règlement sur le cannabis*

Licence Holder / Titulaire de la licence :
FINAL BELL Corp.

Licensed Site / Lieu autorisé :
3 - 1100 BENNETT ROAD
BOWMANVILLE, ON, CANADA, L1C 0Y7

The above-mentioned person is authorized to conduct, at the site specified on this licence, the activities listed below for the following licence classes and subclasses.

La personne susmentionnée est autorisée à effectuer, sur le site spécifié sur cette licence, les activités énumérées ci-dessous pour les catégories et les sous-catégories de licence suivantes.

Standard Cultivation

Culture standard

Activities	Activités
<ul style="list-style-type: none"> To possess cannabis To obtain dried cannabis, fresh cannabis, cannabis plants or cannabis plant seeds by cultivating, propagating and harvesting cannabis For the purposes of testing, to obtain cannabis by altering its chemical or physical properties by any means To sell cannabis in accordance with subsection 11(5) of the Cannabis Regulations 	<ul style="list-style-type: none"> Avoir du cannabis en sa possession Obtenir du cannabis séché, du cannabis frais, des plantes de cannabis ou des graines provenant de telles plantes par la culture, la multiplication et la récolte de cannabis Afin d'effectuer des essais sur du cannabis, obtenir du cannabis par l'altération, par tout moyen, de ses propriétés physiques ou chimiques Vendre du cannabis en vertu du paragraphe 11(5) du Règlement sur le cannabis

Conditions	Conditions
The licence holder must meet the requirements set out in the Health Canada document entitled "Mandatory cannabis testing for pesticide active ingredients - Requirements".	Le titulaire de la licence doit respecter les exigences énoncées dans le document de Santé Canada intitulé « Analyse obligatoire du cannabis pour les résidus de principes actifs de pesticides-Exigences ».

Standard Processing

Transformation standard

Activities	Activités
<ul style="list-style-type: none"> To possess cannabis To produce cannabis, other than obtain it by cultivating, propagating or harvesting it To sell cannabis in accordance with subsection 17(5) of the Cannabis Regulations 	<ul style="list-style-type: none"> Avoir du cannabis en sa possession Produire du cannabis, sauf en l'obtenant par la culture, la multiplication et la récolte Vendre du cannabis en vertu du paragraphe 17(5) du Règlement sur le cannabis

Conditions	Conditions
The licence holder must meet the requirements set out in the Health Canada document entitled "Mandatory cannabis testing for pesticide active ingredients - Requirements".	Le titulaire de la licence doit respecter les exigences énoncées dans le document de Santé Canada intitulé « Analyse obligatoire du cannabis pour les résidus de principes actifs de pesticides-Exigences ».
The only cannabis products that the licence holder may sell or distribute to (i) a holder of a licence for sale, and (ii) a person that is authorized under a provincial Act referred to in subsection 69(1) of the Act to sell cannabis, are as follows: cannabis plants; cannabis plant seeds; dried cannabis; fresh cannabis; cannabis topicals; cannabis extracts; and edible cannabis.	Les seuls produits du cannabis que le titulaire de la licence peut vendre ou distribuer (i) à un titulaire d'une licence de vente et (ii) à une personne autorisée sous le régime d'une loi provinciale visée au paragraphe 69(1) de la Loi à vendre du cannabis sont les suivants : plantes de cannabis; graines provenant d'une plante de cannabis; cannabis séché; cannabis frais; cannabis pour usage topique; extrait de cannabis; et cannabis comestible.



Acting Director, Licencing and Security, Controlled Substances and Cannabis Branch

Directrice par intérim, Licences et sécurité, Direction générale des substances contrôlées et du cannabis

Conditions	Conditions
The only cannabis products that the licence holder may send or deliver to the purchaser at the request of (i) a holder of a licence for sale, and (ii) a person that is authorized under a provincial Act referred to in subsection 69(1) of the Act to sell cannabis, are as follows: cannabis plants; cannabis plant seeds; dried cannabis; fresh cannabis; cannabis topicals; cannabis extracts; and edible cannabis.	Les seuls produits du cannabis que le titulaire de la licence peut expédier ou livrer à l'acheteur à la demande (i) d'un titulaire d'une licence de vente et (ii) d'une personne autorisée sous le régime d'une loi provinciale visée au paragraphe 69(1) de la Loi à vendre du cannabis sont les suivants : plantes de cannabis; graines provenant d'une plante de cannabis; cannabis séché; cannabis frais; cannabis pour usage topique; extrait de cannabis; et cannabis comestible.

Sale for Medical Purposes

Vente à des fins médicales

Activities	Activités
<ul style="list-style-type: none"> To possess cannabis To sell cannabis products in accordance with section 27 and Part 14, Division 1 of the Cannabis Regulations 	<ul style="list-style-type: none"> Avoir du cannabis en sa possession Vendre des produits du cannabis en vertu de l'article 27 et la section 1 de la partie 14 du Règlement sur le cannabis

Conditions	Conditions
N/A	nd

Indoor Area(s) / Zone(s) intérieure(s)

The possession of cannabis and the other activities mentioned above are authorized in the following building(s) / La possession de cannabis et les autre activités mentionnées ci-haut sont autorisées dans les bâtiment(s) suivant(s) :

Building 1

Effective date of the licence:

This licence is effective as of **October 25, 2022**

Date d'entrée en vigueur de la licence:

Cette licence entre en vigueur à compter du **25 octobre 2022**

Expiry date of the licence:

This licence expires on **October 27, 2027**

Date d'expiration de la licence:

La présente licence expire le **27 octobre 2027**



Acting Director, Licencing and Security, Controlled Substances and Cannabis Branch

Directrice par intérim, Licences et sécurité, Direction générale des substances contrôlées et du cannabis

Licence No. - N° de licence
LIC-9GRI1YRQEV-2021

LICENCE

This licence is issued in accordance with the *Cannabis Act* and *Cannabis Regulations*

LICENCE

Cette licence est délivrée conformément à la *Loi sur le cannabis* et le *Règlement sur le cannabis*

Licence Holder / Titulaire de la licence :
Folium Life Science Inc.

Licensed Site / Lieu autorisé :
#107 - 109, 1761 SEAN HEIGHTS
SAANICHTON, BC, CANADA, V8M 0A5

The above-mentioned person is authorized to conduct, at the site specified on this licence, the activities listed below for the following licence classes and subclasses.

La personne susmentionnée est autorisée à effectuer, sur le site spécifié sur cette licence, les activités énumérées ci-dessous pour les catégories et les sous-catégories de licence suivantes.

Standard Cultivation

Culture standard

Activities	Activités
<ul style="list-style-type: none"> To possess cannabis To obtain dried cannabis, fresh cannabis, cannabis plants or cannabis plant seeds by cultivating, propagating and harvesting cannabis For the purposes of testing, to obtain cannabis by altering its chemical or physical properties by any means To sell cannabis in accordance with subsection 11(5) of the Cannabis Regulations 	<ul style="list-style-type: none"> Avoir du cannabis en sa possession Obtenir du cannabis séché, du cannabis frais, des plantes de cannabis ou des graines provenant de telles plantes par la culture, la multiplication et la récolte de cannabis Afin d'effectuer des essais sur du cannabis, obtenir du cannabis par l'altération, par tout moyen, de ses propriétés physiques ou chimiques Vendre du cannabis en vertu du paragraphe 11(5) du Règlement sur le cannabis

Conditions	Conditions
The licence holder must meet the requirements set out in the Health Canada document entitled "Mandatory cannabis testing for pesticide active ingredients - Requirements".	Le titulaire de la licence doit respecter les exigences énoncées dans le document de Santé Canada intitulé « Analyse obligatoire du cannabis pour les résidus de principes actifs de pesticides-Exigences ».

Sale for Medical Purposes

Vente à des fins médicales

Activities	Activités
<ul style="list-style-type: none"> To possess cannabis To sell cannabis products in accordance with section 27 and Part 14, Division 1 of the Cannabis Regulations 	<ul style="list-style-type: none"> Avoir du cannabis en sa possession Vendre des produits du cannabis en vertu de l'article 27 et la section 1 de la partie 14 du Règlement sur le cannabis

Conditions	Conditions
N/A	nd

Indoor Area(s) / Zone(s) intérieure(s)

The possession of cannabis and the other activities mentioned above are authorized in the following building(s) / La possession de cannabis et les autre activités mentionnées ci-haut sont autorisées dans les bâtiment(s) suivant(s) :

Building 1

Effective date of the licence:

This licence is effective as of **May 10, 2021**

Date d'entrée en vigueur de la licence:

Cette licence entre en vigueur à compter du **10 mai 2021**

Expiry date of the licence:

This licence expires on **May 10, 2024**

Date d'expiration de la licence:

La présente licence expire le **10 mai 2024**



Director, Licensing and Security, Controlled Substances and Cannabis Branch

Directeur, Licences et sécurité, Direction générale des substances contrôlées et du cannabis



Health
Canada

Santé
Canada

PROTECTED B / PROTÉGÉ B

Director, Licensing and Security, Controlled Substances and Cannabis Branch

Directeur, Licences et sécurité, Direction générale des substances contrôlées et du cannabis

Canada

Licence No. - N° de licence
LIC-20LWTAUL3J-2022-1

LICENCE

This licence is issued in accordance with the *Cannabis Act* and *Cannabis Regulations*

LICENCE

Cette licence est délivrée conformément à la *Loi sur le cannabis* et le *Règlement sur le cannabis*

Licence Holder / Titulaire de la licence :
9430-6347 Québec Inc.

Licensed Site / Lieu autorisé :
5000 CHEMIN MURPHY
VAUDREUIL-DORION, QC, CANADA, J7V 8P2

The above-mentioned person is authorized to conduct, at the site specified on this licence, the activities listed below for the following licence classes and subclasses.

La personne susmentionnée est autorisée à effectuer, sur le site spécifié sur cette licence, les activités énumérées ci-dessous pour les catégories et les sous-catégories de licence suivantes.

Standard Cultivation

Culture standard

Activities	Activités
<ul style="list-style-type: none"> To possess cannabis To obtain dried cannabis, fresh cannabis, cannabis plants or cannabis plant seeds by cultivating, propagating and harvesting cannabis For the purposes of testing, to obtain cannabis by altering its chemical or physical properties by any means To sell cannabis in accordance with subsection 11(5) of the Cannabis Regulations 	<ul style="list-style-type: none"> Avoir du cannabis en sa possession Obtenir du cannabis séché, du cannabis frais, des plantes de cannabis ou des graines provenant de telles plantes par la culture, la multiplication et la récolte de cannabis Afin d'effectuer des essais sur du cannabis, obtenir du cannabis par l'altération, par tout moyen, de ses propriétés physiques ou chimiques Vendre du cannabis en vertu du paragraphe 11(5) du Règlement sur le cannabis

Conditions	Conditions
The licence holder must meet the requirements set out in the Health Canada document entitled " <i>Mandatory cannabis testing for pesticide active ingredients - Requirements</i> ".	Le titulaire de la licence doit respecter les exigences énoncées dans le document de Santé Canada intitulé « <i>Analyse obligatoire du cannabis pour les résidus de principes actifs de pesticides-Exigences</i> ».

Standard Processing

Transformation standard

Activities	Activités
<ul style="list-style-type: none"> To possess cannabis To produce cannabis, other than obtain it by cultivating, propagating or harvesting it To sell cannabis in accordance with subsection 17(5) of the Cannabis Regulations 	<ul style="list-style-type: none"> Avoir du cannabis en sa possession Produire du cannabis, sauf en l'obtenant par la culture, la multiplication et la récolte Vendre du cannabis en vertu du paragraphe 17(5) du Règlement sur le cannabis

Conditions	Conditions
The licence holder must meet the requirements set out in the Health Canada document entitled " <i>Mandatory cannabis testing for pesticide active ingredients - Requirements</i> ".	Le titulaire de la licence doit respecter les exigences énoncées dans le document de Santé Canada intitulé « <i>Analyse obligatoire du cannabis pour les résidus de principes actifs de pesticides-Exigences</i> ».
The only cannabis products that the licence holder may sell or distribute to (i) a holder of a licence for sale, and (ii) a person that is authorized under a provincial Act referred to in subsection 69(1) of the Act to sell cannabis, are as follows: cannabis plants; cannabis plant seeds; dried cannabis; and fresh cannabis.	Les seuls produits du cannabis que le titulaire de la licence peut vendre ou distribuer (i) à un titulaire d'une licence de vente et (ii) à une personne autorisée sous le régime d'une loi provinciale visée au paragraphe 69(1) de la Loi à vendre du cannabis sont les suivants : plantes de cannabis; graines provenant d'une plante de cannabis; cannabis séché; et cannabis frais.
The only cannabis products that the licence holder may send or deliver to the purchaser at the request of (i) a holder of a licence for sale, and (ii) a person that is authorized under a provincial Act referred to in subsection 69(1) of the Act to sell cannabis, are as follows: cannabis plants; cannabis plant seeds; dried cannabis; and fresh cannabis.	Les seuls produits du cannabis que le titulaire de la licence peut expédier ou livrer à l'acheteur à la demande (i) d'un titulaire d'une licence de vente et (ii) d'une personne autorisée sous le régime d'une loi provinciale visée au paragraphe 69(1) de la Loi à vendre du cannabis sont les suivants : plantes de cannabis; graines provenant d'une plante de cannabis; cannabis séché; et cannabis frais.



Manager, Licencing and Security, Controlled Substances and Cannabis Branch

Gestionnaire, Licences et sécurité, Direction générale des substances contrôlées et du cannabis



Indoor Area(s) / Zone(s) intérieure(s)

The possession of cannabis and the other activities mentioned above are authorized in the following building(s) / La possession de cannabis et les autre activités mentionnées ci-haut sont autorisées dans les bâtiment(s) suivant(s) :

5000 chemin Murphy

Effective date of the licence:

This licence is effective as of **January 9, 2023**

Date d'entrée en vigueur de la licence:

Cette licence entre en vigueur à compter du **9 janvier 2023**

Expiry date of the licence:

This licence expires on **April 8, 2027**

Date d'expiration de la licence:

La présente licence expire le **8 avril 2027**

Manager, Licencing and Security, Controlled Substances and Cannabis Branch

Gestionnaire, Licences et sécurité, Direction générale des substances contrôlées et du cannabis

Licence No. - N° de licence
LIC-CJMMLU71JN-2022

LICENCE

This licence is issued in accordance with the *Cannabis Act* and *Cannabis Regulations*

LICENCE

Cette licence est délivrée conformément à la *Loi sur le cannabis* et le *Règlement sur le cannabis*

Licence Holder / Titulaire de la licence :
The Green Organic Dutchman Ltd.

Licensed Site / Lieu autorisé :
1915 JERSEYVILLE ROAD WEST
JERSEYVILLE, ON, CANADA, L0R 1R0

The above-mentioned person is authorized to conduct, at the site specified on this licence, the activities listed below for the following licence classes and subclasses.

La personne susmentionnée est autorisée à effectuer, sur le site spécifié sur cette licence, les activités énumérées ci-dessous pour les catégories et les sous-catégories de licence suivantes.

Standard Cultivation

Culture standard

Activities	Activités
<ul style="list-style-type: none"> To possess cannabis To obtain dried cannabis, fresh cannabis, cannabis plants or cannabis plant seeds by cultivating, propagating and harvesting cannabis For the purposes of testing, to obtain cannabis by altering its chemical or physical properties by any means To sell cannabis in accordance with subsection 11(5) of the Cannabis Regulations 	<ul style="list-style-type: none"> Avoir du cannabis en sa possession Obtenir du cannabis séché, du cannabis frais, des plantes de cannabis ou des graines provenant de telles plantes par la culture, la multiplication et la récolte de cannabis Afin d'effectuer des essais sur du cannabis, obtenir du cannabis par l'altération, par tout moyen, de ses propriétés physiques ou chimiques Vendre du cannabis en vertu du paragraphe 11(5) du Règlement sur le cannabis

Conditions	Conditions
The licence holder must meet the requirements set out in the Health Canada document entitled "Mandatory cannabis testing for pesticide active ingredients - Requirements".	Le titulaire de la licence doit respecter les exigences énoncées dans le document de Santé Canada intitulé « Analyse obligatoire du cannabis pour les résidus de principes actifs de pesticides-Exigences ».

Standard Processing

Transformation standard

Activities	Activités
<ul style="list-style-type: none"> To possess cannabis To produce cannabis, other than obtain it by cultivating, propagating or harvesting it To sell cannabis in accordance with subsection 17(5) of the Cannabis Regulations 	<ul style="list-style-type: none"> Avoir du cannabis en sa possession Produire du cannabis, sauf en l'obtenant par la culture, la multiplication et la récolte Vendre du cannabis en vertu du paragraphe 17(5) du Règlement sur le cannabis

Conditions	Conditions
The licence holder must meet the requirements set out in the Health Canada document entitled "Mandatory cannabis testing for pesticide active ingredients - Requirements".	Le titulaire de la licence doit respecter les exigences énoncées dans le document de Santé Canada intitulé « Analyse obligatoire du cannabis pour les résidus de principes actifs de pesticides-Exigences ».
The only cannabis products that the licence holder may sell or distribute to (i) a holder of a licence for sale, and (ii) a person that is authorized under a provincial Act referred to in subsection 69(1) of the Act to sell cannabis, are as follows: cannabis plants; cannabis plant seeds; dried cannabis; fresh cannabis; cannabis topicals; cannabis extracts; and edible cannabis.	Les seuls produits du cannabis que le titulaire de la licence peut vendre ou distribuer (i) à un titulaire d'une licence de vente et (ii) à une personne autorisée sous le régime d'une loi provinciale visée au paragraphe 69(1) de la Loi à vendre du cannabis sont les suivants : plantes de cannabis; graines provenant d'une plante de cannabis; cannabis séché; cannabis frais; cannabis topiques; extrait de cannabis; et cannabis comestible.



Acting Director, Licencing and Security, Controlled Substances and Cannabis Branch

Directeur par intérim, Licences et sécurité, Direction générale des substances contrôlées et du cannabis

Conditions	Conditions
The only cannabis products that the licence holder may send or deliver to the purchaser at the request of (i) a holder of a licence for sale, and (ii) a person that is authorized under a provincial Act referred to in subsection 69(1) of the Act to sell cannabis, are as follows: cannabis plants; cannabis plant seeds; dried cannabis; fresh cannabis; cannabis topicals; cannabis extracts; and edible cannabis.	Les seuls produits du cannabis que le titulaire de la licence peut expédier ou livrer à l'acheteur à la demande (i) d'un titulaire d'une licence de vente et (ii) d'une personne autorisée sous le régime d'une loi provinciale visée au paragraphe 69(1) de la Loi à vendre du cannabis sont les suivants : plantes de cannabis; graines provenant d'une plante de cannabis; cannabis séché; cannabis frais; cannabis pour usage topique; extrait de cannabis; et cannabis comestible.

Sale for Medical Purposes

Vente à des fins médicales

Activities	Activités
<ul style="list-style-type: none"> To possess cannabis To sell cannabis products in accordance with section 27 and Part 14, Division 1 of the Cannabis Regulations 	<ul style="list-style-type: none"> Avoir du cannabis en sa possession Vendre des produits du cannabis en vertu de l'article 27 et la section 1 de la partie 14 du Règlement sur le cannabis

Conditions	Conditions
N/A	nd

Indoor Area(s) / Zone(s) intérieure(s)

The possession of cannabis and the other activities mentioned above are authorized in the following building(s) / La possession de cannabis et les autre activités mentionnées ci-haut sont autorisées dans les bâtiment(s) suivant(s) :

- Building 1
- Building 2
- Building 3

Effective date of the licence:

This licence is effective as of **July 18, 2022**

Date d'entrée en vigueur de la licence:

Cette licence entre en vigueur à compter du **18 juillet 2022**

Expiry date of the licence:

This licence expires on **July 20, 2027**

Date d'expiration de la licence:

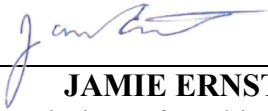
La présente licence expire le **20 juillet 2027**



Acting Director, Licencing and Security, Controlled Substances and Cannabis Branch

Directeur par intérim, Licences et sécurité, Direction générale des substances contrôlées et du cannabis

THIS IS **EXHIBIT "R"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.



JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)



Canada Revenue
Agency

Agence du revenu
du Canada

PROTECTED B

January 29, 2024

Case number: OL233102101522

File number: 36181851

Preet Parmar, Sr. Manager, Finance
BZAM Management Inc.
1570-200 Burrard St
Vancouver, BC V6C 3L6

Dear Preet Parmar:

RE: Renewal of Cannabis Licence with Conditions under the Excise Act, 2001

We have reviewed your cannabis licence renewal application under the Excise Act, 2001. The cannabis licence has been renewed with conditions effective from February 1, 2024 to February 29, 2024.

In accordance with subsection 23(3) of the Act and the Regulations Respecting Excise Licenses and Registrations, the following conditions are imposed on the licence at this time:

1. Current outstanding CRA balance in excess of \$25,000: RD0004- \$3,227,858

Please maintain contact with Collection Officer, Ahmed Ghrairi at 438-462-1289, to make and ensure that the mutually agreeable payment arrangements are being followed.

Pursuant to paragraph 10(1)(b) of the Regulations, the cannabis licence can be suspended if you fail to meet the above-noted conditions of the licence. Pursuant to section 11 of the Regulations, the licence can be reinstated when the grounds for the suspension cease to exist.

Your current licence will expire at the end of the day on **February 29, 2024**. If your licence is not renewed, you will no longer be authorized to carry on activities that are granted to cannabis licence holders under the Act. These activities include cultivation, production or packaging of cannabis products. As well, you will not be entitled to possess unpackaged, unstamped cannabis products.

PROTECTED B

For this monthly monitoring of your arrears, you do not need to completed Form L300, Cannabis Licence Application, for the renewal to submit it to your regional office.

Note that operating without a cannabis licence may result in penalties and enforcement action under the Act.

Cannabis licence number

The following licence number should be recorded on all correspondence with the CRA:

70583 6518 RD 0004
518-19100 Airport Way, Pitt Meadows, BC V3Y 0E2

Obligations of a Cannabis Licensee

Changes to Information

The CRA must be informed of any changes to the name, legal entity, business or mailing address, location of books and records or changes to any other information provided in the licence application form. The CRA must also be informed if your business/operations have been discontinued or sold.

Books and Records

All cannabis licensees are required to maintain adequate books and records and provide access to those books and records to excise officers. Denied access to books and records could result in a suspension or the cancellation of a cannabis licence.

Filing of Returns

A form B300, Cannabis Duty and Information Return for each filing division under your cannabis licence must be filed for each calendar month whether or not any duty is payable. Your returns are due at the end of the month following the calendar month for the production being reported.

Electronic filing of the monthly B300 Cannabis Duty and Information Return, the B301 Application for a Refund of Cannabis Duty, as well as other account information, such as account transactions and balances, licence status and account maintenance activities, is available at canada.ca/my-cra-business-account. Electronic filing of returns provides immediate confirmation that your return has been received by the CRA. Enrollment can be completed online, and further information is available at canada.ca/my-cra-business-account or by phone at 1-800-959-5525.

Monthly excise cannabis returns may also be printed from our website at canada.ca/cannabis-excise so that they may be completed and submitted by mail. Please note that should a return and any payment due not be filed or received within the time limits, penalty and interest charges may be applied in accordance with the Act.

PROTECTED B

Methods of Destruction and Analysis

As a reminder, methods for destruction and analysis of cannabis products must be approved by the Minister. Any changes to the previously approved methods must be submitted in writing to the Regional Manager for Excise Duty for approval, prior to implementation of the revised procedures.

Although we reserve the right to be present during any destruction, mandatory notification and witnessing of destruction is not required for regular, routine destruction. However, unusual destruction or the destruction of packaged goods returned from a purchaser are required to be reported and may require witnessing of the destruction by an officer.

Should you have any questions or require clarification regarding the above information, please do not hesitate to contact Aditya Madhava at 236-339-4716. For general information regarding the excise duty on cannabis products please go to canada.ca/cannabis-excise. To request a ruling or interpretation or make a technical enquiry on cannabis excise duty, please call 1-866-330-3304 or email cannabis@cra-arc.gc.ca.

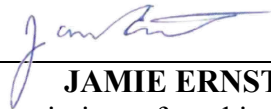
Sincerely,



O. James
Regional Manager, Excise Duties and Taxes
Western Region - Pacific Office
Canada Revenue Agency

MM / am

THIS IS **EXHIBIT "S"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.



JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)



000000012

Date	Feb 21, 2024
Account number	78063 9324 RD0001
Reference number	OL240502102198

FINAL BELL CORP.
3 - 1100 BENNETT RD
BOWMANVILLE ON L1C 0Y7

Subject: Renewing your cannabis licence

Dear Licensee:

Your cannabis licence, number 78063 9324 RD0001, will expire on **May 16, 2024**.

To apply to renew your licence, fill out Form L300, Cannabis Licence Application under the Excise Act, 2001. You may also need to fill out Form L300SCHA Schedule A, Other Business Location(s), and L300SCHB Schedule B, Information Relating to Individuals, Partners, Directors, Officers and Shareholders, if they apply.

Please send your completed forms to your regional office before **April 16, 2024**. To find the address, go to canada.ca/en/revenue-agency/services/forms-publications/publications/contacts.

To qualify for renewal, you must show that you still meet all eligibility requirements in the Regulations Respecting Excise Licences and Registrations. Once we have your application, we will contact you if we need more documents or to confirm your information. After we review your application, we will write to you to let you know our decision.

If you have already taken steps to renew your licence, please disregard this letter.

If you have questions about renewing your licence, please contact your regional office.

You can find more information at canada.ca/cannabis-excise.

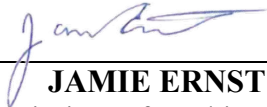
Sincerely,

Bob Hamilton
Commissioner of Revenue

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THIS IS **EXHIBIT "T"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.



JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)



October 10, 2022

Case number: OL222062101190

File number: 53105941

Preet Parmar, Finance Manager
Folium Life Science Inc.
1570-200 Burrard Street
Vancouver BC V6C 3L6

Dear Preet Parmar:

RE: Renewal of Cannabis Licence under the Excise Act, 2001

We have reviewed your cannabis licence renewal application, and are pleased to inform you that your cannabis licence under the Excise Act, 2001 has been renewed effective October 17, 2022.

Cannabis licence number

The following licence number should be recorded on all correspondence with the CRA:

81357 9844 RD 0001
#107-1761 Sean Heights, Saanichton BC V8M 0A5

Acknowledgement of Security

A person renewing a cannabis licence under the Act is required to maintain security in a form satisfactory to the CRA and in an amount determined by the *Regulations Respecting Excise Licences and Registrations*. Please ensure your posted security remains valid, and is sufficient to ensure payment of the amount referred to in paragraph 160(b) of the Act (highest duty payable on your B300 excise duty return for any month). If you have questions in regards to the security requirement, please contact our office.

Renewal of Cannabis Licence

Information related to renewing a cannabis licence is provided in Excise Duty Notice EDN52, Obtaining and Renewing a Cannabis Licence. Subject to meeting the requirements for maintaining a cannabis licence, the licence will remain in effect for the period specified in the licence.

The expiry date for your licence will be September 30, 2024. In order to renew the cannabis licence, a completed Form L300, Cannabis Licence Application must be submitted to your regional office no later than 30 days before the expiry date.

Obligations of a Cannabis Licensee

Canada

LPRA 468 TA-03
9755 King George Blvd
Surrey, BC V3T 5E1

PLAR 468 TA-03
9755 King George Blvd
Surrey, (C.-B.) V3T 5E1

Changes to Information

The CRA must be informed of any changes to the name, legal entity, business or mailing address, location of books and records or changes to any other information provided in the licence application form. The CRA must also be informed if your business/operations have been discontinued or sold.

Books and Records

All cannabis licensees are required to maintain adequate books and records and provide access to those books and records to excise officers. Denied access to books and records could result in a suspension or the cancellation of a cannabis licence.

Filing of Returns

A form B300, Cannabis Duty and Information Return for each filing division under your cannabis licence must be filed for each calendar month whether or not any duty is payable. Your returns are due at the end of the month following the calendar month for the production being reported.

Electronic filing of the monthly B300 Cannabis Duty and Information Return, the B301 Application for a Refund of Cannabis Duty, as well as other account information, such as account transactions and balances, licence status and account maintenance activities, is available at canada.ca/my-cra-business-account. Electronic filing of returns provides immediate confirmation that your return has been received by the CRA. Enrollment can be completed online, and further information is available at canada.ca/my-cra-business-account or by phone at 1-800-959-5525.

Monthly excise cannabis returns may also be printed from our website at canada.ca/cannabis-excise so that they may be completed and submitted by mail. Please note that should a return and any payment due not be filed or received within the time limits, penalty and interest charges may be applied in accordance with the Act.

Methods of Destruction and Analysis

As a reminder, methods for destruction and analysis of cannabis products must be approved by the Minister. Any changes to the previously approved methods must be submitted in writing to the Regional Manager for Excise Duty for approval, prior to implementation of the revised procedures.

Although we reserve the right to be present during any destruction, mandatory notification and witnessing of destruction is not required for regular, routine destruction. However, unusual destruction or the destruction of packaged goods returned from a purchaser are required to be reported and may require witnessing of the destruction by an officer.

Should you have any questions or require clarification regarding the above information, please do not hesitate to contact Sonal Gupta at 604-346-6701. For general information regarding the excise duty on cannabis products please go to canada.ca/cannabis-excise.

To request a ruling or interpretation or make a technical enquiry on cannabis excise duty, please call 1-866-330-3304 or email cannabis@cra-arc.gc.ca.

Sincerely,



O. James
Regional Manager, Excise Duties and Taxes
Western Region - Pacific Office
Canada Revenue Agency

CL / sg

THIS IS **EXHIBIT "U"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.



JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)



The Green Organic Dutchman Ltd.
Suite 200, 6205 Airport Rd.
Mississauga, ON L4V 1E3

Case Number: 76664941

Business Number: 830134847

Attention: Sandeep Ghuman

October 14, 2022

Dear Sandeep Ghuman:

RE: Renewal of Cannabis Licence under the *Excise Act, 2001*

We have reviewed your cannabis licence renewal application, and are pleased to inform you that your cannabis licence under the *Excise Act, 2001* has been renewed effective October 17, 2022

The following licence number should be recorded on all correspondence with the CRA:

830134847 RD0001

Each of the physical business locations included in the licence application has been provided with a separate account number as follows:

Location	Account Identifier	Account Type	Premises Address
1	RD0001	Filing	1915 Jerseyville Rd, Ancaster ON, L0R 1R0

Acknowledgement of Security

A person renewing a cannabis licence under the Act is required to maintain security in a form satisfactory to the Canada Revenue Agency and in an amount determined by the *Regulations Respecting Excise Licences and Registrations*. Please ensure your posted security remains valid, and is sufficient to ensure payment of the amount referred to in paragraph 160(b) of the Act (highest duty payable on your B300 excise duty return for any month). If you have questions in regard to the security requirement, please contact our office.

Renewal of Cannabis Licence

Information related to renewing a cannabis licence is provided in Excise Duty Notice EDN52, Obtaining and Renewing a Cannabis Licence. Subject to meeting the requirements for maintaining a cannabis licence, the licence will remain in effect for the period specified in the licence.

The expiry date for your cannabis licence will be October 16, 2024. In order to renew the cannabis licence, a completed Form L300, Cannabis Licence Application must be submitted to your regional office not later than 30 days before the expiry date.

Maintaining and Renewing a Licence Issued under the Act

A holder of a licence issued under the Act who wishes to maintain or renew their excise licence must continue to meet certain conditions imposed under the Act. Pursuant to paragraph 2(2)(e) of the Regulations Respecting Excise Licences and Registrations a licensee must maintain sufficient financial resources to conduct their business in a responsible manner.

In order to demonstrate that you have sufficient financial resources to conduct business in a responsible manner in accordance with section 2 of the Regulations, we require that you agree to a payment arrangement with the CRA to repay the arrears balances listed below. If you fail to fulfill your obligations under that payment arrangement, the CRA may consider that you have insufficient financial resources to conduct your business in a responsible manner.

As of today's date, you have arrears balances for the following accounts maintained with the CRA:

- a. RD0001 - \$21,549.43 (in respect of obligations under the *Excise Act, 2001*) call collections at # 1-866-299-1050
- b. RT0001 - \$92,848.38 (in respect of obligations under the *Excise Tax Act*) call M. Durocher at 873-339-7126.

Please contact the appropriate Collections area to make payment arrangements. Failure to meet the eligibility criteria for a licence is grounds for the CRA to suspend or cancel an excise licence pursuant to the Regulations. If your licence is suspended or cancelled, you will no longer be authorized to conduct any activities, including production or possession of the goods, for which the licence was issued.

Obligations of a Cannabis Licensee

Changes to Information

The CRA must be informed of any changes to the name, legal entity, business or mailing address, location of books and records or changes to any other information provided in the licence application form. The CRA must also be informed if your business/operations have been discontinued or sold.

Books and Records

All cannabis licensees are required to maintain adequate books and records and provide access to those books and records to excise officers. Denied access to books and records could result in a suspension or the cancellation of a cannabis licence.



Filing of Returns

A form B300, Cannabis Duty and Information Return for each filing division under your cannabis licence must be filed for each calendar month whether or not any duty is payable. Your returns are due at the end of the month following the calendar month for the production being reported. It should be noted that a licensee who fails to file a return for a reporting period as and when required will be subject to penalty. Similarly, if payment is not made as and when required, a licensee will be subject to interest on the late payment

Electronic filing of the monthly B300 Cannabis Duty and Information Return, the B301 Application for a Refund of Cannabis Duty, as well as other account information, such as account transactions and balances, licence status and account maintenance activities, is available at canada.ca/my-cra-business-account. Electronic filing of returns provides immediate confirmation that your return has been received by the CRA. Enrollment can be completed online, and further information is available at canada.ca/my-cra-business-account or by phone at 1-800-959-5525.

Monthly excise cannabis returns may also be printed from our website at canada.ca/cannabis-excise so that they may be completed and submitted by mail. Please note that should a return and any payment due not be filed or received within the time limits, penalty and interest charges may be applied in accordance with the Act.

Methods of Destruction and Analysis

As a reminder, methods for destruction and analysis of cannabis products must be approved by the Minister. Any changes to the previously approved methods must be submitted in writing to the Regional Manager for Excise Duty for approval, prior to implementation of the revised procedures.

Mandatory notification and witness of destruction is not required for regular, routine destruction. However, unusual destruction or the destruction of packaged goods returned from a purchaser are required to be reported and may require witnessing of the destruction by an officer.

Should you have any questions or require clarification regarding the above information, please do not hesitate to contact Kim Robinson at 289-556-6373. For general information regarding the excise duty on cannabis products please go to canada.ca/cannabis-excise. To request a ruling or interpretation or make a technical enquiry on cannabis excise duty, please call 1-866-330-3304 or email cannabis@cra-arc.gc.ca.

Sincerely,

CARDWELL
KATHERINE

Digitally signed by CARDWELL KATHERINE
Date: 2022.10.14 11:50:23 -04'00'

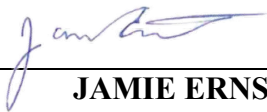
Katherine Cardwell, CPA, CGA
Ontario Regional Manager
Excise Duties and Taxes
Legislative Policy and Regulatory Affairs



Excise Duties and Taxes
Legislative Policy and Regulatory Affairs
55 Bay Street North
Hamilton ON L8R 3P7
Phone: 1-866-330-3304
Fax: 1-905-572-4608



THIS IS **EXHIBIT "V"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.



JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)

BZAM Ltd.
Consolidated Statement of Financial Position
January 31, 2024
[UNAUDITED - PREPARED BY MANAGEMENT]
[In Canadian Dollars]

Cash	4,253,289
Restricted cash	86,633
Trade receivables	14,065,092
Biological assets	5,193,174
Inventories	58,828,406
Prepaid expenses and deposits	5,186,618
Other current assets	455,874
Due from related parties	1,658,284
Property, plant and equipment	75,127,717
Intangible assets	18,353,274
Other assets	1,236,413
Assets held for sale	10,476,000
Goodwill	790,306
ASSETS	195,711,080
Accounts payable and accrued liabilities	(28,211,004)
Excise duties payable	(9,525,910)
Sales taxes payable	(2,188,326)
Due to related parties	(2,420,530)
Current portion of lease liabilities	(2,491,578)
Lease liabilities	(11,990,520)
Debt	(53,548,528)
Unearned revenue	(2,497,443)
LIABILITIES	(112,873,839)
Shareholders' equity, contributed surplus, etc.	(781,598,025)
Reserve for foreign translations	201,904
Deficit/retained earnings	698,166,459
Current period loss and comprehensive loss	392,421
SHAREHOLDERS' EQUITY	(82,837,241)

THIS IS **EXHIBIT "W"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.



JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)

CREDIT AGREEMENT

Dated as of March 31, 2020

Among:

Cortland Credit Lending Corporation,
in its capacity as administrative agent
for the Lenders (as defined herein)
200 Bay St., Suite 3230
Royal Bank Plaza South Tower
Toronto, ON, M5J 2J2 (the "**Agent**")

And:

The Green Organic Dutchman Ltd.
Building A, Suite 301 6205 Airport Road
Mississauga, Ontario L4V 1E3 (the "**Borrower**")

And:

Those lenders from time to time party hereto in accordance with Section 29 (collectively, the "**Lenders**", and each a "**Lender**").

AND WHEREAS the Lenders wish to establish a revolving credit facility the Revolving Facility, to provide funding to the Borrower for the purposes more specifically set out in Section 1(c).

AND WHEREAS terms used and not otherwise defined have the meanings given to such terms in **Schedule "C"** attached hereto.

IN CONSIDERATION of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties to this Agreement hereby agree as follows:

1. **Funding Commitment.**

- (a) Subject to the satisfaction of the terms and conditions set out in this Agreement, the Agent, on behalf of the Lenders, hereby agrees to provide the Borrower with the Revolving Facility, by way of Loan Advances, provided that the aggregate amount of Loan Advances outstanding at any time shall not exceed the Revolving Facility Limit.
- (b) Notwithstanding anything contained herein, if by 5:00 p.m. (Toronto time) on May 29, 2020 either (i) the Borrower has not satisfied the conditions precedent to the initial Loan Advance, or (ii) despite having satisfied such conditions precedent, the Borrower does not request such initial Loan Advance, then the Agent may, in its sole discretion, terminate the Revolving Facility, provided that upon such termination the Commitment Fee shall be immediately due and payable by the Borrower, except in the case where the Lender does not make the initial Loan

Advance solely because either or both of the Cortland Conditions have not been satisfied or waived.

- (c) The Borrower acknowledges and agrees that the proceeds of the Revolving Facility will be used to finance the working capital requirements of the Obligors, including the payment of the Outstanding Payables, and other ordinary course payables of the Obligors, and including fees and expenses relating to the transactions contemplated by this Agreement.

2. **Agent Compensation.** In consideration of making the Revolving Facility available to the Borrower, the Agent shall be entitled to the following fees or reimbursement of the following costs (which fees and costs shall be in addition to any other amounts payable to the Agent and/or Lenders hereunder, including interest):

- (a) A financing review work fee equal to Three Hundred Thousand Dollars (\$300,000), inclusive of HST (the "**Work Fee**"), which was paid to the Agent on March 18, 2020, provided that:
- (i) fifty percent (50%) of the Work Fee shall be credited against the Commitment Fee (as defined below) if the initial Loan Advance is made; and
 - (ii) the Work Fee shall only be refunded to the Borrower if the Agent elects to not make the initial Loan Advance solely because the Cortland Conditions have not been satisfied or waived.
- (b) A commitment fee equal to One Million Dollars (\$1,000,000) (the "**Commitment Fee**"), which fee, subject to Section 2(a), together with the Warrants (as defined in Section 2(e)) shall be earned on the date hereof, provided that:
- (i) the Commitment Fee shall be payable on the earlier of (1) the date of the initial Loan Advance, and (2) May 29, 2020, provided that if on May 29, 2020, the initial Loan Advance is not made by the Lenders solely because the Cortland Conditions have not been satisfied or waived, the Commitment Fee will not be payable until the date of the initial Loan Advance; and
 - (ii) the Warrants shall be issued on the earlier of (1) the date of the initial Loan Advance, and (2) May 29, 2020, provided that if on May 29, 2020, the initial Loan Advance is not made by the Lenders solely because the Cortland Conditions have not been satisfied or waived, the Warrants will not be issued until the date of the initial Loan Advance.
- (c) Any documented out-of-pocket expenses incurred in connection with (i) the Agent's due diligence, and (ii) the monitoring of the Revolving Facility while the Revolving Facility is made available to the Borrower, shall be payable upon demand.
- (d) A utilization fee, calculated daily and payable on the last Business Day of each month, by subtracting the aggregate amount of the Loan Advances outstanding on each day, from the sum of \$30,000,000 and multiplying the difference by the Utilization Fee Rate.
- (e) Subject to the approval of the Toronto Stock Exchange and the provisions of this Agreement, as of the date of this Agreement the Agent shall be entitled to receive, on behalf of the Lenders, warrants to purchase Three Million (3,000,000) freely tradeable common shares (the "**Warrant Shares**") of Holdings (such Warrant Shares together with all documents, instruments and

certificates given in connection therewith, the “**Warrants**”), at a twenty-five percent (25%) premium to the five (5) day volume weighted average trading price of the common shares of Holdings on the Toronto Stock Exchange ending on the trading day immediately prior to the date of this Agreement, for a period of thirty-six (36) months following the date of issuance.

3. **Loan Advances.**

- (a) Subject to satisfaction of the terms and conditions set out in this Agreement, the Agent shall, from time to time, upon request of the Borrower made in accordance with the terms and conditions of this Agreement, make one or more Loan Advances available to the Borrower provided that the aggregate principal amount of such Loan Advances does not exceed, at any given time, the Revolving Facility Limit at such time. If at any time the aggregate principal amount of all Loan Advances outstanding (collectively, the “**Total Exposure**”) exceeds the Revolving Facility Limit at such time, then the Borrower will promptly repay such Loan Advances in cash by an amount required to reduce the Total Exposure to an amount less than or equal to the Revolving Facility Limit.
- (b) Each Loan Advance will bear interest at the Interest Rate, which interest will be due and payable in cash on the last Business Day of each month.
- (c) The Revolving Facility shall be a revolving facility. For greater certainty, the Borrower shall be entitled to obtain Loan Advances under the Revolving Facility from time to time and repay all or any portion of the Loan Advances under the Revolving Facility from time to time and thereafter re-borrow Loan Advances from time to time; provided that the Borrower, acknowledges, covenants and agrees that the Total Exposure shall not at any time exceed the Revolving Facility Limit.
- (d) The Collection Account will be swept daily as provided for in Section 8 (w).
- (e) Interest owing on the Loan Advances shall be calculated daily and not in advance on the basis of the then current calendar year of three-hundred and sixty-five (365) or three-hundred and sixty-six (366) days for the actual number of days elapsed, and in the case of a leap year, the annual interest rate corresponding to the interest calculated on a three-hundred and sixty-five (365) day year is equal to the interest rate thus calculated multiplied by three-hundred and sixty-six (366) and divided by three-hundred and sixty-five (365). Any amount of principal, interest, commission, discount or of any other nature remaining unpaid at maturity shall bear interest at the Interest Rate. Interest on all overdue interest calculated as aforesaid and compounded monthly at the aforesaid rate from the due date thereof without necessity of notice or demand, the whole before as well as after maturity, demand, default or judgement. The Borrower acknowledges and agrees that for the purposes of the *Interest Act* (Canada), the information provided to it hereunder with respect to the calculation of interest hereunder or under any other Transaction Document shall constitute an express statement of the yearly rate or percentage of interest to which such interest rate (including the Interest Rate) or percentage is equivalent. The Borrower hereby irrevocably agrees not to plead or assert, whether by way of defence or otherwise, in any proceeding relating to this Agreement or any other Transaction Document, that the interest payable under this Agreement (including the Interest Rate) or any other Transaction Document and the calculation thereof has not been adequately disclosed to

the Borrower, whether pursuant to section 4 of the *Interest Act* (Canada) or any other Applicable Law.

- (f) Where the rate of interest payable under any Loan Advance is found by a competent court of law, governmental agency or other tribunal to exceed the maximum rate of interest permitted by the laws of any applicable jurisdiction or the rules or regulations of any appropriate regulatory authority, then during the time that the rate of interest would exceed the permissible limit, that portion of each interest payment attributable to the portion of the interest rate that exceeds the permissible limit shall be deemed to be a voluntary prepayment of principal.
- (g) The Agent's books and records relating to the Loan Advances and any related interest shall be *prima facie* evidence of same, absent manifest error.

4. **Conditions Precedent to the Initial Advance.** The obligation of the Lenders to make the initial Loan Advance will be subject to receipt by the Agent of the following, each in a form satisfactory to the Agent, and/or satisfaction of the following, unless waived by the Agent on terms satisfactory to the Agent:

- (a) an executed copy of an Advance Request Certificate and a Borrowing Base Certificate shall have been received not less than 1 Business Day before the date of the proposed Loan Advance;
- (b) an executed copy of a Guarantee delivered by each of the Obligor (other than the Borrower);
- (c) an executed copy of each of the Security Agreements, other than the Vendor Subordination Agreements;
- (d) approval from the Toronto Stock Exchange with respect to issuance of the Warrants, together with executed copies of the Warrants and a customary opinion covering securities matters related to such Warrants;
- (e) the Agent being added (i) as an additional insured to each commercial general liability insurance policy maintained by an Obligor and (ii) as a mortgagee and loss payee to each property and business insurance policy maintained by an Obligor, and the Agent receiving certificates of insurance for all such insurance policies, with such additional insured and second loss payee endorsements, together with copies of the applicable policies;
- (f) receipt by the Agent of all information necessary for the Agent to comply with its legal and internal requirements in respect of applicable money-laundering legislation, proceeds of crime legislation and "know your customer" requirements;
- (g) completion of and satisfaction with all necessary financial, insurance and legal due diligence (including the Agent's satisfaction with the nature and scope of any Liens affecting the Obligor);
- (h) a corporate organizational chart for the Obligor;
- (i) a certificate of a senior officer of each Obligor to which are appended: (i) copies of the articles of incorporation, certificate of formation and by-laws or constitution (if applicable), operating agreement or shareholder agreement governing the affairs of each Obligor (if applicable), (ii) an

incumbency certificate setting out the names and offices of all directors and officers of each Obligor, together with specimen signatures of same, and (iii) certified copies of the resolutions of the shareholders or directors of each Obligor authorizing the execution, delivery and performance of the Transaction Documents to which each is a party and the transactions contemplated thereby, and the granting of security;

- (j) opinions regarding corporate status of each Obligor, the due authorization, execution and delivery of the Transaction Documents to which such Obligor is a party, all registrations in respect of such security, the results of all applicable searches, and the enforceability of such Transaction Documents; all such opinions to be in form and substance satisfactory to the Agent;
- (k) the Agent shall have received a title insurance policy in respect of the real properties owned by the Obligors (provided that such title insurance policies shall only be required if the Agent can be added to any existing policies in favour of Maynbridge Capital Inc. in a commercially reasonable manner);
- (l) establishment of the Collections Account;
- (m) all representations and warranties provided for in the Transaction Documents being true, accurate and complete, in all material respects, as of the date of such Loan Advance;
- (n) evidence that all security given to the Agent is registered and perfected in all such jurisdictions satisfactory to the Agent in order to provide the Agent with a first-ranking security interest (subject only to Permitted Encumbrances) in the Collateral;
- (o) a fully executed copy of the Maynbridge Intercreditor Agreement;
- (p) no Default or Event of Default (as such terms are defined in the Maynbridge Intercreditor Agreement) shall have occurred as of the date of such Loan Advance; and
- (q) such other conditions and/or documents or instruments as the Agent may reasonably require

The conditions set forth in paragraphs (g) and (q) above are referred to herein as the “**Cortland Conditions**”).

5. **Conditions Precedent to Subsequent Loan Advances.** The obligation of the Lenders to make any Loan Advance (subsequent to the initial Loan Advance) will be subject to receipt by the Agent of the following, each in a form satisfactory to the Agent, and/or satisfaction of the following, in each case, without duplication, unless waived by the Agent on terms satisfactory to the Agent:

- (a) an executed Advance Request Certificate and a Borrowing Base Certificate shall have been received not less than 1 Business Day before the date of the proposed Loan Advance;
- (b) all representations and warranties provided for in the Transaction Documents being true, accurate and complete, in all material respects, as of the date of such Loan Advance, except to the extent specified to be made as of a specific date; and
- (c) no Default or Event of Default (as such terms are defined in the Maynbridge Intercreditor

Agreement) shall have occurred as of the date of such Loan Advance.

6. **Representations and Warranties.** The Borrower, on behalf of itself and each other Obligor, represents and warrants to the Agent as follows:

- (a) **Status.** It has been duly organized and is a valid and subsisting legal entity in good standing under the laws of its jurisdiction of formation and has full capacity and power to carry on its business as the same is presently conducted and, to own and lease property.
- (b) **Power and Authority.** It has the power and is duly authorized to enter into, execute, deliver and perform its obligations under this Agreement and each other Transaction Document to which it is a party, and it has the power and is duly authorized to borrow as herein contemplated and to provide the security interests herein contemplated.
- (c) **Ownership of Assets.** It owns, leases or has rights in all assets required in order to carry on its businesses as presently conducted. All such assets are owned by it free and clear of all Liens other than Permitted Encumbrances.
- (d) **Compliance with Laws** – It is in compliance in all material respects with all Applicable Laws (specifically including, for greater certainty, all applicable Cannabis laws).
- (e) **Litigation, Judgments and Executions.** There are no actions, suits or proceedings pending, or to the knowledge of it threatened, against it in any court or before or by any federal, provincial, municipal or other Governmental Authority, except: (i) the litigation disclosed in **Schedule “D”** attached hereto; and (ii) other litigation in which all amounts claimed against the Obligors do not in the aggregate exceed Fifty Thousand Dollars (\$50,000). There are no judgments or executions against it.
- (f) **Environmental Laws.** Except to the extent disclosed in **Schedule “E”** attached hereto:
 - (i) each Obligor and its business, operations, assets, equipment, property, leaseholds and other facilities is in compliance in all material respects with all Requirements of Environmental Law, specifically including all Requirements of Environmental Law concerning the storage and handling of Hazardous Materials;
 - (ii) each Obligor holds all material permits, licenses, certificates and approvals from Governmental Authorities which are required in connection with air emissions, discharges to surface or groundwater, noise emissions, solid or liquid waste disposal, the use, generation, storage, transportation or disposal of Hazardous Materials and all other Requirements of Environmental Law;
 - (iii) there has been no material emission, spill, release, or discharge into or upon the air, soils (or any improvements located thereon), surface water or groundwater or the sewer, septic system or waste treatment, storage or disposal system servicing any premises, of any Hazardous Materials at or from any of the properties owned or leased by any of the Obligors;

- (iv) no material written complaint, order, directive, claim, citation, or notice from any Governmental Authority or any other Person has been received by any Obligor with respect to any of the properties owned or leased by any of the Obligors in respect of air emissions, spills, releases, or discharges to soils or improvements located thereon, surface water, groundwater or the sewer, septic system or waste treatment, storage or disposal systems servicing any of the properties owned or leased by any of the Obligors, noise emissions, solid or liquid waste disposal, the use, generation, storage, transportation, or disposal of Hazardous Materials or other Requirements of Environmental Law affecting any of the properties owned or leased by any of the Obligors;
- (v) there are no material legal or administrative proceedings, investigations or claims now pending, or to the Borrower's knowledge, threatened in writing, with respect to the presence on or under, or the discharge, emission, spill, radiation or disposal into or upon any of the properties owned or leased by any of the Obligors, the atmosphere, or any watercourse or body of water, of any Hazardous Material; nor are there any material matters under discussion between any Obligor and any Governmental Authority relating thereto; and there is no factual basis for any such proceedings, investigations or claims; and
- (vi) the Obligors have no material indebtedness, obligation or liability, absolute or contingent, matured or not matured, with respect to the storage, treatment, cleanup or disposal of any Hazardous Materials, including without limitation any such indebtedness, obligation, or liability under any Requirements of Environmental Law regarding such storage, treatment, cleanup or disposal.
- (g) Bankruptcy Events. No Bankruptcy Event has been initiated by it or occurred in respect of it, and no Bankruptcy Event has been threatened against it.
- (h) Anti-Terrorism and Corruption Laws. It has conducted its business in compliance with Anti-Terrorism and Corruption Laws and has instituted and maintained policies and procedures reasonably designed to promote and achieve compliance with such Anti-Terrorism and Corruption Laws.
- (i) Subsidiaries. As of the date hereof, the only Subsidiaries it has are listed in **Schedule "F"** attached hereto.
- (j) Corporate Information. **Schedule "F"** attached hereto contains a true and complete list as of the date hereof of the following information in respect of each Obligor: all prior names and predecessor corporations, jurisdiction of incorporation, registered office and chief executive office, principal place of business, all locations at which it has places of business or owns assets, the number and classes of its issued and outstanding shares, except in the case of Holdings, a list of all shareholders including the number and class of shares held by each and a list of all of its subsidiaries.
- (k) Solvency. It is Solvent.
- (l) No Pending Corporate Changes. Except as disclosed on **Schedule "G"** attached hereto, or in the

public filings of Holdings, as of the date hereof, no Person has any agreement or option or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement, including convertible securities, warrants or convertible obligations of any nature, for the purchase of any properties or assets of any Obligor out of the ordinary course of business or for the purchase, subscription, allotment or issuance of any debt or equity securities of any Obligor.

- (m) Material Agreements and Material Permits. Its Material Agreements and Material Permits are listed in **Schedule "H"** attached hereto (as such Schedule may be updated from time to time to reflect any Material Agreements or Material Permits entered into or obtained in compliance with the terms hereof) and true, correct and complete copies of each have been delivered to the Agent. Each such Material Agreement and Material Permit is in good standing, in full force and effect and there are no defaults thereunder, except to the extent any such Material Agreement has terminated as scheduled in the ordinary course in accordance with its terms.
- (n) No Conflicts under Material Agreements or Material Permits. The execution and delivery by each Obligor of those Transaction Documents to which it is a party, and the performance of its obligations thereunder, will not conflict with, result in a breach of or require any approval or consent under any Material Agreement or Material Permit to which it is a party.
- (o) Owned Real Properties. Its real property interests as of the date hereof, both owned and leased, are listed in **Schedule "I"** attached hereto.
- (p) No Guarantees. It has not granted any Guarantees, other than Permitted Guarantees.
- (q) Statutory Liens. It has remitted on a timely basis all amounts required to have been withheld and remitted (including withholdings from employee wages and salaries relating to income tax and employment insurance), goods and services tax and all other amounts, which if not paid when due could result in the creation of a statutory lien against any of its property.
- (r) No Default or Event of Default. No Default or Event of Default has occurred and is continuing.
- (s) Financial Statements and No Material Change. The financial statements of the each Obligor that have been made available to the Agent have been prepared in accordance with GAAP, and fairly present the financial position and results of operations of such Obligor for the dates or periods reported on thereby subject, in relation to any unaudited financial statements, any year-end adjustments. From the date of the last audited financial statements made available to the Agent, there has been no event which would reasonably be expected to result in a Material Adverse Change.
- (t) Related Party Transactions. Except as (A) disclosed in the financial statements or other public disclosure of the Obligors or (B) as permitted by this Agreement, no Obligor: (i) is a creditor under a loan or otherwise committed to make any payment or loan to, or borrowed any moneys from or otherwise been indebted to, any related party thereof (other than another Obligor); or (ii) been a party to any contract with any related party thereof, other than independent contractor or indemnification agreements entered into with officers or directors. Any transactions between an Obligor and a related party (other than another Obligor) has been

completed on reasonable commercial terms that, considered as a whole, are not in any material respect less advantageous to such Obligor, than if the transaction was with a Person dealing at arm's length with such Obligor, as the case may be.

- (u) U.S. Cannabis. It has no direct, indirect or ancillary interest in any "marijuana-related activity" in the United States as defined in Staff Notice 51-352 (Revised) – *Issuers with U.S. Marijuana Activities* of the Canadian Securities Administrators.
- (v) Internal Controls. It has established and maintains a system of internal controls over financial reporting that is designed to provide reasonable assurance regarding the preparation of financial statements for external purposes in accordance with GAAP, and includes policies and procedures that: (i) pertain to the maintenance of records that accurately and fairly reflect the material transactions, acquisitions and dispositions of the property and assets of it; (ii) are designed to provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that material receipts and expenditures of it are made only in accordance with authorizations of management its directors; and (iii) are designed to provide reasonable assurance regarding prevention or timely detection of any unauthorized acquisition, use or disposition of its property or assets that could have a material adverse effect on its financial statements.
- (w) Full Disclosure. All information (including, without limitation, financial information and financial statements) furnished by or in respect of the Obligors to the Agent for the purposes of or in connection with this Agreement and each of the other Transaction Documents was true and correct in all material respects as at the date such information is stated to have been given, and is not incomplete by omitting to state any material fact necessary to make the statements contained in such information not misleading in any material respect in light of the circumstances under which the statements contained in such information were made.
- (x) Warrants. That Holdings is duly authorized and has the corporate and lawful power and authority to create and issue the Warrants and the Warrant Shares issuable upon the exercise thereunder and to perform its obligations thereunder and that the certificate(s) representing the Warrants, will, when issued, represent a valid, legal and binding obligation of the Company enforceable in accordance with its terms.
- (y) Warrant Shares. That Holdings has agreed to at all times reserve and keep available out of its authorized common shares a sufficient number of Warrant Shares to satisfy the right of purchase pursuant to the Warrants, it will cause the Warrant Shares, including duly authorized certificates in respect thereof, subscribed for and purchased in accordance with the terms and conditions of the Warrants to be issued and delivered as directed and such Warrant Shares shall be issued as fully paid and non-assessable common shares of Holdings and the holders thereof shall not be liable to Holdings or to its creditors in respect thereof.
- (z) Actions to Issue Warrants. That Holdings has agreed to take such actions as may be reasonably necessary and as are within its power to ensure that all Warrant Shares will be issued without violation of any applicable laws or the applicable requirements of any stock exchange upon which the common shares of Holdings may be listed.

- (aa) Securities Filings. That Holdings has agreed to make all requisite filings under applicable securities laws necessary to remain a reporting issuer not in default in the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland.
- (bb) Listing of Holdings' Shares. That Holdings has agreed to use all reasonable efforts to maintain the listing of its common shares on the TSX (or such other recognized stock exchange as may be agreed upon by Holdings and the holder of the Warrants) and to have the Warrant Shares issued pursuant to the exercise of the Warrants listed and posted for trading on the TSX (or such other recognized stock exchange as may be agreed upon by Holdings and the holder of the Warrants) as expeditiously as possible.
- (cc) Issuance of Warrant Shares. That Holdings has agreed that upon exercise of the Warrants, the Warrant Shares will be issued as fully paid and non-assessable common shares in the capital of Holdings.

7. **Reporting Covenants**.

- (a) The Borrower will provide to the Agent the following financial information:
 - (i) quarterly consolidated financial statements, within forty-five (45) days of each fiscal quarter of the Borrower;
 - (ii) copies of management updates, budgets and other related reports on the operational results of the Obligors which have been provided to the board of directors of the Borrower at such directors' regular board meetings and all such other financial information relating to the foregoing as the Agent reasonably requires to assess the liquidity of the Obligors and the Obligors' performance against such budgets;
 - (iii) a quarterly business review on such terms, and such basis, as is required by the Agent, such to determine the status of business as it relates to the Obligors, and in particular compliance with the terms of this Agreement;
 - (iv) annual audited consolidated financial statements within ninety (90) days of the end of each fiscal year of the Borrower;
 - (v) on a monthly basis, within twenty (20) days of the end of each calendar month:
 - 1. unconsolidated financial statements of each Obligor;
 - 2. unconsolidated general and ledger trial balance for each Obligor;
 - 3. an accounts receivable summary for each debtor of the Obligors, aged by invoice date;
 - 4. an accounts payable summary for each creditor of the Obligors, aged by invoice date;
 - 5. bank reconciliations, including for greater certainty, bank statements and a complete listing of outstanding cheques;

6. confirmation of payment of all taxes owing by any Obligor; and
- (vi) on a weekly basis, on Friday of each week (as of Thursday of such week);
 1. an accounts receivable summary for each debtor of the Obligors, aged by invoice date;
 2. an accounts payable summary for each creditor of the Obligors, aged by invoice date; and
- (vii) any additional financial and reporting information as the Agent may reasonably request from time to time, in its sole discretion.

8. **Covenants.** The Borrower, on behalf of itself and each other Obligor, covenants and agrees with the Agent that it:

- (a) will pay all interest, principal, fees and other amounts due under the terms of this Agreement and any other Transaction Document to which it is a party;
- (b) will satisfy, in all material respects, all the terms and conditions of this Agreement and any other Transaction Document to which it is a party;
- (c) will immediately advise the Agent of any Default or Event of Default (as such terms are defined in the Maynbridge Intercreditor Agreement);
- (d) will file all tax returns which are or will be required to be filed by it, pay or make provision for payment of all taxes (including interest and penalties) and Potential Priority Claims, which are or will become due and payable and provide adequate reserves for the payment of any tax, the payment of which is being contested;
- (e) it will comply in all material respects with all Applicable Laws (specifically including, for greater certainty, all applicable Cannabis laws). and use the proceeds of all Loan Advances hereunder for legal and proper purposes; and without limiting the generality of the foregoing the Borrower shall and shall cause each other Obligor to:
 - (i) engage in Cannabis-Related Activities only to the extent that such Cannabis-Related Activities are (A) in an Approved Jurisdiction, and (B) in compliance with all Applicable Laws in such Approved Jurisdiction (including, without limitation on a federal, state, provincial, territorial and municipal basis);
 - (ii) ensure that all activities of the Obligors relating to the cultivation, production and processing of Cannabis and Cannabis-related products occur solely in facilities licensed by Governmental Authorities in Approved Jurisdictions; and
 - (iii) ensure that all activities of the Obligors relating to the sale of Cannabis and Cannabis-related products occur solely in facilities licensed by Governmental Authorities in Approved Jurisdictions or between entities licensed by Governmental Authorities in Approved Jurisdictions.

- (f) will: (i) immediately, with respect to Material Agreements and/or Material Permit; and (ii) promptly, and in any event within three Business Days, notify the Agent of any material action requests or material violation notices received by it from any Person (including, without limitation, from any Governmental Authority) concerning it (including, without limitation, any notices or requests in connection with the protection or preservation of the environment) and hold the Agent and the Lenders harmless from and against any losses, costs or expenses which the Agent or any Lender may suffer in connection therewith;
- (g) will promptly advise the Agent of any Material Adverse Change;
- (h) will keep its assets (including, without limitation, the Collateral) fully insured against such perils and in such manner as would be customarily insured by Persons carrying on a similar business or owning similar assets and, in addition, for any buildings located in areas prone to flood and/or earthquake, will insure and keep fully insured such buildings against such perils;
- (i) will, at reasonable times and upon reasonable notice (provided that upon the occurrence of an Event of Default that is continuing, the Agent is permitted to do the following at any time and without notice) permit the Agent or its representatives, from time to time, (i) to visit and inspect any Obligor's premises, properties and assets and examine and obtain copies of the Borrower's records or other information, and (ii) to discuss the Obligors' affairs with the auditors of the Obligors (in the presence of the Obligors' representatives as it may designate); the Obligors hereby authorize and direct any such third party to provide to the Agent or its representatives all such information, records or documentation reasonably requested by the Agent;
- (j) except for Permitted Encumbrances, will not, without the prior written consent of the Agent, grant, create, assume or suffer to exist any mortgage, charge, lien, pledge, security interest or other encumbrance affecting any of its properties, assets or other rights;
- (k) will not, without the prior written consent of the Agent, sell, transfer, convey, lease or otherwise dispose of any of its:
 - (i) accounts receivables; or
 - (ii) other than accounts receivables, properties or assets (excluding obsolete or otherwise superfluous assets) other than (i) in the ordinary course of business and on commercially reasonable terms, or (ii) to another Obligor, (iii) to the extent the proceeds of such sale are promptly reinvested in assets useful to the business of the Obligors, or (iv) if such disposition would not materially impact the operation, business or financial condition of any Obligor and Maynbridge Capital Inc. has consented to such disposition.
- (l) will not, without the prior written consent of the Agent, provide any Guarantees (other than Permitted Guarantees);
- (m) will not, without first obtaining the prior written consent of the Agent, merge, amalgamate, or otherwise enter into any other form of business combination with any other Person and it will cause any such resulting Person to become an Obligor hereunder and to grant such security and enter into such Transaction Documents and other agreements as the Agent may require,

provided that (i) upon 10 days' prior written notice to the Agent any Obligor may merge, amalgamate or wind-up with or into another Obligor, and (ii) concurrently with such merger, amalgamation or winding-up the Borrower shall provide, or cause to be provided to the Agent all additional or replacement Security Agreements as the Agent may reasonably require in connection therewith;

- (n) will not pay any dividends, other corporate distributions, or any interest or principal on subordinated debt other than (i) to another Obligor, (ii) in respect to Permitted Indebtedness, or (iii) with the prior written consent of the Agent;
- (o) will not acquire or move any material Collateral or change its chief executive office or principal place of business to any jurisdiction outside of the jurisdiction of each such respective Obligor listed in **Schedule "C"** attached hereto without first executing and delivering all such security and other documentation and completing all registrations, recordings and filings to grant in favour of the Agent a security interest in such Collateral and to render effective the security interest granted thereby, all in form and substance satisfactory to the Agent;
- (p) will not incur additional indebtedness other than Permitted Indebtedness;
- (q) will not enter into any swaps, futures, hedges, foreign exchange or commodity transactions for spot or forward delivery, contracts or other derivative transactions for investment or speculative purposes (for greater certainty, the entering into of any such swaps, futures, hedges, foreign exchange or commodity transactions for spot or forward delivery, contracts or other transactions for protection against fluctuation in currency or interest rates or commodity prices is permitted);
- (r) will not, without the prior written consent of the Agent, make, cause or permit any amendment to any Material Agreement if the effect of such amendment would be reasonably likely to result in a Default or Event of Default;
- (s) will provide written notice to the Agent of each of the following promptly after the occurrence thereof:
 - (i) all proposed amendments to Material Agreements and Material Permits;
 - (ii) all correspondence and notices received from any Governmental Authority or stock exchange with respect to any Material Agreement, Material Permit or any regulatory or other investigations into the Obligors' business practices which could have a material and negative effect on any of the Obligors or their business, or any of the Obligors' ability to repay the obligations owing under this Agreement or would be likely to result in a Default;
 - (iii) any changes in the identity of Responsible Persons, which materially effect the Obligors together with satisfactory evidence of security clearances for such Responsible Persons under the Cannabis Act or the Cannabis Regulations; and any rejection notice for new or renewal security clearance applications for each Responsible Person;
- (t) will conduct its business in compliance with Anti-Terrorism and Corruption Laws and institute

and maintain policies and procedures designed to promote and achieve compliance with such Anti-Terrorism and Corruption Laws;

- (u) will (i) where an Account Debtor makes a payment in the form of a cheque, deposit such cheque into the Collections Account, (ii) where an Account Debtor makes a payment by electronic funds transfer, direct such Account Debtor to make such transfer to the Collections Account;
- (v) will not (i) amend, vary or terminate the Collections Account or the Blocked Account Agreement, and (ii) amend, modify or otherwise change any banking instructions provided to the financial institution maintaining the Collections Account, which would result in the application of any funds from any Account Debtor to an account other than the Collections Account;
- (w) the Borrower shall sweep the Collections Account at the end of each day and use such funds to repay all or any portion of the Loan Advances under the Revolving Facility outstanding at such time;
- (x) will grant the Agent and the Lenders and Maynbridge Capital Inc. the first right of refusal to provide any debtor in possession financing during any applicable Bankruptcy Event, as provided for in the Maynbridge Intercreditor Agreement;
- (y) not amend, supplement (in a way that is detrimental to the Lender), terminate, abandon, allow to expire or fail to renew any Material Permits, or permit any other Person to use, become party to or otherwise have an interest in, any Material Permits, or take any action in furtherance of, or fail to take any action, which failure could be reasonably expected to result in, any of the foregoing;
- (z) not enter into any transaction with any Affiliate, other than the another Obligor, except on terms no less favourable than could be obtained in an arm's-length transaction;
- (aa) change in any material respect the nature of its business or operations, nor engage directly or indirectly in any material business activity, or purchase or otherwise acquire any material property, in either case, not related to or in furtherance of the conduct of the business as presently conducted by it;
- (bb) obtain, and cause Holdings to obtain, conditional approval of the Toronto Stock Exchange to the issue of the Warrants as soon as possible and in any event prior to the earlier of the date of the initial Loan Advance and May 29, 2020 and use its commercially reasonable efforts to cause the Warrants to be issued by the dates required hereunder;
- (cc) cause Holdings to, at all times, reserve and keep available out of Holdings' authorized common shares a sufficient number of Warrant Shares to satisfy the right of purchase pursuant to the Warrants and to issue and deliver the Warrant Shares subscribed for and purchased in accordance with the terms and conditions of the Warrants to be issued as fully paid and non-assessable common shares of Holdings;
- (dd) to take all actions, and to cause Holdings to take such actions, as may be reasonably necessary and as are within its power to ensure that all Warrant Shares will be issued without violation of

any applicable laws or the applicable requirements of any stock exchange upon which the common shares of Holdings may be listed;

- (ee) to cause a news release of Holdings announcing this Agreement, the issuance of the Warrants and such other matters as may be required pursuant to applicable securities laws to be disseminated and filed pursuant to such applicable securities laws, provided that Borrower agrees to provide a draft of such news release to the Agent and to allow the Agent to provide reasonable comments prior to its dissemination / filing; and
- (ff) to cause Holdings to provide a draft of any other news release related to this Agreement and/or ancillary matters to the Agent and to allow the Agent to provide reasonable comments prior to the dissemination / filing of any such other new release.

9. **Use of Insurance Proceeds.** The parties agree that the proceeds of any insurance policies received by the Agent in connection with insurable events relating to the Collateral shall be applied (subject to the terms of the Maynbridge Intercreditor Agreement) to repay the outstanding fees, interest and principal in respect of the Loan Advances.

10. **Term and Termination.**

- (a) The initial term of the Revolving Facility will be twelve (12) months (the “**Initial Term**”), which term, subject to the continued satisfactory performance of the Obligor’s obligations under this Agreement and the other Transaction Documents, may, with, in each case, with the consent of the Borrower and the Agent, be renewed for up to two (2) additional periods of six (6) months (each, a “**Term Extension**”) (the Initial Term and the Term Extensions are, collectively, the “**Term**”).
- (b) The Agent shall have the right to terminate the Revolving Facility:
 - (i) upon immediate notice, if an Event of Default has occurred and is continuing;
 - (ii) upon immediate notice, if the initial Loan Advance is not made by May 29, 2020;
 - (iii) upon one hundred and eighty (180) days notice, if a material adverse change in market conditions is negatively affecting the liquidity of any Lender; and
 - (iv) upon immediate notice, if the Revolving Facility shall become, in whole or in part, illegal or in contravention of any Applicable Law.
- (c) The Revolving Facility may be terminated upon the mutual agreement of the Agent and the Borrower, at which time, all accrued interest, principal and unpaid fees owing shall be paid in cash by the Borrower to the Agent on such date.
- (d) If there is a Bankruptcy Event of the Borrower, then this Agreement shall be forthwith ended and terminated.
- (e) If the Revolving Facility is terminated for any reason, with respect to any outstanding Loan Advances, the Agent shall retain all of its rights and remedies, under the Transaction Documents.

(f) If the Revolving Facility is terminated for any reason, then at the election of the Agent by way of immediate notice to the Borrower, all accrued and/or unpaid interest, all outstanding Loan Advances, and all unpaid fees will be due and payable under this Agreement, and the Borrower will pay such amounts to the Agent forthwith, provided that if such termination is pursuant to Section 10(b) and the sole reason such Loan Advance is not made is that the Cortland Conditions have not been satisfied or waived, the Commitment Fee shall not be payable and the Warrants shall not be issued.

11. **Post-Closing Undertaking.** The Borrower, on behalf of each Obligor, hereby agrees that it shall take (or cause to be taken, as applicable) the following actions within the applicable time periods set out below, and further agrees that any failure of the Borrower to take such actions within such time period shall constitute, at the option of the Agent, an Event of Default:

- (a) if requested by the Agent, cause to be delivered to the Agent, within forty-five (45) days of such request, a landlord agreement in form and substance satisfactory to the Agent with respect to any real property leased by an Obligor, other than office space that is either not material or reasonably fungible;
- (b) subject to Section 2(b)(ii), cause to be delivered to the Agent, or as the Agent shall direct, on or before May 30, 2020, the Warrants; and
- (c) use commercially reasonable efforts to obtain executed copies of the Vendor Subordination Agreements and subordination agreements from Fluence Bioengineering Inc. by June 30, 2020.

12. **Remedies Upon Default.** Upon the occurrence of any Event of Default, the Lender may at its sole option:

- (a) declare, by notice in writing to the Borrower, any or all of the Loan Advances and fees and other obligations owing to the Agent and or the Lenders to be immediately due and payable;
- (b) realize upon all or any part of the Collateral, pursuant to the Security Documents; and
- (c) take such actions and commence such proceedings as may be permitted at law or in equity (whether or not provided for herein or in the Transaction Documents) at such times and in such manner as the Agent in its sole discretion may consider expedient

13. **Accredited Investor Representation.** The Agent represents and warrants to the Borrower and Holdings that it is a an “accredited investor” within the meaning of section 73.3 of the *Securities Act* (Ontario) by virtue of being a person described in the Accredited Investor Certificate (attached as Schedule “L”), and the Agent is delivering with this Agreement a completed and signed Accredited Investor Certificate.

14. **Extended Meanings.** Terms defined in the singular have the same meaning when used in the plural, and vice-versa. When used in the context of a general statement followed by a reference to one or more specific items or matters, the term “including” shall mean “including, without limitation”, and the term “includes” shall mean “includes, without limitation”. Any reference herein to the exercise of discretion by the Agent or any Lender (including phrases such as “in the discretion of”, “in the opinion of”, “to the satisfaction of” and similar phrases) shall mean that such discretion is absolute and

unfettered and shall not imply any obligation to act reasonably, unless otherwise expressly stated herein.

15. **Headings.** The section headings are not to be considered part of this Agreement, are inserted for convenience of reference only, are not intended to be full or accurate descriptions of the content thereof and shall not affect the construction or interpretation of this Agreement.

16. **Currency.** All dollar amounts referred to in this Agreement and all payments to be made hereunder are in Canadian dollars unless agreed to otherwise in writing by the Agent.

17. **Entire Agreement.** This Agreement, including the Schedules hereto, and the Exhibits to such Schedules, and any other agreement required hereunder to be delivered in connection herewith, constitute the entire agreement between the parties as to the subject matter of this Agreement and may not be amended or modified in any respect except by written instrument signed by the parties hereto.

18. **Severability.** In the event that any one or more provisions contained in this Agreement, or any other agreement required hereunder to be delivered in connection herewith, shall be invalid, illegal or unenforceable in any way, the remaining provisions hereof or thereof shall not be affected or impaired thereby unless as a consequence thereof of the rights and benefits granted to the Agent are, in the discretion of the Agent, materially and adversely affected.

19. **Execution.** This Agreement may be executed in one or more counterparts, each of which when so executed shall constitute an original and all of which together shall constitute one and the same agreement.

20. **Electronic Execution of Certain Documents.** The words "delivery", "execution," "signed," "signature," and words of like import in any Transaction Document or any other document to be signed in connection with this Agreement and the transactions contemplated hereby shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Agent, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any Applicable Law; provided, that notwithstanding anything contained herein to the contrary the Agent is under no obligation to agree to accept electronic signature in any form or in any format unless expressly agreed to by the Agent pursuant to procedures approved by it.

21. **Business Day.** If under the provisions of this Agreement any amount is to be paid or any act or thing is to be done or step is to be taken on a day other than a Business Day, then such amount shall be paid or such act or thing or step shall be done or taken on the next succeeding Business Day.

22. **Further Assurance.** The Borrower shall, from time to time execute, draw, endorse and deliver all such instruments and documents and do all such acts and things as the Agent may deem necessary or desirable for the purposes of carrying into effect any or all of the provisions of this Agreement or any documents delivered hereunder or of securing the fulfillment of all the obligations of the Borrower to the Agent hereunder.

23. **Costs, Expenses and Fees.** The Borrower agrees to pay all fees owing to the Agent hereunder and all of the Agent's costs incurred from time to time (including reasonable legal fees and disbursements and reasonable accountant fees and disbursements) in the preparation, negotiation and execution of this Agreement and the other Transaction Documents and all third party costs associated with bringing or attempting to bring this transaction to a close and any costs incurred in the operation or enforcement of this Agreement or any other Transaction Documents. The Agent will provide a summary of such legal fees and disbursements. All costs of insuring the Collateral will be the responsibility of the Borrower. All such costs and expenses shall be payable upon demand. The Agent shall have the right, but not the obligation, to deduct all such costs and expenses and any fees owing to the Agent, from time to time, from the proceeds of any Loan Advance.

24. **GOVERNING LAW.** THIS AGREEMENT AND THE OTHER TRANSACTION DOCUMENTS (EXCEPT, AS TO ANY OTHER TRANSACTION DOCUMENT, AS EXPRESSLY SET FORTH THEREIN) AND ANY CLAIMS, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER TRANSACTION DOCUMENT (EXCEPT, AS TO ANY OTHER TRANSACTION DOCUMENT, AS EXPRESSLY SET FORTH THEREIN) AND THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE PROVINCE OF ONTARIO AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN.

25. **SUBMISSION TO JURISDICTION.** THE BORROWER IRREVOCABLY AND UNCONDITIONALLY AGREES THAT IT WILL NOT COMMENCE ANY ACTION, LITIGATION OR PROCEEDING OF ANY KIND OR DESCRIPTION, WHETHER IN LAW OR EQUITY, WHETHER IN CONTRACT OR IN TORT OR OTHERWISE, AGAINST THE AGENT OR ANY RELATED PARTY OF THE AGENT IN ANY WAY RELATING TO THIS AGREEMENT OR ANY OTHER TRANSACTION DOCUMENT OR THE TRANSACTIONS RELATING HERETO OR THERETO, IN ANY FORUM OTHER THAN THE COURTS OF THE PROVINCE OF ONTARIO SITTING IN THE CITY OF TORONTO, THE FEDERAL COURTS OF CANADA SITTING IN THE CITY OF TORONTO, AND ANY APPELLATE COURT FROM ANY THEREOF, (EXCEPT, AS TO ANY OTHER TRANSACTION DOCUMENT, AS EXPRESSLY SET FORTH THEREIN) AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE JURISDICTION OF SUCH COURTS AND AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION, LITIGATION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH ONTARIO PROVINCIAL COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION, LITIGATION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AGREEMENT OR IN ANY OTHER TRANSACTION DOCUMENT SHALL AFFECT ANY RIGHT THAT THE AGENT MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER TRANSACTION DOCUMENT AGAINST THE BORROWER OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

26. **WAIVER OF VENUE.** THE BORROWER IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER TRANSACTION DOCUMENT IN ANY COURT REFERRED TO IN SECTION 23. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

27. **SERVICE OF PROCESS.** EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 26. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

28. **Notice.** Any notice to be given by any party hereto to any other party hereto shall be in writing and may be given by personal delivery, or except during any period when postal service is interrupted, by prepaid registered mail, or by facsimile, electronic mail or by other means of instantaneous transmission that produces a permanent copy to the address noted below ("**other communication**") addressed as follows:

(a) to the Borrower:

The Green Organic Dutchman Ltd.
Building A, Suite 301 6205 Airport Road
Mississauga, Ontario L4V 1E3

Attention: Sean Bovingdon
Telephone: (905) 304-4201 (extension 269)
Email: SBovingdon@tgod.ca

(b) to the Agent or a Lender:

Cortland Credit Lending Corporation
c/o Cortland Credit Group Inc.
200 Bay St., Suite 3230
Royal Bank Plaza South Tower
Toronto, ON, M5J 2J2

Attention: Bruce Sherk
Telephone: (416) 407-4440
Email: bsherk@cortlandcredit.ca

If given by registered mail shall be deemed to have been received by the party to whom it was addressed on the date falling four (4) Business Days following the date upon which it has been deposited in the post office with postage and cost of registration prepaid, and if personally delivered to an adult during normal business hours, when so delivered, and if given by other communication, the third (3rd) business hour after transmission and confirmation of receipt. Provided that any of the above-named parties may change the address designated from time to time, by notice in writing to the other party hereto.

29. **Binding Effect.** This Agreement shall be binding upon and shall enure to the benefit of (i) the Agent and the Lenders and their respective successors and assigns, and (ii) the Borrower and its successors and permitted assigns; “successors” includes any corporation resulting from the amalgamation of any party with any other corporation.

30. **Lenders.** The Borrower acknowledges and agrees that the Lenders shall be determined by the Agent from time to time, provided that (i) prior to the occurrence of an Event of Default, a Lender may be any entity designated by the Agent (without the consent of the Borrower) that is managed, affiliated with or Controlled by the Agent, (ii) prior to the occurrence of an Event of Default, a Lender may be any entity designated by the Agent (with the consent of the Borrower) that is not an entity managed, affiliated with or Controlled by the Agent, and (iii) following the occurrence of an Event of Default a Lender may be any entity designated by the Agent in its sole and unfettered discretion.

31. **General Indemnity.** The Borrower hereby indemnifies and holds harmless the Indemnified Parties from and against any and all claims, damages, losses, costs and expenses, that may be incurred by or asserted or awarded against any Indemnified Party, in each case arising out of or in connection with or relating to any investigation, litigation or proceeding or the preparation of any defense with respect thereto arising out of or in connection with or relating to this Agreement, the other Transaction Documents or the transactions contemplated hereby or thereby, or any use made or proposed to be made with the proceeds of the Loan Advances, whether or not such investigation, litigation or proceeding is brought by an Obligor, any shareholder or creditor thereof, an Indemnified Party or any other Person, or an Indemnified Party is otherwise a party thereto and whether or not the transactions contemplated hereby are consummated, except to the extent such losses and expenses are found in a final, non-appealable judgment by a court of competent jurisdiction to have resulted from such Indemnified Party's intentional or gross negligence or wilful misconduct or for breach in bad faith of such Indemnified Party's obligations hereunder or under any other Transaction Document, or where such litigation or proceeding is solely between Indemnified Parties. **[NTD: amended to track more closely the CBA model provision language]**

32. **Claims under the Indemnity.** The Indemnified Party claiming indemnification under Section 30 shall give the Borrower prompt notice in writing of particulars of any claim asserted by third parties against it which is covered by such indemnities.

[Remainder of this page is intentionally left blank; signature page follows.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

BORROWER:

THE GREEN ORGANIC DUTCHMAN LTD.

Per: Sean Bovingdon
Name: Sean Bovingdon
Title: Chief Financial Officer

Per: _____
Name: _____
Title: _____
I/we have the authority to bind the Borrower.

AGENT:

CORTLAND CREDIT LENDING CORPORATION, as Agent

Per: _____
Name: _____
Title: _____

Per: _____
Name: _____
Title: _____
I/we have the authority to bind the Agent.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

BORROWER:

THE GREEN ORGANIC DUTCHMAN LTD.

Per: _____
Name:
Title:

Per: _____
Name:
Title:

I/we have the authority to bind the Borrower.

AGENT:

CORTLAND CREDIT LENDING CORPORATION, as Agent

Per: _____
Name: *Sean Register*
Title: *CEO*

Per: _____
Name:
Title:

I/we have the authority to bind the Agent.

SCHEDULE "A"

FORM OF ADVANCE REQUEST CERTIFICATE

ADVANCE REQUEST CERTIFICATE

Pursuant to the provisions of the credit agreement dated March 31, 2020 (as it may be amended, restated, supplemented or otherwise modified from time to time, the "**Credit Agreement**") (terms defined therein being used herein as so defined), between, *inter alia*, The Green Organic Dutchman Ltd. (the "**Borrower**") and Cortland Credit Lending Corporation, as administrative agent (the "**Agent**"), the undersigned, being an officer or director of the Borrower hereby represents, warrants and certifies in such capacity, and not in her or his personal capacity, as follows:

1. **Representations and Warranties.** The representations and warranties of the Borrower and the other Obligors set forth in the Credit Agreement, or which are contained in any certificate, document or financial or other written statement furnished pursuant to or in connection with the Credit Agreement, including the other Transaction Documents are accurate and complete in all material respects on and as of the date hereof with the same effect as if made on the date hereof, except to the extent specified in the Credit Agreement or Transaction Documents to be made as of a specific date.

2. **No Material Adverse Change.** Since the date of the latest financial statements of the Borrower provided to the Agent in connection with the Transaction Documents, no Material Adverse Change has occurred.

3. **No Default.** No Default or Event of Default has occurred and is continuing as of the date hereof.

4. **Conditions Precedent.** The conditions precedent to this Loan Advance in accordance with the Credit Agreement have been satisfied.

5. **Loan Advance.** The Borrower hereby requests, authorizes, and instructs the Agent to drawdown and advance under the Revolving Facility the amount of CDN \$ _____ to the Borrower on _____, 2020. This will be the Agent's authority:

a) [●]; and

b) [●].

[Signature Page Follows]

DATED _____, 20____.

THE GREEN ORGANIC DUTCHMAN LTD.

Per: _____

Name:

Title:

Per: _____

Name:

Title:

SCHEDULE "B"

FORM OF BORROWING BASE CERTIFICATE

[to follow]

BORROWING BASE CERTIFICATE

Pursuant to the provisions of the credit agreement dated March 31, 2020 (as it may be amended, restated, supplemented or otherwise modified from time to time, the “**Credit Agreement**”) (terms defined therein being used herein as so defined), between, *inter alia*, The Green Organic Dutchman Ltd. (the “**Borrower**”) and Cortland Credit Lending Corporation, as administrative agent (the “**Agent**”), the undersigned, being an officer or director of the Borrower hereby represents, warrants and certifies in such capacity, and not in her or his personal capacity, as follows:

1. This Borrowing Base Certificate is delivered to you pursuant to **[Section 4(a)] / [Section 5(a)]** of the Credit Agreement.
2. Attached hereto at Exhibit “1” are the calculations required to determine the Revolving Facility Margin Limit in accordance with the relevant definitions as set forth in the Credit Agreement and a detailed list of all Eligible Account Receivables that underlie the items being margined¹.
3. The Borrower hereby represents and warrants that this Borrowing Base Certificate is a correct statement regarding the status of the Revolving Facility Margin Limit, that all assets included in the Revolving Facility Margin Limit calculated above meet all eligibility criteria set out in the Credit Agreement, and that the amounts set forth herein are in compliance with the provisions of the Credit Agreement. The Borrower further represents and warrants that, in relation to calculation of the Revolving Facility Margin Limit there have been no changes to accounting policies, practices and calculation methods from the accounting policies, practices and methods used by the Borrower as at the date of the Credit Agreement.

DATED _____, 20____.

THE GREEN ORGANIC DUTCHMAN LTD.

Per: _____

Name:

Title:

Per: _____

Name:

Title:

¹ Assignments of federal crown debts and certain provincial crown debts (e.g. debts of provincial governmental agencies) require consent. If the receivable is in respect of the federal government of Canada or any of the provinces of Alberta, Manitoba and New Brunswick, consent from those governments must be given in order to have effective assignments (see clause (b) of the definition of “Eligible Account Receivable”..

SCHEDULE "1"

SCHEDULE “C”

DEFINED TERMS

As used in this Agreement and unless otherwise stated herein, the terms set out below shall have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined).

“\$” and “**Dollar**” each mean Canadian dollars.

“**Account Debtor**” means the account debtor in respect of any account receivable of an Obligor arising from a bona fide, fully-completed transaction in the ordinary course of business consisting of either the sale of goods or the provision of services by the Obligor.

“**Advance Rate**” means eighty-five percent (85%).

“**Advance Request Certificate**” means a written notice, in the form attached as **Schedule “A”** attached hereto, pursuant to which the Borrower may request a Loan Advance in an amount not less than \$250,000.

“**Affiliate**” means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

“**Anti-Terrorism and Corruption Laws**” means any Applicable Laws relating to terrorism, trade sanctions programs and embargoes, import/export licensing, money laundering, corruption or bribery, and any regulation, order, or directive promulgated, issued or enforced pursuant to such laws, rules and regulations, all as amended, supplemented or replaced from time to time.

“**Applicable Law**” means, with respect to any Person, all laws, rules, regulations and orders of Governmental Authorities applicable to such Person or any of its properties or assets.

“**Approved Jurisdiction**” means a country in which it is legal in all political subdivisions therein (including for greater certainty on a federal, state, provincial, territorial and municipal basis) to undertake any Cannabis-Related Activities provided that in each case (i) such country has been approved in writing by the Agent in its discretion and (ii) if required by the Agent, the ability to undertake Cannabis-Related Activities to the extent permitted by Applicable Law therein is confirmed by a legal opinion provided by the Borrower's counsel in such jurisdiction, in form and substance satisfactory to the Agent. The Agent may in its discretion from time to time (i) upon receipt of a written request by the Borrower, designate any jurisdiction an Approved Jurisdiction provided that the above criteria are satisfied; and (ii) revoke the designation of any jurisdiction as an Approved Jurisdiction by written notice to the Borrower if such criteria are not satisfied.

“**Associate**” has the meaning ascribed thereto in the *Canada Business Corporations Act*.

“**Bankruptcy Event**” means an Involuntary Bankruptcy Event or a Voluntary Bankruptcy Event.

“**Base Facility Amount**” means, (i) from the date hereof to July 1, 2020, \$10,000,000, (ii) from July 1, Credit Agreement
The Green Organic Dutchman Ltd.

2020 to March 31, 2021, an additional \$3,000,000 (provided that Maynbridge Capital Inc. shall have made an advance under the Maynbridge Loan Agreement to an Obligor of at least (a) \$5,000,000 on or before April 30, 2020, and (b) \$5,000,000 on or before July 1, 2020), and (iii) from April 1, 2021, if the Term has been extended, zero.

“Blocked Account Agreement” means an agreement, in form and substance satisfactory to the Agent, in respect of a Collections Account in which, among other things, the financial institution maintaining such account acknowledges and agrees with the Agent and relevant Obligors that the Agent will control all disbursements from such accounts.

“Borrowing Base Certificate” means a written report, in the form attached as **Schedule “B”** attached hereto, pursuant to which the Borrower has, among other things, calculated the Revolving Facility Margin Limit.

“Business Day” means any day other than: (a) a Saturday or Sunday; or (b) a day on which banking institutions in Toronto, Ontario, are authorized or obligated by law or executive order to be closed.

“Cannabis” means:

- (a) any plant or seed, whether live or dead, from any species or subspecies of genus *Cannabis*, including *Cannabis sativa*, *Cannabis indica* and *Cannabis ruderalis*, Marijuana and any part, whether live or dead, of the plant or seed thereof, including any stalk, branch, root, leaf, flower, or trichome;
- (b) any material obtained, extracted, isolated, or purified from the plant or seed or the parts contemplated by clause (a) of this definition, including any oil, cannabinoid, terpene, genetic material or any combination thereof;
- (c) any organism engineered to biosynthetically produce the material contemplated by clause (b) of this definition, including any micro-organism engineered for such purpose;
- (d) any biologically or chemically synthesized version of the material contemplated by clause (b) of this definition or any analog thereof, including any product made by any organism contemplated by clause (c) of this definition;
- (e) any other meaning ascribed to the term “cannabis” under Applicable Law in any Approved Jurisdiction, including the Cannabis Act and the *Controlled Drugs and Substances Act* (Canada); and
- (f) any other meaning ascribed to the term “cannabis” under the *Controlled Substances Act* (United States).

“Cannabis Act” means *An Act respecting cannabis and to amend the Controlled Drugs and Substances Act, the Criminal Code and other Acts*, S.C. 2018, c. 16, as amended from time to time.

“Cannabis Regulations” means Cannabis Regulations under the Cannabis Act, as amended from time to time and all other regulations made from time to time under the Cannabis Act or any other statute in an Approved Jurisdiction with respect to Cannabis-Related Activities.

“Cannabis-Related Activities” means any activities, including advertising or promotional activities, relating to or in connection with the importation, exportation, cultivation, production, purchase, distribution or sale of Cannabis or Cannabis-related products.

“Capital Lease” means, with respect to a Person, a lease or other arrangement in respect of personal property that is required to be classified and accounted for as an obligation on a balance sheet of the Person in accordance with IFRS.

“Change of Control” means (i) if both (x) Brian Athaide ceases to be the chief executive officer of the Borrower, and (y) Sean Bovingdon ceases to be the chief financial officer of the Borrower, and the Agent shall not have been satisfied, in its reasonable discretion, with the arrangements made with respect to the replacement of both such individuals, (ii) fifty percent (50%) or more of the ownership or Control of the voting interests of Holdings are acquired, directly or indirectly, by any Person, whether acting individually or in concert with any other Person or Persons, (iii) the sale of all or substantially all of the assets of any Obligor (other than to another Obligor); or (iv) if any wholly owned, direct or indirect, subsidiary of the Borrower ceases to be wholly owned, directly or indirectly, by the Borrower; or (v) Borrower ceases to be wholly-owned, directly or indirectly, by Holdings.

“Closing Date” means the date of this Agreement.

“Collateral” means all present and after acquired undertaking and personal property of the Obligors, including all proceeds thereof, subject to such customary exclusions as set out in the Security Documents.

“Collections Account” means the account established and maintained by a Schedule I Canadian Chartered Bank in the name of the Borrower into which all payments by Account Debtors are deposited and which account shall at all times be subject to the Blocked Account Agreement.

“Control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise, and **“Controlling”** and **“Controlled”** have meanings correlative thereto.

“Default” means any event, act, omission or condition which with the giving of notice or passage of time, or both, would result in an Event of Default.

“Eligible Account Receivable” means, in respect of any Obligor, an account receivable of such Obligor (in this definition, individually called an "account") which satisfies all of the following eligibility criteria:

- (a) the account is subject to a first-ranking security interest held by the Agent pursuant to the Security Agreements and is not subject to any other Liens, except Permitted Encumbrances, and the Account Debtor thereof has been directed to pay the proceeds of such account to the Collections Account;
- (b) if the Account Debtor is a Governmental Authority, all requirements of Applicable Law have been satisfied in order that the assignment of such account in favour of the Agent shall be valid and enforceable;
- (c) the Account Debtor is located in an Approved Jurisdiction;

- (d) the Account Debtor is not any Obligor or any Related Person of any Obligor;
- (e) the account is not in dispute or subject to any defence, counterclaim or claim by the Account Debtor for credit, set-off, allowance or adjustment;
- (f) the Obligor does not have an obligation to hold any portion of the account in trust or as agent for any other Person (except pursuant to a statutory lien securing obligations which are not overdue);
- (g) an invoice relating to the account has been issued by the Obligor and received by the Account Debtor;
- (h) the account is not outstanding for more than ninety-one (91) days from the date of the invoice relating thereto (regardless of the due date specified in such invoice for payment), unless the Account Debtor is a Governmental Authority, in which case the account shall not be outstanding for more than one hundred twenty-one (121) days from the date of the invoice relating thereto (regardless of the due date specified in such invoice for payment);
- (i) the Account Debtor is not insolvent or subject to any Bankruptcy Event; and
- (j) the account is not subject to undue credit risk in the opinion of the Agent.

“Event of Default” means:

- (a) if any Obligor at any time shall fail to pay or perform with regard to the obligation to repay the principal or interest on each Loan Advance on the date required by this Agreement for such payment;
- (b) if any Obligor at any time shall fail to pay or perform with regard to the obligation to pay any fees or other amounts payable to the Agent (which, for greater certainty, does not include amounts payable under item (i), above) within three (3) Business Days of the date required by this Agreement or any other Transaction Document for such payment;
- (c) if any Obligor ceases or threatens to cease carrying on its business or if a petition shall be filed, an order shall be made or an effective resolution shall be passed for the winding-up or liquidation of an Obligor;
- (d) if a Bankruptcy Event of any Obligor occurs;
- (e) if a Change of Control (that has not been consented to in writing by the Agent) occurs;
- (f) if any encumbrancer, lien holder or Person acting on its behalf shall take possession of the Collateral or any part thereof;
- (g) if any Obligor permits any sum which is outstanding in an aggregate principal amount exceeding \$100,000 and which has been admitted as due by such Obligor or is not disputed to be due by it and which forms or is capable of being made a charge on any Collateral in priority to the security interests granted to the Agent to remain unpaid after proceedings have been taken to enforce such charge;

- (h) if any representation or warranty made by or on behalf of any Obligor or any of its officers, employees or agents to the Agent shall be false or inaccurate, in any material respect (determined in the discretion of the Agent, acting reasonably);
- (i) if any Obligor fails to perform or comply with any of its covenants or obligations contained in any Transaction Document; provided that (other than any covenants provided for in Sections 8(j), 8(k), 8(l), 8(m), 8(n), 8(o), 8(p), 8(q), 8(r), 8(t), 8(u), 8(v), 8(w), and 8(y) or any other Event of Default provided for in any other clause of this definition), if such non-compliance is capable of being remedied within ten (10) days, such Obligor diligently attempts to remedy such non-compliance and informs the Agent of its efforts in this regard, and remedies such default within such ten (10) days, then such non-compliance shall be deemed not to constitute an Event of Default;
- (j) if any Obligor defaults in the observance or performance of any provision relating to the indebtedness or liability of such Obligor to any Person other than the Agent, in an aggregate principal amount exceeding \$100,000, subject to any cure or grace periods provided for in the documentation providing for such indebtedness or liability;
- (k) if any Material Agreement or Material Permit shall terminate, be withdrawn, suspended, revoked, cancelled or amended in contravention of this Agreement;
- (l) if a Material Adverse Change shall have occurred;
- (m) if an Event of Default (as such term is defined under the Maynbridge Intercreditor Agreement) shall have occurred; or
- (m) if the Cannabis Act is repealed and not replaced with similar legislation.

“Governmental Authority” means the government of Canada, the United States of America or any other nation or any political subdivision thereof, whether state, provincial or local, and any agency, authority, instrumentality, regulatory body (including any self-regulatory body), court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government, and for greater certainty includes Health Canada.

“Guarantee” means any agreement by which any Person assumes, guarantees, endorses, contingently agrees to purchase or provide funds for the payment of, or otherwise becomes liable upon, the obligation of any other Person, or agrees to maintain the net worth or working capital or other financial condition of, or provide any financial assistance to any other Person or otherwise assures any creditor of such Person against loss, and shall include any contingent liability under any letter of credit or similar document or instrument.

“Hazardous Materials” means any contaminant, pollutant, waste or substance that is likely to cause immediately or at some future time harm or degradation to the surrounding environment or risk to human health; and without restricting the generality of the foregoing, including any pollutant, contaminant, waste, hazardous waste or dangerous goods that is regulated by any Requirements of Environmental Law or that is designated, classified, listed or defined as hazardous, toxic, radioactive or dangerous or as a contaminant, pollutant or waste by any Requirements of Environmental Law.

Credit Agreement
The Green Organic Dutchman Ltd.

“Health Canada Licenses” means, in respect of any Obligor, all Material Permits of such Obligor which are both related to the Cannabis-Related Activities of such Obligor and issued by Health Canada, including Material Permits to plant, grow, cultivate, extract, produce, process, store, destroy, sell, provide, ship, deliver, transport and/or distribute cannabis under Applicable Law, including without limitation License Nos. LIC-CJMMLU7IJN-2019, LIC-NIHQWUXTUS-2019, LIC-QBWAEEEME64-2018, LIC-QBWAEEEME64-2018-2, and LIC-NM7TA6CIJ3-2019.

“Holdings” means The Green Organic Dutchman Holdings Inc.

“Indemnified Parties” refers collectively to the Agent, the Lenders, each of their affiliates as well as each of its directors, officers, employees, representatives and agents and **“Indemnified Party”** refers to any one thereof.

“Interest Rate” means the greater of (i) 12% per annum and, (ii) the TD Prime Rate, plus 8.05% per annum.

“Involuntary Bankruptcy Event” means, without the consent or acquiescence of the applicable Person, the entering of an application for an order for relief or approving a petition or court order for relief or reorganization or any other petition or order seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, monitoring or other similar relief under any present or future bankruptcy, insolvency or similar process under Applicable Law, or the filing of any such petition or order against such Person or, without the consent or acquiescence of such Person, the entering of an order appointing a trustee, monitor, custodian, inspector, receiver or liquidator of such Person or of all or any substantial part of the undertaking or property of such Person, in each case where such petition or order shall remain unstayed or shall not have been stayed or dismissed within forty-five (45) days from entry thereof.

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

“Loan Advance” means any loan extended to the Borrower pursuant to the terms of this Agreement.

“Marijuana” has the meaning ascribed to such term (i) under the Applicable Law in any Approved Jurisdiction or (ii) under the *Controlled Substances Act* (United States).

“Material Adverse Change” means any event, circumstance or change that could be expected to result, individually or in the aggregate, in a material adverse effect, in any respect, on (a) the legality, validity or enforceability of any of the Transaction Documents or any of the security interests provided for thereunder, (b) the right or ability of an Obligor to perform any of its obligations under any of the Transaction Documents, in each case to which it is a party, or to consummate the transactions contemplated under any of the Transaction Documents, (c) the financial condition, assets, business or prospects of the Obligors, taken as a whole, (d) any Material Permit, (e) an Obligor’s ability to retain, utilize, exploit or comply with its obligations under any Material Permit, or (f) the rights or remedies of the Agent under any of the Transaction Documents, that any change in the financial condition of an Obligor as the date hereof caused by or related to the COVID-19 global pandemic occurring prior to the date of this Agreement shall not constitute a Material Adverse Change.

“Material Agreement” means any contract or agreement of an Obligor (i) which involves potential revenue or expenditure in excess of \$500,000 in any fiscal year, or (ii) the loss, termination or non-renewal of which would reasonably be expected to result in a Material Adverse Change, including without limitation any agreement between an Obligor and any other Person for the supply of Cannabis.

“Material Permit” means the Health Canada Licenses and any other authorization, approval, consent, exemption, license, grant, permit, franchise, right, privilege or no-action letter from any Governmental Authority having jurisdiction with respect to any specified Person, property, transaction or event, or with respect to any of such Person’s property or business and affairs (including any zoning approval, development permit or building permit), the failure of which to be obtained or held would prohibit or reasonably be expected to materially and adversely affect the ability of any Obligor to conduct its business as presently conducted and planned to be conducted.

“Maynbridge Intercreditor Agreement” means the intercreditor agreement dated on or about the date hereof among the Agent, Maynbridge Capital Inc. and the Obligors providing for a first-ranking security interest over the receivables and inventory of the Obligors (and the proceeds of each) to the Agent and a second-ranking security interest over all other assets of the Obligors in favour of the Agent, as such intercreditor agreement may be amended, amended and restated or replaced in its entirety from time to time.

“Maynbridge Loan Agreement” means the loan agreement dated December 23, 2019, between the Obligors and Maynbridge Capital Inc., as such loan agreement may be amended, amended and restated or replaced in its entirety from time to time.

“Obligors” means, collectively the Borrower, Holdings and all of Holdings’ direct and indirect subsidiaries which are organized under the federal laws of Canada (or any province thereof) or any state of the United States of America, and “Obligor” means any of them; for greater certainty, as of the date of this Agreement, the Obligors include the Borrower, The Green Organic Dutchman Holdings Ltd., The Green Organic Hemp Ltd., Medican Organic Inc. and 9371-8633 Quebec Inc.

“Outstanding Payables” means the payables of the Obligors detailed on Schedule J.

“Permitted Encumbrances” means, collectively:

- (a) Liens granted in favour of the Agent pursuant to the Security Agreements;
- (b) Liens or deposit under workers' compensation, social security or similar legislation or in connection with bids, tenders, leases or contracts or to secured related public or statutory obligations, surety and appeal bonds where required by law;
- (c) any builders’, mechanics’, materialman’s, carriers’, repairmen’s, warehousemen’s, landlords’ and other like Liens and privileges, in each case, which relate to obligations not yet due or delinquent or being contested in good faith;
- (d) any Liens for taxes, assessments, unpaid wages, unpaid superannuation or governmental charges or levies for the then current year and not at the time due and delinquent or are being contested in good faith;

- (e) any right reserved to or vested in any Governmental Authority by the terms of any lease, licence, franchise, grant, claim or permit held or acquired by an Obligor, or by any statutory provision, to terminate the lease, licence, franchise, grant, claim or permit or to purchase assets used in connection therewith or to require annual or other periodic payments as a condition of the continuance thereof;
- (f) any Lien created or assumed by any Obligor in favour of a public utility when required by the utility in connection with the operations of such Obligor that do not in the aggregate detract from the value of any of the Collateral or impair their use in the operation of the business of such Obligor;
- (g) any reservations, limitations, provisos and conditions expressed in original grants from any Governmental Authority;
- (h) any applicable municipal and other Governmental Authority restrictions affecting the use of land or the nature of any structures which may be erected thereon, any minor encumbrance, such as easements, rights-of-way, servitudes or other similar rights in land granted to or reserved by other Persons, rights-of-way for sewers, electric lines, telegraph and telephone lines, oil and natural gas pipelines and other similar purposes, or zoning or other restrictions applicable to the use of real property by any Obligor, or title defects, encroachments or irregularities, that do not detract from the value of the property or impair its use in the operation of the business of any Obligor;
- (i) any Lien that secures Permitted Indebtedness referred to under clause (c) of the definition of "Permitted Indebtedness";
- (j) any Lien that secures Permitted Indebtedness referred to under clause (g) of the definition of "Permitted Indebtedness" provided that: (a) such Lien is limited to the mobile equipment which was acquired with the proceeds of such Permitted Indebtedness and (b) the amount of such Permitted Indebtedness secured by any such Lien at no time exceeds 100% of the original acquisition price of such mobile asset at the time it was acquired, plus interest and fees, if any;
- (k) any Lien in connection with attachments, judgments and other similar Liens arising in connection with court proceedings; provided however that: (a) the Liens are in existence for less than twenty (20) Business Days after their creation, or (b) the execution or other enforcement of the Lien is effectively stayed or the claims so secured is being contested in good faith by appropriate proceedings and as to which reserves are being maintained in accordance with generally accepted accounting principles;
- (l) customary rights of set-off or combination of accounts with respect to deposits or accounts incurred in the ordinary course of business; and
- (m) Liens listed in Schedule K;
- (n) any Lien that secures indebtedness provided that such Lien is limited to monies paid or payable under the insurance policies together with the assigned right to cancel the insurance policies.

“Permitted Guarantees” means any Guarantee by an Obligor of any Permitted Indebtedness.

“Permitted Indebtedness” means any:

- (a) indebtedness under this Agreement;
- (b) indebtedness comprised of amounts owed to trade creditors and accruals in the ordinary course of business, which are either not overdue or, if disputed and in that case whether or not overdue, are being contested in good faith by such Obligor by appropriate proceedings diligently conducted, and provided always that: (i) the failure to pay such indebtedness could not be expected to result in a Default or Event of Default and (ii) the aggregate amount of such indebtedness does not exceed \$15,000,000;
- (c) any indebtedness, debts and other obligations owing to Maynbridge Capital Inc. pursuant to the “Loan Documents”, as such term is defined in the Maynbridge Loan Agreement, subject to the Maynbridge Intercreditor Agreement;
- (d) any inter-company indebtedness between any Obligors;
- (e) the Outstanding Payables;
- (f) any other indebtedness which the Agent agrees in writing is Permitted Indebtedness for the purposes of this Agreement;
- (g) any indebtedness under Capital Leases and Purchase Money Obligations, which indebtedness does not exceed \$10,000,000 in the aggregate for the Obligors at any time; and
- (h) indebtedness owed to any Person providing or financing workers’ compensation, health, disability or other employee benefits or property, casualty or liability insurance, in each case incurred in the ordinary course of business.

“Person” means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

“Potential Priority Claims” means all amounts owing or required to be paid, where the failure to pay any such amount could give rise to a claim pursuant to any Applicable Law or otherwise, which ranks or is capable of ranking in priority to the Agent’s security or otherwise in priority to any claim by the Agent for repayment of any amounts owing under this Agreement.

“PPSA” means the *Personal Property Security Act* (Ontario), as amended, and to the extent relevant, equivalent statutes of the other Provinces of Canada, including the *Civil Code of Quebec*.

“Priority Lien” means any Lien that is not a Subordinated Lien.

“Purchase Money Obligation” means, with respect to a Person, indebtedness of the Person issued, incurred or assumed to finance all or part of the cost of acquiring any tangible asset.

“Related Person” in relation to any Person means a Subsidiary, Affiliate, Associate or shareholder, director, officer or employee of such Person.

“Requirements of Environmental Law” means: (i) obligations under common law; (ii) requirements imposed by or pursuant to statutes, regulations and by-laws whether presently or hereafter in force; (iii) directives, policies and guidelines issued or relied upon by any Governmental Authority to the extent such directives, policies or guidelines have the force of law; (iv) permits, licenses, certificates and approvals from Governmental Authorities which are required in connection with air emissions, discharges to surface or groundwater, noise emissions, solid or liquid waste disposal, the use, generation, storage, transportation or disposal of Hazardous Materials; and (v) requirements imposed under any clean-up, compliance or other order made pursuant to any of the foregoing, in each and every case relating to environmental, health or safety matters including all such obligations and requirements which relate to (A) solid, gaseous or liquid waste generation, handling, treatment, storage, disposal or transportation of Hazardous Materials and (B) exposure to Hazardous Materials.

“Responsible Person” means: (i) an officer or director of any Obligor; or (ii) any other Person required to hold a security clearance pursuant to the Cannabis Act or the Cannabis Regulations.

“Revolving Facility” means a revolving credit facility in an amount not to exceed \$30,000,000.

“Revolving Facility Limit” means the Base Facility Amount at such time, plus the Revolving Facility Margin Limit at such time, provided that such aggregate amount shall not at any time exceed \$30,000,000.

“Revolving Facility Margin Limit” means, at any time, the Advance Rate multiplied by, (x) the face amount of all Eligible Accounts Receivables at such time, minus (y) any Eligible Accounts Receivables subject to any Potential Priority Claims and Priority Liens at such time.

“Security Agreements” means, collectively, (i) general security and pledge agreements (or hypothecs) delivered by each of the Obligors to the Agent; (ii) the debentures and mortgages given by the Obligors to the Agent, as applicable, in respect of the real property owned by them; (iii) security agreements in respect of intellectual property delivered by each of the Obligors to the Agent, as applicable; (iv) a subordination agreement or intercreditor from each creditor in respect of an Outstanding Payable, as applicable; (v) all guarantees given by any Obligor to the Agent, and (vi) a Blocked Account Agreement with respect to the Collections Accounts; and (vii) assignments of insurance delivered by the Obligors in favour of the Agent, as applicable, in each case, as such agreements may be amended, amended and restated or replaced in its entirety from time to time.

“Solvent” means, with respect to any Person as of the date of determination, (i) the aggregate property of such Person is sufficient, if disposed of at a fairly conducted sale under legal process, to enable payment of all its obligations, due and accruing due; (ii) the aggregate property of such Person is, at a fair valuation, sufficient to enable payment of all its obligations, due and accruing due; (iii) such Person is able to meet its obligations as they generally become due; and (iv) such Person has not ceased paying its current obligations in the ordinary course of business as they generally become due; and for purposes of this definition, the amount of any contingent obligation at such time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

“Subordinated Lien” means any Lien for which the holder thereof has agreed, pursuant to a subordination agreement or intercreditor agreement in form satisfactory to the Agent, that such Lien shall at all times be subordinated and postponed in favour of the Liens granted by any Obligor in favour of the Agent.

“Subsidiary” means a Person (other than a natural person) which is Controlled, directly or indirectly, by another Person (other than a natural person); and for greater certainty includes a Subsidiary of a Subsidiary.

“TD Prime Rate” means the floating annual rate of interest established from time to time by the Toronto-Dominion Bank as the reference rate it will use to determine rates of interest payable to the Toronto-Dominion Bank by commercial borrowers from it of Canadian dollar loans in Canada and designated by it as its “prime rate”.

“Total Exposure” has the meaning given to such term in Section 3(a) of this Agreement.

“Transaction Documents” means, collectively, this Agreement, the Guarantees given by the Obligors (other than the Borrower) in respect of the obligations owing under this Agreement, the Security Agreements, the Warrants and all other documents contemplated by this Agreement and/or delivered in connection with this Agreement (including, for greater certainty, any Advance Request Certificate and Borrowing Base Certificate).

“Utilization Fee Rate” means two and four tenths of a percent (2.40%) per annum, divided by the then current calendar year of three hundred and sixty-five (365) or three hundred and sixty-six (366) days, as the case may be.

“Vendor Subordination Agreements” means the subordination agreements referred to in part (iv) of the definition of “Security Agreements”.

“Voluntary Bankruptcy Event” means (a) an admission in writing by a Person of its inability to pay its debts generally or a general assignment by such Person for the benefit of creditors, (b) the filing of any assignment, petition or consent thereto or answer by such Person seeking to adjudicate itself as bankrupt or insolvent, or seeking for itself any liquidation, winding-up, reorganization, arrangement, adjustment, protection, relief or composition of such Person or its debts under any present or future bankruptcy, insolvency or similar Applicable Law, or seeking, consenting to or acquiescing in the entry of an order for relief in any case under any such Applicable Law, or the appointment of or taking possession by a trustee, monitor, custodian, inspector, receiver or liquidator of such Person or for any substantial part of such Person’s property, or (c) corporate or other action taken by such Person to authorize any of the actions set forth above.

SCHEDULE "D"

LITIGATION

1. 1613240 Ontario Ltd. and Amy Stephenson v. The Green Organic Dutchman Holdings Ltd. ("TGOD Holdings"), Ontario Superior Court of Justice File No. CV-18-605781. Action commenced by the former Chief Financial Officer of TGOD Holdings claiming \$3 million in damages, stemming from the termination of her consulting agreement.
2. Iostesso Holdings Inc., 2 Chisholm Court Property Inc., Jonathan Wener and PT Enterprises Inc. v. The Green Organic Dutchman Holdings Ltd., Supreme Court of British Columbia, Registry No. S-195390. Action commenced by a group of investors claiming approximately \$1.25 million in damages for breach of contract arising from lock-up provisions applicable to certain warrants issued by TGOD Holdings.

SCHEDULE "E"

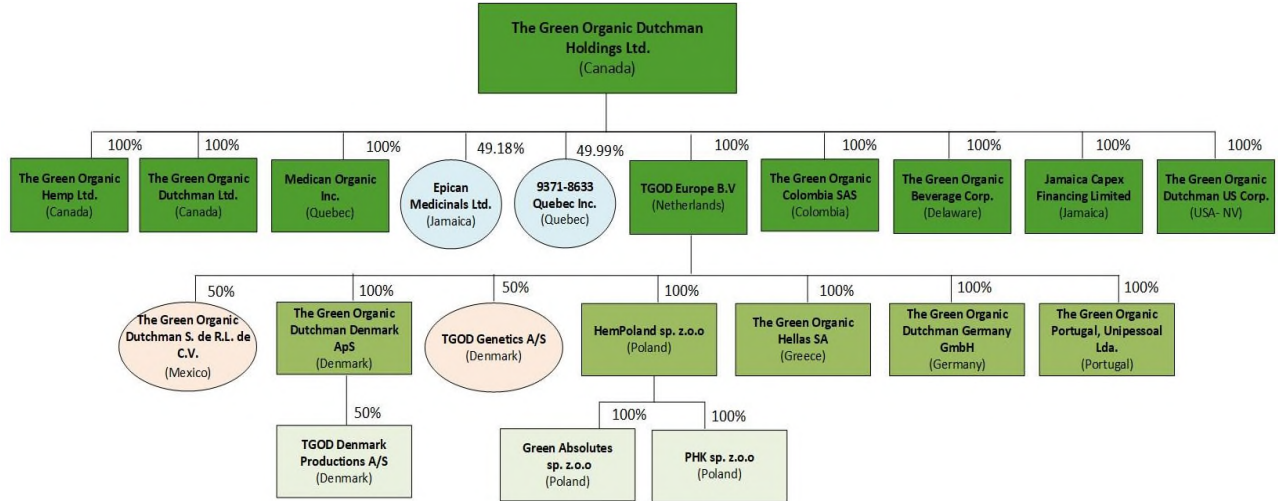
ENVIRONMENTAL DISCLOSURE

Nil.

SCHEDULE "F"

CORPORATE INFORMATION

Intercorporate Relationships



The Green Organic Dutchman Ltd.

Name of Obligor: The Green Organic Dutchman Ltd.

Prior Obligor Names: N/A

Predecessor Corporations: N/A

Jurisdiction of Incorporation: Canada

Registered Office: Building A, Suite 200, 6205 Airport Road, Mississauga, Ontario L4V 1E3

Principal Place of Business/
Chief Executive Office: 1915 Jerseyville Road West, Jerseyville, Ontario L0R 1R0

Issued & Outstanding Shares: 200 common shares

List of Shareholders: The Green Organic Dutchman Holdings Ltd. – 200 common shares

The Green Organic Dutchman Holdings Ltd.

Name of Obligor: The Green Organic Dutchman Holdings Ltd.

Prior Obligor Names: N/A

Predecessor Corporations: N/A

Jurisdiction of Incorporation: Canada

Registered Office: Building A, Suite 200, 6205 Airport Road, Mississauga, Ontario L4V 1E3

Principal Place of Business/
Chief Executive Office: Building A, Suite 200, 6205 Airport Road, Mississauga, Ontario L4V 1E3

Issued & Outstanding Shares: 313,608,518 common shares

List of Shareholders: N/A

The Green Organic Hemp Ltd.

Name of Obligor: The Green Organic Hemp Ltd.

Prior Obligor Names: N/A

Predecessor Corporations: N/A

Jurisdiction of Incorporation: Canada

Registered Office: Building A, Suite 200, 6205 Airport Road, Mississauga, Ontario L4V 1E3

Principal Place of Business/
Chief Executive Office: Building A, Suite 200, 6205 Airport Road, Mississauga, Ontario L4V 1E3

Issued & Outstanding Shares: 103 common shares

List of Shareholders: The Green Organic Dutchman Holdings Ltd. – 103 common shares

Medican Organic Inc.

Name of Obligor: Medican Organic Inc./Médican Biologique inc.

Prior Obligor Names: N/A

Predecessor Corporations: N/A

Jurisdiction of Incorporation: Québec

Registered Office: 311-455 Boul. Fénelon, Dorval, Québec H9S 5T8

Principal Place of Business/
Chief Executive Office: 1175 Boul. Gérard-Cadieux, Salaberry-de-Valleyfield, Québec, J6T 6M1

Issued & Outstanding Shares: 100 common shares

List of Shareholders: The Green Organic Dutchman Holdings Ltd. – 100 common shares

9371-8633 Quebec Inc.

Name of Obligor: 9371-8633 Québec Inc./9371-8633 Québec inc.

Prior Obligor Names: N/A

Predecessor Corporations: N/A

Jurisdiction of Incorporation: Québec

Registered Office: 1175 Boul. Gérard-Cadieux, Salaberry-de-Valleyfield, Québec, J6T 6M1

Principal Place of Business/
Chief Executive Office: 1175 Boul. Gérard-Cadieux, Salaberry-de-Valleyfield, Québec, J6T 6M1

Issued & Outstanding Shares: 3,001,703 Class A Shares and 1,000,569 Class B Shares

List of Shareholders: The Green Organic Dutchman Holdings Ltd. – 2,001,134 Class A Shares
Certain individuals resident in Quebec - Gerald Daoust- – 1,000,569
Class A Shares and Suzanne Plamondon - 1,000,569 Class B Shares

SCHEDULE "G"

PENDING CORPORATE CHANGES

1. Warrants issued by The Green Organic Dutchman Holdings Ltd. under the indenture dated October 17, 2018 and trading on the TSX under the symbol "TGOD.WT".
2. Warrants issued by The Green Organic Dutchman Holdings Ltd. under the indenture dated December 19, 2019 and trading on the TSX under the symbol "TGOD.WS".
3. Warrants issued by The Green Organic Dutchman Holdings Ltd. to Maynbridge Capital Inc. in connection with its senior secured loan.
4. Warrants issued by The Green Organic Dutchman Holdings Ltd. to Canaccord Genuity Corp. in connection with its financings of The Green Organic Dutchman Holdings Ltd.
5. RSUs, DSUs, and incentive stock options issued under The Green Organic Dutchman Holdings Ltd.'s incentive compensation plans.

SCHEDULE "H"

MATERIAL AGREEMENTS AND MATERIAL PERMITS

Material Agreements

1. Standing Offer Contract 1631 between The Green Organic Dutchman Holdings Ltd. and Alberta Gaming, Liquor and Cannabis Commission dated May 20, 2019
2. Master Cannabis Supply Agreement between The Green Organic Dutchman Holdings Ltd. and Ontario Cannabis Retail Corporation dated February 6, 2019
3. Data Subscription Agreement between The Green Organic Dutchman Holdings Ltd. and Ontario Cannabis Retail Corporation dated February 25, 2019
4. Licensed Producer Supply Agreement for Non-Medical Cannabis between The Green Organic Dutchman Holdings Ltd. and Her Majesty the Queen in Right of the Province of British Columbia, as represented by the Administrator of the Cannabis Distribution Act dated November 7, 2019
5. NLC Cannabis and Cannabis Related Product Supply Agreement between The Green Organic Dutchman Ltd. and Newfoundland and Labrador Liquor Corporation dated November 19, 2019
6. Lettre D'Intention between The Green Organic Dutchman Holdings Ltd. and Societe Quebecoise du Cannabis dated March 26, 2020
7. CCDC 5B Construction Management Contract for Services and Construction between Medican Organic Inc. and Ed Brunet & Associes Canada Inc. dated August 24, 2018, as amended by an Agreement for Future Amendment dated August 2018 and Supplementary Conditions dated August 30, 2018
8. Supra-Contractual Liability Agreement between Medican Organic Inc., Ed Brunet et Associes Canada Inc., KVPBC Greenhouses Manufacturing BV, Kubo Greenhouse Projects BV, PB Techniek BV, Hawe Systems International BV, VK Greenhouse Projects BV, 9668837 Canada Inc., and Emile Seguin & Fils Ltee dated March 20, 2019
9. CCDC 5B Construction Management Contract for Services and Construction between The Green Organic Dutchman Ltd. and Ledcor Construction Limited dated February 3, 2017, as amended April 9, 2019 and as further amended on December 20, 2019
10. Indemnity Agreement – Construction between The Green Organic Dutchman Ltd. and Ledcor Construction Limited dated May 10, 2018
11. Indemnity Agreement – Construction between The Green Organic Dutchman Ltd. and Ledcor Construction Limited dated June 28, 2019
12. Escrow Agreement between The Green Organic Dutchman Ltd. and Ledcor Construction Ltd. dated March 8, 2019, as amended May 23, 2019

13. Master Purchase Agreement between The Green Organic Dutchman Ltd. and Eaton Industries (Canada) Company dated October 3, 2017
14. Services Agreement between The Green Organic Dutchman Holdings Ltd. and Velvet Management Inc. dated November 12, 2018
15. Processing Agreement between The Green Organic Dutchman Holdings Ltd. and Neptune Wellness Solutions Inc. dated June 7, 2019
16. Equipment Purchase Agreement between Medican Organic Inc. and Ziel Equipment, Sales & Services, LLC dated March 15, 2019
17. Equipment Purchase Agreement between The Green Organic Dutchman Holdings Ltd. and Enwave Corporation dated December 28, 2018
18. Equipment Purchase Agreement between Medican Organic Inc. and Enwave Corporation dated March 22, 2019, as amended July 17, 2019
19. Budget Equipment Proposal Reference CON-19-1218R7-NP between The Green Organic Dutchman Ltd. and Capmatic Ltd. dated April 5, 2019
20. Budget Equipment Proposal Reference CON-18-1216R9-NP between The Green Organic Dutchman Ltd. and Capmatic Ltd. dated April 5, 2019
21. Letter of Intent between Medican Organic Inc. and Capmatic Ltd. dated December 5, 2018
22. Engagement Agreement between The Green Organic Dutchman Holdings Ltd. and FTI Capital Advisors – Canada ULC dated October 9, 2019, as amended October 21, 2019
23. Engagement Agreement between The Green Organic Dutchman Holdings Ltd. and FTI Capital Advisors – Canada ULC dated February 24, 2020, as amended March 19, 2020
24. Supplier Agreement – Cannabis Products between The Green Organic Dutchman Holdings Ltd. and Loblaw's Inc. dated March 3, 2020

Material Permits

25. License and Consulting Agreement between The Green Organic Dutchman Holdings Ltd. and CBx Enterprises LLC dated May 21, 2018
26. License Agreement between The Green Organic Dutchman Holdings Ltd. and 5071 Incorporated (o/a Stillwater Foods) dated May 28, 2018
27. Health Canada Licence No LIC-QBWAEEME64-2018-2 (cultivation) issued to Medican Organic Inc. expiring June 8, 2021
28. Health Canada Licence No LIC-NM7TA6CIJ3-2019 (hemp cultivation) issued to The Green Organic Hemp Ltd. expiring March 29, 2022

29. Health Canada Licence No LIC-CJMMLU7IJN-2019-1 (cultivation, processing, sale) issued to The Green Organic Dutchman Ltd. expiring August 16, 2022
30. Health Canada Licence No LIC-NIHQWXTUS-2019 (medical sales) issued to Medican Organic Inc. expiring September 20, 2022
31. Health Canada Licence No LIC-MVXNLN8UCN-2020 (Research) issued to The Green Organic Dutchman Ltd., expiring February 12, 2025
32. Ministerial authorization pursuant to section 22 of the Environment Quality Act (Quebec) dated December 16, 2019 for the operation of industrial scale boilers and chillers.

SCHEDULE "I"

REAL PROPERTY

1. Owned:
 - a. 1175 Blvd., Gerald Cadieux, Salaberry-de-Valleyfield, QC owned by 9371-8633 Quebec Inc.
 - b. 1915 Jerseyville Road West, Jerseyville, ON L0R 1R0 owned by The Green Organic Dutchman Ltd.

2. Leased:
 - a. 6205 Airport Rd., Suites 200 & 301, Bldg A, Mississauga, ON L4V 1E3 leased by The Green Organic Dutchman Holdings Ltd.
 - b. 311-455 BOUL., Fenelon, Dorval, Quebec H9S 578 leased by Medican Organic Inc.

SCHEDULE "J"

OUTSTANDING PAYABLES

- a. \$8,316,389 owing to Fluence Bioengineering Inc.
- b. \$920,103 owing to Codema Systems Group B.V.
- c. \$5,158,525 owing to Eaton Industries (Canada) Company
- d. \$3,050,500 owing to PB Techniek B.V.
- e. \$5,220,026 owing to Kubo Greenhouse Projects B.V.
- f. \$ 3,756,577 owing to Verkade Klimaat

SCHEDULE "K"

PERMITTED ENCUMBRANCES

1. Lien with registration number 20170906 1631 1862 3892 in favour of Alterna Savings and Credit Union Limited as against The Green Organic Dutchman Holdings Ltd. with respect to assignment of term deposits and credit balances.
2. Lien with registration number 20180410 1610 1532 1077 in favour of Bank of Montreal as against The Green Organic Dutchman Holdings Ltd. with respect to a short-term investment certificate n/o 0002-9631-033 in the principal amount of \$200,000.
3. Lien with registration number 20190205 1736 1626 0702 in favour of Alterna Savings and Credit Union Limited as against The Green Organic Dutchman Holdings Ltd. with respect to a corporate Collabria Visa of \$92,000, secured by term deposit #1.
4. Lien with registration number 20191220 1506 1862 5294 in favour of Fluence Bioengineering, Inc. as against The Green Organic Dutchman Holdings Ltd. and The Green Organic Dutchman Ltd. with respect to a second ranking charge on all equipment.
5. Lien with registration number 20191025 1616 1626 1771 in favour of Alterna Savings and Credit Union Limited as against The Green Organic Dutchman Holdings Ltd. with respect to a term deposits #8 and #9 for letters of credit in the amount of \$35,000 and \$455,500.
6. Notice of contamination bearing registration number 24 551 152 dated April 18, 2019 with respect to soil contamination at the Valleyfield Project at a level acceptable for an industrial property and not requiring remediation.
7. Instrument No. WE1404833 registered on PIN 17409-0129(LT) on December 24, 2019, being a Notice of Security Interest in favour of Fluence Bioengineering, Inc.
8. Instrument No. WE1364193 registered on PIN 17409-0234 (LT) on June 28, 2019, being a Notice of Security Interest in favour of Fluence Bioengineering, Inc.
9. Instrument No. WE1394538 registered on PIN 17409-0234 (LT) on November 15, 2019, being a Postponement of the Notice of Security Interest in favour of Fluence Bioengineering, Inc. with Instrument No. WE1364193.
10. Instrument No. WE1394540 registered on PIN 17409-0234 (LT) on November 15, 2019, being a Postponement of the Notice of Security Interest in favour of Fluence Bioengineering, Inc. with Instrument No. WE1364193.
11. Instrument No. WE1404833 registered on PIN 17409-0234 (LT) on December 24, 2019, being a Notice of Security Interest in favour of Fluence Bioengineering, Inc.
12. Instrument No. WE1404873 registered on PIN 17409-0234 (LT) on December 24, 2019, being a Postponement of the Notice of Security Interest in favour of Fluence Bioengineering, Inc. with Instrument No. WE1364193.

13. Registration No. 19-1447876-0001 at the Quebec Register of Personal and Movable Real Rights ("RPMRR") on December 23, 2019, being a conventional hypothec without delivery in favour of Fluence Bioengineering, Inc.
14. Registration No. 19-0991910-0001 at the RPMRR on September 4, 2019, being a conventional hypothec without delivery in favour of Fluence Bioengineering, Inc.

SCHEDULE "L"

ACCREDITED INVESTOR CERTIFICATE

TO: THE GREEN ORGANIC DUTCHMAN HOLDINGS LTD. (the "Corporation")

You (the undersigned accredited investor) represent and warrant to the Corporation that you are an "accredited investor" as defined in section 73.3 of the *Securities Act* (Ontario), on the basis that you fit within the category of accredited investor which you have indicated below.

You represent and warrant that you are: **{please initial the applicable item, complete the relevant information and sign this certificate}**

- _____ (a) a Schedule I, II or III bank, or a Canadian financial institution
- _____ (b) the Business Development Bank of Canada
- _____ (c) a subsidiary of any person referred to in paragraph (a) or (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary
- _____ (d) a person registered under the securities legislation of a jurisdiction of Canada as an adviser or dealer
- _____ (e) an individual registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in paragraph (d)
- _____ (e.1) an individual formerly registered under the securities legislation of a jurisdiction of Canada, other than an individual formerly registered solely as a representative of a limited market dealer under one or both of the *Securities Act* (Ontario) or the *Securities Act* (Newfoundland and Labrador)
- _____ (f) the Government of Canada or a jurisdiction of Canada, or any crown corporation, agency or wholly owned entity of the Government of Canada or a jurisdiction of Canada
- _____ (g) a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l'île de Montréal or an intermunicipal management board in Québec
- _____ (h) any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government
- _____ (i) a pension fund that is regulated by either the Office of the Superintendent of Financial Institutions (Canada) or a pension commission or similar regulatory authority of a jurisdiction of Canada

- _____ (j) an individual who, either alone or with a spouse, beneficially owns financial assets having an aggregate realizable value that, before taxes but net of any related liabilities, exceeds \$1,000,000
- {Note: Financial assets include cash and securities, but do not include a personal residence – see the definition of “financial assets” later in this certificate. Financial assets are generally liquid or relatively easy to liquidate. You must subtract any liabilities related to your financial assets to calculate your net financial assets—see the definition of “related liabilities”. Financial assets held in a group RRSP under which you do not have the ability to acquire the financial assets and deal with them directly are not considered to be beneficially owned by you.}*
- _____ (j.1) an individual who beneficially owns financial assets having an aggregate realizable value that, before taxes but net of any related liabilities, exceeds \$5,000,000
- {Note: The financial assets of your spouse (including financial assets in a spousal RRSP) cannot be included in the calculation of net financial assets under this paragraph (j.1).}*
- _____ (k) an individual whose net income before taxes exceeded \$200,000 in each of the two most recent calendar years or whose net income before taxes combined with that of a spouse exceeded \$300,000 in each of the two most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year
- _____ (l) an individual who, either alone or with a spouse, has net assets of at least \$5,000,000
- {Note: To calculate net assets, take the value of your total assets (which may include a personal residence) and subtract your total liabilities (which may include a mortgage). The value attributed to assets should reasonably reflect their estimated fair value. Income tax should be considered a liability if the obligation to pay it is outstanding at the time of the subscription.}*
- _____ (m) a person, other than an individual or investment fund, that has net assets of at least \$5,000,000 as shown on its most recently prepared financial statements
- _____ (n) an investment fund that distributes or has distributed its securities only to:
- (i) a person that is or was an accredited investor at the time of the distribution;
 - (ii) a person that acquires or acquired securities in the circumstances referred to in sections 2.10 (*Minimum amount investment*), or 2.19 (*Additional investment in investment funds*) of NI 45-106; or
 - (iii) a person described in paragraph (i) or (ii) that acquires or acquired securities under section 2.18 (*Investment fund reinvestment*) of NI 45-106
- _____ (o) an investment fund that distributes or has distributed securities under a prospectus in a jurisdiction of Canada for which the regulator or, in Québec, the securities regulatory authority, has issued a receipt
- _____ (p) a trust company or trust corporation registered or authorized to carry on business under the *Trust and Loan Companies Act* (Canada) or under comparable legislation in a

jurisdiction of Canada or a foreign jurisdiction, acting on behalf of a fully managed account managed by the trust company or trust corporation, as the case may be

_____ (q) a person acting on behalf of a fully managed account managed by that person, if that person is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction

_____ (r) a registered charity under the *Income Tax Act* (Canada) that, in regard to the trade, has obtained advice from an eligibility adviser or an adviser registered under the securities legislation of the jurisdiction of the registered charity to give advice on the securities being traded

_____ (s) an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (a) to (d) or paragraph (i) in form and function

_____ (t) a person in respect of which all of the owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by directors, are persons that are accredited investors

*{Note: If you have initialled this paragraph (t), name each owner of an interest, and indicate the category of accredited investor into which that person fits (by reference to the paragraph numbers in this **Error! Reference source not found.**). If a person named below is a director required by law to own a voting security, and that person is not an accredited investor, indicate "director" under Category.}*

Name	Category
_____	_____
_____	_____
_____	_____
_____	_____

_____ (u) an investment fund that is advised by a person registered as an adviser or a person that is exempt from registration as an adviser

_____ (v) a person that is recognized or designated by the securities regulatory authority or, except in Ontario and Québec, the regulator as an accredited investor

_____ (w) a trust established by an accredited investor for the benefit of the accredited investor's family members of which a majority of the trustees are accredited investors and all of the beneficiaries are the accredited investor's spouse, a former spouse of the accredited investor or a parent, grandparent, brother, sister, child or grandchild of that accredited investor, of that accredited investor's spouse or of that accredited investor's former spouse

*{Note: If you have initialled this paragraph (w), name the person who established the trust and each trustee, and indicate the category of accredited investor into which that person fits (by reference to the paragraph numbers in this **Error! Reference source not***

found.}). If a person named below is not an accredited investor, indicate "N/A" under Category.}

	Name	Category
Person who established trust:	_____	_____
Trustee:	_____	_____
Trustee:	_____	_____
Trustee:	_____	_____

Signatures	
Name of accredited investor:	CORTLAND CREDIT LENDING CORPORATION
Signature of authorized signatory/agent on behalf of accredited investor:	
Name and official capacity or title of authorized signatory/agent:	
Date:	

As used in this certificate, the following terms have the following meanings.

"Canadian financial institution" means:

- (a) an association governed by the *Cooperative Credit Associations Act* (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of that Act; and
- (b) in Ontario, also means a loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative or credit union league or federation that is authorized by a statute of Canada or Ontario to carry on business in Canada or Ontario, as the case may be; and
- (c) outside of Ontario, also means a loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada.

"eligibility adviser" means:

- (a) a person that is registered as an investment dealer and authorized to give advice with respect to the type of security being distributed; and

(b) in Manitoba, also means a lawyer who is a practicing member in good standing with a law society of a jurisdiction of Canada or a public accountant who is a member in good standing of an institute or association of chartered accountants, certified general accountants or certified management accountants in a jurisdiction of Canada provided that the lawyer or public accountant must not:

- (i) have a professional, business or personal relationship with the issuer, or any of its directors, executive officers, founders or control persons; and
- (ii) have acted for or been retained personally or otherwise as an employee, executive officer, director, associate or partner of a person that has acted for or been retained by the issuer or any of its directors, executive officers, founders or control persons within the previous 12 months.

“executive officer” means, for an issuer, an individual who is:

- (a) a chair, vice-chair or president;
- (b) a vice-president in charge of a principal business unit, division or function including sales, finance or production; or
- (c) performing a policy-making function in respect of the issuer.

“financial assets” means:

- (a) cash;
- (b) securities; or
- (c) a contract of insurance, a deposit or an evidence of a deposit that is not a security for the purposes of securities legislation.

“foreign jurisdiction” means a country other than Canada or a political subdivision of a country other than Canada.

“founder” means, in respect of an issuer, a person who:

- (a) acting alone, in conjunction, or in concert with one or more persons, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer; and
- (b) at the time of the distribution or trade is actively involved in the business of the issuer.

“fully managed account” means an account of a client for which a person makes the investment decisions if that person has full discretion to trade in securities for the account without requiring the client’s express consent to a transaction.

“investment fund” has the same meaning as in National Instrument 81-106 — *Investment Fund Continuous Disclosure* and means a mutual fund or a non-redeemable investment fund.

“jurisdiction of Canada” means a province or territory of Canada.

“non-redeemable investment fund” means an issuer:

- (a) whose primary purpose is to invest money provided by its securityholders;
- (b) that does not invest:
 - (i) for the purpose of exercising or seeking to exercise control of an issuer, other than an issuer that is a mutual fund or a non-redeemable investment fund; or
 - (ii) for the purpose of being actively involved in the management of any issuer in which it invests, other than an issuer that is a mutual fund or a non-redeemable investment fund; and
- (c) that is not a mutual fund.

“person” includes:

- (a) an individual;
- (b) a corporation;
- (c) a partnership, trust, fund and an association, syndicate, organization or other organized group of persons, whether incorporated or not; and
- (d) an individual or other person in that person’s capacity as a trustee, executor, administrator or personal or other legal representative.

“related liabilities” means:

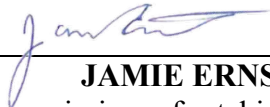
- (a) liabilities incurred or assumed for the purpose of financing the acquisition or ownership of financial assets; or
- (b) liabilities that are secured by financial assets.

“spouse” means an individual who:

- (a) is married to another individual and is not living separate and apart within the meaning of the *Divorce Act* (Canada), from the other individual;
- (b) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender; or
- (c) in Alberta, is an individual referred to in paragraph (a) or (b), or is an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta).

“subsidiary” means an issuer that is controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary.

THIS IS **EXHIBIT "X"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.



JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)

DEBENTURE

NOTICE: THIS DEBENTURE CONTAINS PROHIBITIONS AGAINST THE CREATION OF MORTGAGES, LIENS, SECURITY INTERESTS OR ENCUMBRANCES AGAINST THE PROPERTY, ASSETS AND UNDERTAKING OF THE DEBTOR CHARGED HEREIN.

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Debtor hereby agrees with the Agent as follows:

1. Defined Terms

Unless otherwise defined, terms used in this Debenture as defined terms shall have the respective meanings ascribed thereto in the Credit Agreement (as hereinafter defined). In addition, the following terms shall have the respective meanings set forth below:

"Acceleration Date" means the the delivery by the Agent to the Debtor of a written notice that the Obligations are immediately due and payable, following the occurrence and during the continuation of an Event of Default.

"Agent" means Cortland Credit Lending Corporation in its capacity as administrative agent for the Lenders, and its successors and assigns in such capacity.

"Collateral" means all property, assets and undertaking of the Debtor granted, mortgaged, charged, transferred, assigned or subjected to a security interest by this Debenture, including, the Owned Real Properties, Inventory, Equipment, Accounts, Intangibles, Documents of Title, Chattel Paper, Instruments, Money, Securities, Documents, Undertaking and Proceeds (as such terms are defined herein); and any reference in this Debenture to Collateral shall mean Collateral or any part thereof, unless the context otherwise requires.

"Credit Agreement" means the credit agreement to which the Borrower, the Agent and the Lenders are parties dated March 31, 2020, as such agreement may be amended, supplemented, replaced or restated from time to time.

"Debenture" means this debenture as it may be amended, supplemented, replaced or restated from time to time.

"Debtor" means The Green Organic Dutchman Ltd., a corporation subsisting under federal laws.

"Event of Default" has the meaning ascribed thereto in the Credit Agreement.

"Lenders" means those lenders from time to time party to the Credit Agreement and their respective successors and assigns.

"Obligations" means (i) all present and future, direct and indirect, contingent and absolute obligations of the Debtor to the Agent and the Lenders from time to time arising under or in connection with the Credit Agreement and any other Transaction Document; and (ii) all other

obligations of the Debtor to the Agent and the Lenders which the Debtor may from time to time acknowledge in writing are secured hereby.

"Owned Real Properties" means, collectively, all distinct legal parcels of Real Property owned in fee simple by the Debtor from time to time, specifically including but not limited to those listed in Schedule "A" attached hereto as such schedule may be amended, supplemented, replaced or restated from time to time.

"Real Property" means freehold property including all buildings, plant, machinery and improvements located thereon or affixed thereto, fences, heating, plumbing, antennae, signage, elevators, escalators, radiators, air-conditioning, ventilating, fire alarm and protective systems, lighting and lighting fixtures, furnaces, boilers, oil burners, stokers, water heating equipment, cooking and refrigeration equipment, window blinds, floor coverings, storm windows and doors, window and door screens, shutters and awnings, and all other apparatus and equipment appurtenant thereto, and all other fixtures, accessions and accretions of any kind or nature (to the extent of the Debtor's Interest therein).

"Security Interest" means the grants, mortgages, charges, transfers, assignments and security interests herein created.

2. **Acknowledgement of Debt and Obligations**

For value received, the Debtor hereby acknowledges itself indebted to and promises to pay to or to the order of the Agent at 200 Bay St., Suite 3230, Royal Bank Plaza - South Tower, Toronto, Ontario, M5J 2J2 or at such other place as the Agent may designate by notice in writing to the Debtor, on the Acceleration Date, the amount of the Obligations up to Fifty Million (\$50,000,000.00) Dollars (the **"Principal Sum"**), plus applicable interest, fees or costs set out herein. The Debtor also promises to pay interest on such amount from the Acceleration Date at the rate of interest which is the lesser of: (i) the twenty five percent (25%) per annum; and (ii) the rate of interest which is applicable to the Obligations from time to time as provided in the Credit Agreement; which interest shall be calculated and payable monthly not in advance, both before and after demand and before and after default, judgment and execution until payment in full of all amounts owing hereunder.

3. **Creation of Security Interest**

As continuing security for the payment and performance of the Obligations, but subject to Section 8 herein, the Debtor hereby grants, mortgages, charges, transfers and assigns to the Agent and creates to and in favour of the Agent, a security interest in the following:

Owned Real Properties

- (a) by way of a fixed and specific mortgage and charge, all right, title, estate and interest of the Debtor in the Owned Real Properties; in each case together with all and any easements, privileges, benefits, immunities and rights connected therewith and/or pertaining thereto; all right, title, estate and interest of the Debtor in all present and after-acquired drawings, specifications, plans and manuals relating thereto; all right, title, estate and interest of the Debtor in and all benefits arising under all approvals, licenses, permits and consents now or hereafter held relating thereto; and all right, title, estate and interest of the Debtor in and all benefits arising under all present and after-

acquired agreements in effect from time to time between the Debtor and third parties relating thereto including, without limitation, leases, guarantees, property management agreements, development agreements, construction agreements, and maintenance agreements;

Equipment

- (b) all present and after-acquired equipment of the Debtor, including all machinery, fixtures, plant, tools, furniture, vehicles of any kind or description, all spare parts, accessories installed in or affixed or attached to any of the foregoing, and all drawings, specifications, plans and manuals relating thereto ("**Equipment**");

Inventory

- (c) all present and after-acquired inventory of the Debtor, including all raw materials, materials used or consumed in the business of the Debtor, work-in-progress, finished goods, goods used for packing, materials used in the business of the Debtor not intended for sale, and goods acquired or held for sale or furnished or to be furnished under contracts of rental or service ("**Inventory**");

Accounts

- (d) all present and after-acquired debts, demands and amounts due or accruing due to the Debtor whether or not earned by performance, including without limitation its book debts, accounts receivable, and claims under policies of insurance; and all contracts, security interests and other rights and benefits in respect thereof and all other present and after-acquired accounts receivable and amounts due or accruing due to the Debtor evidenced by any deposit receipts, term deposits, guaranteed investment certificates or other evidence of debt obligations issued by a bank, trust company or other financial institution, and all replacements, renewals and substitutions therefor, excluding Investment Property (as hereinafter defined) ("**Accounts**");

Intangibles

- (e) all present and after-acquired intangible personal property of the Debtor, including all contract rights, goodwill, and Intellectual Property (as hereinafter defined), and all other choses in action of the Debtor of every kind, whether due at the present time or hereafter to become due or owing, that are not "goods" (as such term is defined in the *Personal Property Security Act* (Ontario), the "**PPSA**") ("**Goods**"), Chattel Paper (as hereinafter defined), Documents of Title (as hereinafter defined), Instruments (as hereinafter defined), Money (as hereinafter defined) or Investment Property (as hereinafter defined) ("**Intangibles**"); as used herein, "**Intellectual Property**" means all of the Debtor's present and future intellectual property including without limitation, (i) copyrights, (ii) patents, (iii) trade-marks, trade names, business names, trade styles, logos and all other forms of business identifiers, and (iv) trade secrets and other confidential information and data in any form or format, including without limitation, all know-how obtained, developed or used in or contemplated at any time for use in the business, affairs, undertaking and operations of the Debtor now or hereafter owned

generated or acquired, including in each instance all related additions, improvements and accessories thereto and replacements thereof (whether registered or unregistered);

Documents of Title

- (f) all present and after-acquired "documents of title" (as such term is defined in the PPSA) of the Debtor, whether negotiable or otherwise including all warehouse receipts and bills of lading ("**Documents of Title**");

Chattel Paper

- (g) all present and after-acquired agreements made between the Debtor as secured party and others which evidence both a monetary obligation and a security interest in or a lease of specific Goods ("**Chattel Paper**");

Instruments

- (h) all present and after-acquired bills, notes and cheques (as such are defined pursuant to the *Bills of Exchange Act* (Canada)), and all other writings that evidence a right to the payment of money and are of a type that in the ordinary course of business are transferred by delivery without any necessary endorsement or assignment, but not including a writing that constitutes part of Chattel Paper, a Document of Title or Investment Property ("**Instruments**");

Money

- (i) all present and after-acquired "money" (as such term is defined in the PPSA) of the Debtor ("**Money**");

Securities

- (j) all present and after-acquired securities held by the Debtor, including shares, options, rights, warrants, joint venture interests, interests in limited partnerships, bonds, debentures, financial assets (as defined in the *Securities Transfer Act, 2006* (Ontario)) and investment property (as defined in the PPSA) and all other documents which constitute evidence of a share, participation or other interest of the Debtor in property or in an enterprise or which constitute evidence of an obligation of the issuer; and all substitutions therefor and dividends and income derived therefrom, specifically including the Securities listed in any schedule attached hereto ("**Securities**");

Documents

- (k) all books, accounts, invoices, letters, papers, documents and other records in any form evidencing or relating to collateral subject to the Security Interest ("**Documents**");

Undertaking

- (l) all present and after-acquired real and personal property, business, and undertaking of the Debtor not being Inventory, Equipment, Accounts, Intangibles, Documents of Title, Chattel Paper, Instruments, Money, Securities or Documents ("**Undertaking**"); and

Proceeds

- (m) all personal property in any form derived directly or indirectly from any dealing with collateral subject to the Security Interest or the proceeds therefrom, including insurance proceeds and any other payment representing indemnity or compensation for loss of or damage thereto or the proceeds therefrom ("**Proceeds**").

4. Assignment of Rents

As additional and separate security for payment and performance of the Obligations, the Debtor hereby assigns, transfers and sets over to the Agent, all the Debtor 's rights and interests in all existing and future leases, tenancy agreements, offers to lease and other similar agreements with respect to all or part of the Owned Real Properties and all rents, royalties, incomes, profits and other amounts now or hereafter arising therefrom or any building, improvement, fixture or part thereof, and the following provisions shall apply with respect thereto:

- (a) *Separate Assignments.* The assignment of each of the foregoing and of each of the rents, royalties, incomes, profits and other amounts by the Debtor to the Agent herein contained in this Section 4 shall be deemed to be a separate assignment so that the Agent in its discretion may exercise its rights in respect of any or all of such leases, offers to lease, tenancy agreements or other similar agreements or the rents, royalties, incomes, profits or other amounts paid or payable thereunder.
- (b) *Collection by Debtor before Acceleration Date.* Until the Acceleration Date, the Debtor may collect, retain and apply all rents, royalties, incomes, profits and other amounts and deal with all leases, offers to lease, tenancy agreements and other similar agreements from time to time.
- (c) *No Liability of Mortgagee and Indemnity by Debtor.* Nothing herein shall obligate the Agent to assume or perform (and nothing herein shall impose on the Agent) any liability or obligation of the Debtor to any tenant or other person pursuant to or in respect of any lease, offer to lease, tenancy agreement, other similar agreement or otherwise, and the Debtor hereby indemnifies and saves harmless the Agent from any and all claims with respect thereto, except for any claims arising from or in connection with the gross negligence or wilful misconduct of the Agent or Lenders, provided that from and after the Acceleration Date the Agent may, at its sole option, assume or perform any such obligations as it considers necessary or desirable.
- (d) *Re-assignment.* The Agent may, at any time without further request or agreement by the Debtor, reassign to the Debtor or its successors or assigns, any or all of the collateral referred to in this Section 4.

- (e) *Application by Agent.* The Agent's obligations with respect to any amount collected by the Agent shall be discharged by the application of such amount to reduce the Obligations.
- (f) *Not Mortgagee in Possession.* Nothing contained herein shall have the effect of making the Agent a mortgagee in possession of all or any portion of the Owned Real Properties.

5. Further Description of Collateral

Without limiting the generality of the description of Collateral as set out in Section 3, for greater certainty the Collateral shall include all present and after-acquired Real Property and personal property in which the Debtor may have an interest which may be specifically described in any schedule which may be attached hereto. The Debtor agrees to execute and deliver at its own expense from time to time amendments to this Debenture or additional security agreements as may be reasonably required by the Agent in order that the Security Interest shall attach to such Real Property and personal property.

6. Attachment

The parties acknowledge that value has been given, the parties have not agreed to postpone the time for attachment of the Security Interest and the Debtor has rights in the Collateral which exists as at the date of this Debenture. In respect of Collateral in which the Debtor obtains an interest after the execution and delivery of this Debenture, the Security Interest shall attach thereto immediately upon the Debtor obtaining such rights.

7. Dealings with Collateral

Unless otherwise prohibited under the Credit Agreement, until the Acceleration Date, the Debtor shall be entitled to deal with the Collateral in the ordinary course of business and enforce all of the benefits, powers and advantages in respect thereof as if this Debenture had not been made, subject to compliance with the restrictions contained herein and in the Credit Agreement. All Accounts collected by the Debtor shall be deposited into accounts maintained by the Debtor. After the Acceleration Date, whether or not the Agent shall have taken any steps to enforce the Security Interest, all Accounts collected by the Debtor shall be held by the Debtor as agent and in trust for the Agent and shall be paid to the Agent immediately upon receipt.

8. Exception re Certain Leasehold Interests, Licenses, Contractual Rights and Consumer Goods

(a) The last day of the term of any lease or sublease of any real property or agreement therefor is specifically excluded from the Collateral and the related Security Interest, but the Debtor agrees to stand possessed of such last day in trust for any Person acquiring such interest of the Debtor.

(b) To the extent that the granting of the Security Interest in respect of any agreement, right, licence or permit to which the Debtor is a party would constitute a breach thereof, cause the acceleration thereof, cause the automatic termination thereof or would be terminable at the option of the other party, the Debtor hereby agrees to use commercially reasonable efforts to obtain from the parties to any such lease, agreement, right, licence or permit (except as otherwise provided in the Credit Agreement) any necessary consents (to the extent requested by the Agent) to the charging and assignment thereof in favour of the Agent, and the attachment of the Security Interest thereto shall be postponed until such consent is provided. Upon the provision of such consent, the Security Interest

shall immediately attach thereto. Until such attachment, the Debtor shall hold its interest therein in trust for the Agent, unless the holding of such interest by the Debtor in trust for the Agent would constitute a breach thereof, cause the acceleration thereof or result in any of the other aforementioned effects.

(c) "Consumer goods" (as such term is defined in the *Personal Property Security Act* (Ontario)) ("**Consumer Goods**") are specifically excluded from the Collateral and the related Security Interest.

9. Registration of Securities; Voting and other Rights

Until requested in writing by the Agent and subject to the Maynbridge Intercreditor Agreement, the certificates representing the Securities may remain registered in the name of the Debtor, and the Debtor shall at the option of the Agent either duly endorse such certificates in blank for transfer or execute stock powers of attorney in respect thereof and with all documentation being in form and substance satisfactory to the Agent and the transfer agent (if any) appointed from time to time in respect of the Securities (including signature guarantees on such endorsements or stock powers of attorney if required by such transfer agent and if requested by the Agent). At any time and from time to time upon request by the Agent after the Acceleration Date and subject to the Maynbridge Intercreditor Agreement, the Debtor shall cause any or all of the Securities to be registered in the name of the Agent or its nominee, and the Agent is hereby appointed, effective as at such time, the irrevocable attorney of the Debtor with full power of substitution to cause any or all of the Securities to be registered in the name of the Agent or its nominee. Until the Acceleration Date:

- (a) the Debtor shall be entitled to exercise all voting rights attached to the Securities and give consents, waivers and ratifications in respect thereof; provided, however, that no vote shall be cast or consent, waiver or ratification given or action taken which would have the effect of imposing any restriction on the transferability of any of the Securities; and
- (b) the Debtor shall be entitled to receive all dividends, interest, distributions and other income in respect of the Securities, to the extent that such payments are made by the issuer of the Securities in compliance with any restrictions on such payments contained in the Credit Agreement.

All such rights of the Debtor to vote and give consents, waivers and ratifications shall cease immediately upon the Acceleration Date.

10. Representations and Warranties

The Debtor hereby represents and warrants as follows to the Agent and acknowledges that the Agent is relying thereon:

- (a) the Debtor has the corporate capacity, power, legal right and authority to borrow from the Lenders, perform its obligations under this Debenture and create the Security Interest; and the execution and delivery of this Debenture and the performance of the Debtor's obligations herein have been duly authorized by all necessary corporate action;
- (b) the Debtor owns and possesses the Collateral free and clear of any and all Liens except Permitted Encumbrances; and

- (c) the Collateral does not include any Consumer Goods.

11. Covenants of Debtor

The Debtor covenants and agrees as follows:

- (a) to prevent the Collateral from becoming an accession to any personal property not subject to the Security Interest;
- (b) if requested by Agent and subject to the Maynbridge Intercreditor Agreement, to deliver to the Agent from time to time all items of Collateral comprising Chattel Paper, Instruments, Securities and those Documents of Title which are negotiable;
- (c) to do, make, execute and deliver such further and other assignments, transfers, deeds, security agreements and other documents as may be reasonably required by the Agent to establish in favour of the Agent the Security Interest intended to be created hereby and to accomplish the intention of this Debenture;
- (d) to pay all reasonable expenses, including reasonable solicitors' and receivers' fees and disbursements, incurred by the Agent or its agents (including any Receiver, as hereinafter defined) in connection with the preparation, perfection, preservation, and enforcement of this Debenture; including all reasonable expenses incurred by the Agent or such agents in dealing with other creditors of the Debtor in connection with the establishment and confirmation of the priority of the Security Interest; all of which expenses shall be payable promptly upon demand and shall form part of the Obligations; and
- (e) not to sell or otherwise dispose of any of the Owned Real Properties or any interest of the Debtor therein by conveyance, transfer, lease (other than in the ordinary course of business), declaration of trust or otherwise, and not to mortgage, charge, assign, create a security interest in or otherwise directly or indirectly encumber any of them in any way, except to the extent as may be permitted in the Credit Agreement.

12. Enforcement

The Obligations shall be due and payable and the Security Interest shall become enforceable on the Acceleration Date.

13. Remedies

From and after the Acceleration Date, in addition to exercising any other remedies available at law or equity or contained in any other agreement between the Debtor and the Agent, all of which remedies shall be independent and cumulative, the Agent may, subject to the Maynbridge Intercreditor Agreement:

- (a) enter upon the Owned Real Properties or any other premises where Collateral may be located;
- (b) manage, operate and repair all or any of the Owned Real Properties;

- (c) take possession of Collateral by any method permitted by law;
- (d) occupy and use all or any of the Owned Real Properties and any other premises occupied by the Debtor and the Collateral located thereon;
- (e) take such steps and expend such monies as it considers necessary or desirable in its sole discretion to maintain, preserve and protect the Collateral, including payments on account of other security interests affecting the Collateral; provided that the Agent shall have no obligation to take any such actions or make any such expenditures; but any such amounts paid by the Agent shall be added to the Obligations and shall be secured hereby;
- (f) sell, lease or otherwise dispose of Collateral in whole or in part;
- (g) collect, sell or otherwise deal with Accounts, including notifying any person obligated to the Debtor in respect of an Account, Chattel Paper or an Instrument to make payment to the Agent of all such present and after-acquired amounts due thereon;
- (h) collect any rents, royalties, income, and profits received in connection with the business of the Debtor or the Collateral, without carrying on such business; and the collection of such amounts from the tenants or other persons responsible for the payment thereof shall not constitute the Agent a mortgagee-in-possession unless the Agent provides written notice to the said tenants or other persons that it has determined to take possession;
- (i) exercise all voting rights attached to the Securities (whether or not registered in the name of the Agent or its nominee) and give or withhold all consents, waivers and ratifications in respect thereof and otherwise act with respect thereto as though it were the absolute owner thereof;
- (j) exercise any and all rights of conversion, exchange, subscription or any other rights, privileges or options pertaining to any of the Securities as if it were the absolute owner thereof including, without limitation, the right to exchange at its discretion any and all of the Securities upon the merger, consolidation, reorganization, recapitalization or other readjustment of any issuer thereof, or upon the exercise by any issuer of any right, privilege or option pertaining to any of the Securities, and in connection therewith, to deposit and deliver any of the Securities with any committee, depository, transfer agent, registrar or other designated agency upon such terms and conditions as it may determine, all without liability except to account for property actually received by it;
- (k) comply with any limitation or restriction in connection with any proposed sale or other disposition of the Securities as may be necessary in order to comply with applicable law or regulation or any policy imposed by any stock exchange, securities commission or other Governmental Authority and the Debtor further agrees that such compliance shall not result in such sale being considered or deemed not to have been made in a commercially reasonable manner, nor shall the Agent be liable or accountable to the Debtor for any discount in the sale price of the Securities which may be given by reason

of the fact that such Securities are sold in compliance with any such limitation or restriction;

- (l) carry on the business of the Debtor or any portion thereof;
- (m) demand, commence, continue or defend any judicial or administrative proceedings for the purpose of protecting, seizing, collecting, realizing or obtaining possession or payment of the Collateral, and give valid and effectual receipts and discharges therefor and to compromise or give time for the payment or performance of all or any part of the Accounts or any other obligation of any third party to the Debtor;
- (n) borrow money for the maintenance, preservation or protection of the Collateral or for the carrying on of the business of the Debtor, and charge and grant further security interests in the Collateral in priority to the Security Interest, as security for the money so borrowed;
- (o) appoint by instrument in writing a receiver, or a receiver and manager (each of which is herein called a "**Receiver**") in respect of the Collateral or any portion thereof;
- (p) apply to any court of competent jurisdiction for the appointment of a Receiver in respect of the Collateral or any portion thereof;
- (q) accept the Collateral in satisfaction of the Obligations; and
- (r) file proofs of claim and other documents in order to have the claims of the Lenders and the Agent lodged in any bankruptcy, winding-up, or other judicial proceeding relating to the Debtor or the Collateral.

14. Receiver

Any Receiver appointed by the Agent may be any person or persons, and the Agent may remove any Receiver so appointed and appoint another or others instead. The Receiver may exercise all powers of the Agent as provided in this Debenture. The Receiver shall act as agent for the Agent for the purposes of taking possession of the Collateral, and (except as provided below) as agent for the Debtor for all other purposes, including without limitation the occupation of any premises of the Debtor and in carrying on the Debtor's business. For the purposes of realizing upon the Security Interest, the Receiver may sell, lease, or otherwise dispose of Collateral as agent for the Debtor or as agent for the Agent as it may determine in its discretion, acting reasonably. The Debtor agrees to ratify and confirm all actions of the Receiver acting as agent for the Debtor taken in accordance with the powers contained herein, and to release and indemnify the Receiver in respect of all such actions, except that such ratification, confirmation, release and indemnity shall not apply to any gross negligence or wilful misconduct on the part of such Receiver.

15. Standards of Sale

The Debtor agrees that it shall be commercially reasonable for the Agent to dispose of Collateral by private sale or public sale. Collateral may be disposed of in whole or in part, for cash or credit, or part cash and part credit. The purchaser or lessee of such Collateral may be a customer of the Agent or any Lender. No purchaser shall be bound to enquire into the legality, regularity or propriety of any sale or be

affected by notice of any irregularity or impropriety and no lack of default or want of notice or other requirement or any irregularity or impropriety of any kind shall invalidate any sale hereunder. The Agent may sell any Collateral without taking actual possession of any part thereof, and while in possession the Agent shall only be accountable for monies actually received by it. The Agent may commence and continue any sale proceedings notwithstanding that other sale proceedings by other persons have been taken or are then pending.

16. Failure of Agent to Exercise Remedies

The Agent shall not be liable for any delay or failure to enforce any remedies available to it or to institute any proceedings for such purposes.

17. Application of Payments

From and after the Acceleration Date all payments made in respect of the Obligations and all monies received by the Agent or any Receiver appointed by the Agent in respect of the enforcement of the Security Interest may be held as security for the Obligations or applied in such manner as set out in the Credit Agreement.

18. Dealings by Agent; No Obligation to Marshal

Until the Obligations have been satisfied in full, the Agent may grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges, and otherwise deal with the Collateral (as provided herein), the Debtor, debtors of the Debtor, sureties of the Debtor, and others as the Agent may see fit, acting reasonably, without prejudice to the Obligations and the rights of the Agent to hold and realize upon the Security Interest. The Agent has no obligation to keep Collateral identifiable, or to preserve rights against prior secured creditors in respect of any Collateral which includes Chattel Paper or Instruments. To the full extent that it may lawfully do so, the Debtor hereby waives and disclaims any benefit of, and shall not have or assert any right under any statute or rule of law pertaining to, discussion and division, the marshalling of assets or any other matter whatsoever, to defeat, reduce or affect the rights of the Agent under the terms of this Debenture to a sale of the Collateral or any part thereof or for the collection of all amounts secured hereby.

19. Payment of Liens, etc.

The Agent may pay and satisfy the whole or any part of any Liens and royalties now or hereafter existing in respect of any of the Collateral, and such payments together with all reasonable and documented costs, charges and expenses which may be incurred in connection with making such payments shall form part of the Obligations. In the event of the Agent satisfying any such Lien, it shall be entitled to all the equities and securities of the Person or Persons so paid and is hereby authorized to obtain any discharge thereof and hold such discharge without registration for so long as it may deem advisable to do so, acting reasonably.

20. Release and Reassignment

After the Obligations have been paid and satisfied in full and the Agent and the Lenders have no further obligation to extend credit to the Debtor, the Agent shall, at the request and expense of the Debtor, execute such releases and reassignments of this Debenture, the Security Interest and any

registrations made in respect thereof, and other documents or instruments as shall be reasonably required by the Debtor to give effect to the foregoing.

21. Notice

Without prejudice to any other method of giving notice, all communications provided for or permitted hereunder shall be in writing and delivered to the addressee by prepaid private courier or sent by facsimile, electronic mail or by other means of instantaneous transmission that produces a permanent copy, to the applicable address and to the attention of the officer of the addressee as follows:

to the Debtor:

The Green Organic Dutchman Ltd.
Building A, Suite 301 6205 Airport Road
Mississauga, Ontario L4V 1E3

Attention: Sean Bovingdon
Telephone: (905) 304-4201 (extension 269)
Email: SBovingdon@tgod.ca

to the Agent:

Cortland Credit Lending Corporation
c/o Cortland Credit Group Inc.
200 Bay St., Suite 3230
Royal Bank Plaza South Tower
Toronto, ON, M5J 2J2

Attention: Bruce Sherk
Telephone: (416) 407-4440
Email: BSherk@cortlandcredit.ca

Any communication transmitted by prepaid private courier shall be deemed to have been validly and effectively given or delivered on the Business Day after which it is submitted for delivery. Any communication transmitted by facsimile, electronic mail or by other means of instantaneous transmission that produces a permanent copy shall be deemed to have been validly and effectively given or delivered on the day on which it is transmitted, if transmitted on a Business Day on or before 5:00 p.m. (local time of the intended recipient), and otherwise on the next following Business Day. Any party may change its address for service by notice given in the foregoing manner.

22. Separate Security

This Debenture and the Security Interest are in addition to and not in substitution for any other security now or hereafter held by the Agent or the Lenders in respect of the Debtor, the Obligations or the Collateral.

23. Obligations May Revolve

This Debenture is a continuing security and shall secure up to the amount specified in section 2 of this Debenture notwithstanding that the Obligations may be repaid and satisfied by the Debtor in whole or in part from time to time and further Obligations may be incurred by the Debtor from time to time.

24. Lenders Not Obligated to Advance

Nothing in this Debenture shall obligate the Lenders to make any loan or accommodation to the Debtor, or extend the time for payment or satisfaction of any Obligations.

25. Exclusion of Statutory Covenants

The doctrine of consolidation shall apply to this Debenture notwithstanding Section 31 of the *Property Law Act* (Ontario) or any similar statutory provision in force from time to time.

26. Severability

If any provision of this Debenture shall be deemed by any court of competent jurisdiction to be invalid or void, the remaining provisions shall remain in full force and effect.

27. Time of Essence

Time shall be of the essence of this Debenture.

28. Grammatical Changes

This Debenture is to be read as if all changes in grammar, number and gender rendered necessary by the context had been made.

29. Inconsistencies with Credit Agreement and Maynbridge Intercreditor Agreement

To the extent that there is any inconsistency between a provision of this Debenture and a provision of the Credit Agreement, the said provision of the Credit Agreement shall govern. To the extent that the obligations hereunder conflict with the terms of the Maynbridge Intercreditor Agreement, the terms of the Maynbridge Intercreditor Agreement shall govern.

30. Entire Agreement

This Debenture, the Credit Agreement and the other Transaction Documents executed by the Debtor constitute the entire agreement between the Debtor and the Agent relating to the subject-matter thereof, and no amendments thereto shall be effective unless made in writing. Possession of an executed copy of this Debenture by the Agent constitutes conclusive evidence that it was executed and delivered by the Debtor free of all conditions.

31. Governing Law; Attornment

This Debenture shall be interpreted in accordance with the laws of the Province of Ontario, and without prejudice to the ability of the Agent to enforce this Debenture in any other proper jurisdiction,

the Debtor hereby irrevocably submits and attorns to the non-exclusive jurisdiction of the courts of the Province of Ontario.

32. Power of Attorney

The Debtor hereby constitutes and appoints the Agent or any officer thereof as its true, lawful and irrevocable attorney with full power of substitution, on the Acceleration Date and at any time thereafter, to execute all documents and take all actions as may be necessary or desirable to perform any obligations of the Debtor arising pursuant to this Debenture, and in executing such documents and taking such actions, to use the name of the Debtor whenever and wherever it may be considered necessary or expedient.

33. Successors and Assigns

This Debenture is binding upon the Debtor and its successors and permitted assigns, and shall enure to the benefit of the Agent and its successors and assigns.

34. Additional Copies for Registration

Additional copies of this Debenture may be executed by the Debtor for registration purposes, which said copies may contain different dates and different schedules attached thereto. Notwithstanding the foregoing, all such original executed copies shall constitute one and the same Debenture; and the Security Interest herein created shall attach to all Collateral, specifically including all Collateral described in such schedules.

35. Charging Clause

And for better securing to the Agent the repayment in the manner set out above of the Principal Sum and interest (and other amounts hereby secured), the Debtor hereby mortgages to the Agent all of its estate and interest in the real property described in Section 3 above.

36. Execution by Fax or PDF; Execution in Counterparts

This Debenture may be executed by facsimile or pdf, and any signature contained hereon by facsimile or pdf shall be deemed to be equivalent to an original signature for all purposes.

37. Copy of Debenture

The Debtor acknowledges receipt of an executed copy of this Debenture, and waives all rights to receive from the Agent a copy of any financing statement, financing change statement, security notice or similar document filed, or any verification statement received, at any time in respect of this Debenture.

[The remainder of page is intentionally blank; signature page follows.]

IN WITNESS WHEREOF, this Debenture has been executed and delivered by the Debtor this
31st day of March 2020.

THE GREEN ORGANIC DUCTHMAN LTD.

By: Brian Athaide
Name: Brian Athaide
Title: Chief Executive Officer

By: Sean Bovingdon
Name: Sean Bovingdon
Title: Chief Financial Officer

I/We have authority to bind the corporation.

Schedule "A"

Legal Description of Owned Real Properties

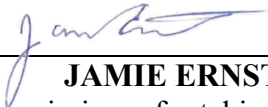
PIN 17409-0129(LT)

PT LT 24, CON 2 ANCASTER, AS IN CD339207 (FIRSTLY); ANCASTER CITY OF HAMILTON;
SUBJECT TO AN EASEMENT IN GROSS OVER PART 1 62R21141 AS IN WE1351917

PIN 17409-0234(LT)

PART OF LOT 24 CONCESSION 2 ANCASTER AS IN CD339207 & CD407710; SAVE & EXCEPT
PART 1, 62R-20696 AND PART 1, PLAN 62R20756; TOGETHER WITH AN EASEMENT AS IN
CD339207; CITY OF HAMILTON

THIS IS **EXHIBIT "Y"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.



JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)

AMENDED AND RESTATED CREDIT AGREEMENT

Dated as of September 29, 2021

Among:

Cortland Credit Lending Corporation,
in its capacity as administrative agent
for the Lenders (as defined herein)
200 Bay St., Suite 3230
Royal Bank Plaza South Tower
Toronto, ON, M5J 2J2 (the “**Agent**”)

And:

The Green Organic Dutchman Ltd.
Building A, Suite 301 6205 Airport Road
Mississauga, Ontario L4V 1E3 (the “**Borrower**”)

And:

Those lenders from time to time party hereto in accordance with Section 30 (collectively, the “**Lenders**”, and each a “**Lender**”).

WHEREAS the Agent and the Borrower entered into a credit agreement dated March 31, 2020, as amended by the first amendment dated May 27, 2020, by the second amendment dated October 1, 2020 and by the third amendment dated July 30, 2021 (as amended, the “**Original Credit Agreement**”).

AND WHEREAS the Borrower and the Lenders wish to amend and restate the Original Credit Agreement in its entirety by way of this amended and restated credit agreement (this “**Agreement**”).

AND WHEREAS terms used and not otherwise defined have the meanings given to such terms in **Schedule “C”** attached hereto.

IN CONSIDERATION of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties to this Agreement hereby agree as follows:

1. **Funding Commitment.**

- (a) Subject to the satisfaction of the terms and conditions set out in this Agreement, the Agent, on behalf of the Lenders, hereby agrees to provide the Borrower with the Revolving Facility, by way of Loan Advances, provided that the aggregate amount of Loan Advances outstanding at any time shall not exceed the Revolving Facility Limit.
- (b) [Intentionally Deleted.]

(c) The Borrower acknowledges and agrees that the proceeds of the Revolving Facility will be used to finance the working capital requirements of the Obligors, including the payment of ordinary course payables of the Obligors, and including fees and expenses relating to the transactions contemplated by this Agreement.

2. **Agent Compensation.** In consideration of, among other things, amending the Revolving Facility as provided for under this Agreement, the Agent shall be entitled to the following fees or reimbursement of the following costs (which fees and costs shall be in addition to any other amounts payable to the Agent and/or Lenders hereunder, including interest):

(a) A commitment fee from Holdings equal to Five Hundred Thousand Dollars (\$500,000) (the “**Extension Commitment Fee**”) as consideration for the extension of the Maturity Date pursuant to this Agreement, which fee shall be earned on the date hereof and which Holdings may elect to satisfy by issuing to the Agent, or as the Agent may further direct in writing, 2,631,579 common shares of Holdings (such common shares together with all documents, instruments and certificates given in connection therewith, the “**Extension Shares**”), each such share issued at the closing price per common share of Holdings on the Canadian Securities Exchange on the date immediately preceding the date hereof, being \$0.19.

(b) A commitment fee from Holdings equal to Twenty Thousand Dollars (\$20,000) (the “**Increase Commitment Fee**” and together with the Extension Commitment Fee, the “**Commitment Fees**”) as consideration for the increase to the Base Facility Amount pursuant to this Agreement, which fee shall be earned on the date hereof and which Holdings may elect to satisfy by issuing to the Agent, or as the Agent may further direct in writing, 105,263 common shares of Holdings (such common shares together with all documents, instruments and certificates given in connection therewith, the “**Increase Shares**”), each such share issued at the closing price per common share of Holdings on the Canadian Securities Exchange on the date immediately preceding the date hereof, being \$0.19.

(c) Any documented out-of-pocket expenses incurred in connection with (i) the Agent’s due diligence, and (ii) the monitoring of the Revolving Facility while the Revolving Facility is made available to the Borrower, shall be payable upon demand.

(d) A utilization fee, calculated daily and payable on the last Business Day of each month, by subtracting the aggregate amount of the Loan Advances outstanding on each day, from the sum of \$25,000,000 and multiplying the difference by the Utilization Fee Rate.

(e) Subject to the approval of the Toronto Stock Exchange and the provisions of this Agreement, as of the date of the Original Credit Agreement the Agent was entitled to receive, on behalf of the Lenders, warrants to purchase Three Million (3,000,000) freely tradeable common shares (the “**Warrant Shares**”) of Holdings (such Warrant Shares together with all documents, instruments and certificates given in connection therewith, the “**Warrants**”), at a twenty-five percent (25%) premium to the five (5) day volume weighted average trading price of the common shares of Holdings on the Toronto Stock Exchange ending on the trading day immediately prior to the date

of the Original Credit Agreement, for a period of thirty-six (36) months following the date of issuance.

- (f) In consideration of entering into Amendment No. 1, the Agent was entitled to receive the Amendment No. 1 Warrants (as defined in Section 2(g)) which were earned on May 27, 2020, and issued on or prior to the Amendment No. 1 Effective Date.
- (g) Subject to the conditional listing approval of the Toronto Stock Exchange and the provisions of this Agreement, as of May 27, 2020, the Agent was entitled to receive, on behalf of the Lenders, warrants to purchase Five Hundred Thousand (500,000) freely tradeable common shares (the "**Amendment No. 1 Warrant Shares**") of Holdings (such Amendment No. 1 Warrant Shares together with all documents, instruments and certificates given in connection therewith, the "**Amendment No. 1 Warrants**"), at the Amendment No. 1 Exercise Price, for a period of forty-eight (48) months following the Amendment Effective Date.
- (h) In consideration of entering into Amendment No. 2, the Agent, Cortland Credit Strategies LP (more particularly, BMO Nesbitt Burns Inc. ITF 402-21190-20 Cortland Credit Strategies LP, and hereinafter referred to as "**Cortland Strategies LP**") and Cortland Credit Institutional LP (more particularly, BMO Nesbitt Burns Inc. ITF 402-22084-27 Cortland Credit Institutional LP, and hereinafter referred to as "**Cortland Institutional LP**") were entitled to receive, respectively, the Amendment No. 2 Warrants (as defined in Section 2(i)) issued to each of them, which were earned on October 1, 2020, and issued on or prior to the Amendment No. 2 Effective Date.
- (i) Subject to the conditional listing approval of the Toronto Stock Exchange and the provisions of this Agreement, as of October 1, 2020, the Agent, Cortland Strategies, and Cortland Institutional LP were entitled to receive, on behalf of the Lenders, warrants to purchase, respectively, One Hundred Sixty Six Thousand Six Hundred Sixty Six (166,666), Two Hundred Seventy One Thousand Five Hundred Thirty Nine (271,539) and Sixty One Thousand Seven Hundred Five (61,795) freely tradeable common shares (for a total of Five Hundred Thousand (500,000) freely tradeable common shares, collectively, the "**Amendment No. 2 Warrant Shares**") of Holdings (such Amendment No. 2 Warrant Shares together with all documents, instruments and certificates given in connection therewith, the "**Amendment No. 2 Warrants**"), at the Amendment No. 2 Exercise Price, for a period of sixty (60) months following the Amendment No. 2 Effective Date.

3. Loan Advances.

- (a) Subject to satisfaction of the terms and conditions set out in this Agreement, the Agent shall, from time to time, upon request of the Borrower made in accordance with the terms and conditions of this Agreement, make one or more Loan Advances available to the Borrower provided that the aggregate principal amount of such Loan Advances does not exceed, at any given time, the Revolving Facility Limit at such time. If at any time the aggregate principal amount of all Loan Advances outstanding (collectively, the "**Total Exposure**") exceeds the Revolving Facility Limit at such time, then the Borrower will promptly repay such Loan Advances in cash by an amount required to reduce the Total Exposure to an amount less than or equal to the Revolving Facility Limit.
- (b) Each Loan Advance will bear interest at the Interest Rate, which interest will be due and payable

in cash on the last Business Day of each month.

- (c) The Revolving Facility shall be a revolving facility. For greater certainty, the Borrower shall be entitled to obtain Loan Advances under the Revolving Facility from time to time and repay all or any portion of the Loan Advances under the Revolving Facility from time to time and thereafter re-borrow Loan Advances from time to time; provided that the Borrower, acknowledges, covenants and agrees that the Total Exposure shall not at any time exceed the Revolving Facility Limit.
- (d) The Collection Account will be swept daily as provided for in Section 8 (w).
- (e) Interest owing on the Loan Advances shall be calculated daily and not in advance on the basis of the then current calendar year of three-hundred and sixty-five (365) or three-hundred and sixty-six (366) days for the actual number of days elapsed, and in the case of a leap year, the annual interest rate corresponding to the interest calculated on a three-hundred and sixty-five (365) day year is equal to the interest rate thus calculated multiplied by three-hundred and sixty-six (366) and divided by three-hundred and sixty-five (365). Any amount of principal, interest, commission, discount or of any other nature remaining unpaid at maturity shall bear interest at the Interest Rate. Interest on all overdue interest calculated as aforesaid and compounded monthly at the aforesaid rate from the due date thereof without necessity of notice or demand, the whole before as well as after maturity, demand, default or judgement. The Borrower acknowledges and agrees that for the purposes of the *Interest Act* (Canada), the information provided to it hereunder with respect to the calculation of interest hereunder or under any other Transaction Document shall constitute an express statement of the yearly rate or percentage of interest to which such interest rate (including the Interest Rate) or percentage is equivalent. The Borrower hereby irrevocably agrees not to plead or assert, whether by way of defence or otherwise, in any proceeding relating to this Agreement or any other Transaction Document, that the interest payable under this Agreement (including the Interest Rate) or any other Transaction Document and the calculation thereof has not been adequately disclosed to the Borrower, whether pursuant to section 4 of the *Interest Act* (Canada) or any other Applicable Law.
- (f) Where the rate of interest payable under any Loan Advance is found by a competent court of law, governmental agency or other tribunal to exceed the maximum rate of interest permitted by the laws of any applicable jurisdiction or the rules or regulations of any appropriate regulatory authority, then during the time that the rate of interest would exceed the permissible limit, that portion of each interest payment attributable to the portion of the interest rate that exceeds the permissible limit shall be deemed to be a voluntary prepayment of principal.
- (g) The Agent's books and records relating to the Loan Advances and any related interest shall be *prima facie* evidence of same, absent manifest error.

4. **Conditions Precedent to the Effectiveness of this Agreement.** The effectiveness of this Agreement will be subject to receipt by the Agent of an executed copy of this Agreement together with a confirmation of guarantees and security agreement from each of the Obligor.

5. **Conditions Precedent to Loan Advances.** The obligation of the Lenders to make any Loan

Advance (subsequent to the initial Loan Advance) will be subject to receipt by the Agent of the following, each in a form satisfactory to the Agent, and/or satisfaction of the following, in each case, without duplication, unless waived by the Agent on terms satisfactory to the Agent:

- (a) an executed Advance Request Certificate and a Borrowing Base Certificate shall have been received not less than 1 Business Day before the date of the proposed Loan Advance;
- (b) all representations and warranties provided for in the Transaction Documents being true, accurate and complete, in all material respects, as of the date of such Loan Advance, except to the extent specified to be made as of a specific date; and
- (c) no Default or Event of Default shall have occurred as of the date of such Loan Advance.

6. **Representations and Warranties.** The Borrower, on behalf of itself and each other Obligor, represents and warrants to the Agent as follows:

- (a) **Status.** It has been duly organized and is a valid and subsisting legal entity in good standing under the laws of its jurisdiction of formation and has full capacity and power to carry on its business as the same is presently conducted and, to own and lease property.
- (b) **Power and Authority.** It has the power and is duly authorized to enter into, execute, deliver and perform its obligations under this Agreement and each other Transaction Document to which it is a party, and it has the power and is duly authorized to borrow as herein contemplated and to provide the security interests herein contemplated.
- (c) **Ownership of Assets.** It owns, leases or has rights in all assets required in order to carry on its businesses as presently conducted. All such assets are owned by it free and clear of all Liens other than Permitted Encumbrances.
- (d) **Compliance with Laws** – It is in compliance in all material respects with all Applicable Laws (specifically including, for greater certainty, all applicable Cannabis laws).
- (e) **Litigation, Judgments and Executions.** There are no actions, suits or proceedings pending, or to the knowledge of it threatened, against it in any court or before or by any federal, provincial, municipal or other Governmental Authority, except: (i) the litigation disclosed in **Schedule “D”** attached hereto; and (ii) other litigation in which all amounts claimed against the Obligors do not in the aggregate exceed Fifty Thousand Dollars (\$50,000). There are no judgments or executions against it.
- (f) **Environmental Laws.** Except to the extent disclosed in **Schedule “E”** attached hereto:
 - (i) each Obligor and its business, operations, assets, equipment, property, leaseholds and other facilities is in compliance in all material respects with all Requirements of Environmental Law, specifically including all Requirements of Environmental Law concerning the storage and handling of Hazardous Materials;
 - (ii) each Obligor holds all material permits, licenses, certificates and approvals from Governmental Authorities which are required in connection with air emissions, discharges

to surface or groundwater, noise emissions, solid or liquid waste disposal, the use, generation, storage, transportation or disposal of Hazardous Materials and all other Requirements of Environmental Law;

- (iii) there has been no material emission, spill, release, or discharge into or upon the air, soils (or any improvements located thereon), surface water or groundwater or the sewer, septic system or waste treatment, storage or disposal system servicing any premises, of any Hazardous Materials at or from any of the properties owned or leased by any of the Obligor;
 - (iv) no material written complaint, order, directive, claim, citation, or notice from any Governmental Authority or any other Person has been received by any Obligor with respect to any of the properties owned or leased by any of the Obligor in respect of air emissions, spills, releases, or discharges to soils or improvements located thereon, surface water, groundwater or the sewer, septic system or waste treatment, storage or disposal systems servicing any of the properties owned or leased by any of the Obligor, noise emissions, solid or liquid waste disposal, the use, generation, storage, transportation, or disposal of Hazardous Materials or other Requirements of Environmental Law affecting any of the properties owned or leased by any of the Obligor;
 - (v) there are no material legal or administrative proceedings, investigations or claims now pending, or to the Borrower's knowledge, threatened in writing, with respect to the presence on or under, or the discharge, emission, spill, radiation or disposal into or upon any of the properties owned or leased by any of the Obligor, the atmosphere, or any watercourse or body of water, of any Hazardous Material; nor are there any material matters under discussion between any Obligor and any Governmental Authority relating thereto; and there is no factual basis for any such proceedings, investigations or claims; and
 - (vi) the Obligor has no material indebtedness, obligation or liability, absolute or contingent, matured or not matured, with respect to the storage, treatment, cleanup or disposal of any Hazardous Materials, including without limitation any such indebtedness, obligation, or liability under any Requirements of Environmental Law regarding such storage, treatment, cleanup or disposal.
- (g) Bankruptcy Events. No Bankruptcy Event has been initiated by it or occurred in respect of it, and no Bankruptcy Event has been threatened against it.
- (h) Anti-Terrorism and Corruption Laws. It has conducted its business in compliance with Anti-Terrorism and Corruption Laws and has instituted and maintained policies and procedures reasonably designed to promote and achieve compliance with such Anti-Terrorism and Corruption Laws.
- (i) Subsidiaries. As of the date hereof, the only Subsidiaries it has are listed in **Schedule "F"** attached hereto.
- (j) Corporate Information. **Schedule "F"** attached hereto contains a true and complete list as of the date hereof of the following information in respect of each Obligor: all prior names and

predecessor corporations, jurisdiction of incorporation, registered office and chief executive office, principal place of business, all locations at which it has places of business or owns assets, the number and classes of its issued and outstanding shares, except in the case of Holdings, a list of all shareholders including the number and class of shares held by each and a list of all of its subsidiaries.

- (k) Solvency. It is Solvent.
- (l) No Pending Corporate Changes. Except as disclosed on **Schedule "G"** attached hereto, or in the public filings of Holdings, as of the date hereof, no Person has any agreement or option or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement, including convertible securities, warrants or convertible obligations of any nature, for the purchase of any properties or assets of any Obligor out of the ordinary course of business or for the purchase, subscription, allotment or issuance of any debt or equity securities of any Obligor.
- (m) Material Agreements and Material Permits. Its Material Agreements and Material Permits are listed in **Schedule "H"** attached hereto (as such Schedule may be updated from time to time to reflect any Material Agreements or Material Permits entered into or obtained in compliance with the terms hereof) and true, correct and complete copies of each have been delivered to the Agent. Each such Material Agreement and Material Permit is in good standing, in full force and effect and there are no defaults thereunder, except to the extent any such Material Agreement has terminated as scheduled in the ordinary course in accordance with its terms.
- (n) No Conflicts under Material Agreements or Material Permits. The execution and delivery by each Obligor of those Transaction Documents to which it is a party, and the performance of its obligations thereunder, will not conflict with, result in a breach of or require any approval or consent under any Material Agreement or Material Permit to which it is a party.
- (o) Owned Real Properties. Its real property interests as of the date hereof, both owned and leased, are listed in **Schedule "I"** attached hereto.
- (p) No Guarantees. It has not granted any Guarantees, other than Permitted Guarantees.
- (q) Statutory Liens. It has remitted on a timely basis all amounts required to have been withheld and remitted (including withholdings from employee wages and salaries relating to income tax and employment insurance), goods and services tax and all other amounts, which if not paid when due could result in the creation of a statutory lien against any of its property.
- (r) No Default or Event of Default. No Default or Event of Default has occurred and is continuing.
- (s) Financial Statements and No Material Change. The financial statements of the each Obligor that have been made available to the Agent have been prepared in accordance with GAAP, and fairly present the financial position and results of operations of such Obligor for the dates or periods reported on thereby subject, in relation to any unaudited financial statements, any year-end adjustments. From the date of the last audited financial statements made available to the Agent, there has been no event which would reasonably be expected to result in a Material Adverse Change.

- (t) Related Party Transactions. Except as (A) disclosed in the financial statements or other public disclosure of the Obligors or (B) as permitted by this Agreement, no Obligor: (i) is a creditor under a loan or otherwise committed to make any payment or loan to, or borrowed any moneys from or otherwise been indebted to, any related party thereof (other than another Obligor); or (ii) been a party to any contract with any related party thereof, other than independent contractor or indemnification agreements entered into with officers or directors. Any transactions between an Obligor and a related party (other than another Obligor) has been completed on reasonable commercial terms that, considered as a whole, are not in any material respect less advantageous to such Obligor, than if the transaction was with a Person dealing at arm's length with such Obligor, as the case may be.
- (u) U.S. Cannabis. It has no direct, indirect or ancillary interest in any "marijuana-related activity" in the United States as defined in Staff Notice 51-352 (Revised) – *Issuers with U.S. Marijuana Activities* of the Canadian Securities Administrators.
- (v) Internal Controls. It has established and maintains a system of internal controls over financial reporting that is designed to provide reasonable assurance regarding the preparation of financial statements for external purposes in accordance with GAAP, and includes policies and procedures that: (i) pertain to the maintenance of records that accurately and fairly reflect the material transactions, acquisitions and dispositions of the property and assets of it; (ii) are designed to provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that material receipts and expenditures of it are made only in accordance with authorizations of management its directors; and (iii) are designed to provide reasonable assurance regarding prevention or timely detection of any unauthorized acquisition, use or disposition of its property or assets that could have a material adverse effect on its financial statements.
- (w) Full Disclosure. All information (including, without limitation, financial information and financial statements) furnished by or in respect of the Obligors to the Agent for the purposes of or in connection with this Agreement and each of the other Transaction Documents was true and correct in all material respects as at the date such information is stated to have been given, and is not incomplete by omitting to state any material fact necessary to make the statements contained in such information not misleading in any material respect in light of the circumstances under which the statements contained in such information were made.
- (x) Warrants. That Holdings is duly authorized and has the corporate and lawful power and authority to create and issue the Warrants and the Warrant Shares issuable upon the exercise thereunder and to perform its obligations thereunder and that the certificate(s) representing the Warrants, will, when issued, represent a valid, legal and binding obligation of Holdings enforceable in accordance with its terms.
- (y) Warrant Shares. That Holdings has agreed to at all times reserve and keep available out of its authorized common shares a sufficient number of Warrant Shares to satisfy the right of purchase pursuant to the Warrants, it will cause the Warrant Shares, including duly authorized certificates in respect thereof, subscribed for and purchased in accordance with the terms and conditions of the Warrants to be issued and delivered as directed and such Warrant Shares shall be issued as

fully paid and non-assessable common shares of Holdings and the holders thereof shall not be liable to Holdings or to its creditors in respect thereof.

(z) Amendment No. 1 Warrants. In respect of the Amendment No. 1 Warrants

- (i) Amendment No. 1 Warrants. That Holdings is duly authorized and has the corporate and lawful power and authority to create and issue the Amendment No. 1 Warrants and the Amendment No. 1 Warrant Shares issuable upon the exercise thereunder and to perform its obligations thereunder and that the certificate(s) representing the Amendment No. 1 Warrants, will, when issued, represent a valid, legal and binding obligation of Holdings enforceable in accordance with its terms.
- (ii) Amendment No. 1 Warrant Shares. That Holdings has agreed to at all times reserve and keep available out of its authorized common shares a sufficient number of Amendment No. 1 Warrant Shares to satisfy the right of purchase pursuant to the Amendment No. 1 Warrants, it will cause the Amendment No. 1 Warrant Shares, including duly authorized certificates in respect thereof, subscribed for and purchased in accordance with the terms and conditions of the Amendment No. 1 Warrants to be issued and delivered as directed and such Amendment No. 1 Warrant Shares shall be issued as fully paid and non-assessable common shares of Holdings and the holders thereof shall not be liable to Holdings or to its creditors in respect thereof.
- (iii) Actions to Issue Amendment No. 1 Warrants. That Holdings has agreed to take such actions as may be reasonably necessary and as are within its power to ensure that all Amendment No. 1 Warrant Shares will be issued without violation of any applicable laws or the applicable requirements of any stock exchange upon which the common shares of Holdings may be listed.
- (iv) Securities Filings. That Holdings has agreed to make all requisite filings under applicable securities laws necessary to remain a reporting issuer not in default in the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland.
- (v) Listing of Holdings' Shares. That Holdings has agreed to use all reasonable efforts to maintain the listing of its common shares on the Canadian Securities Exchange (or such other recognized stock exchange as may be agreed upon by Holdings and the holder of the Amendment No. 1 Warrants) and to have the Amendment No. 1 Warrant Shares issued pursuant to the exercise of the Amendment No. 1 Warrants listed and posted for trading on the Canadian Securities Exchange (or such other recognized stock exchange as may be agreed upon by Holdings and the holder of the Amendment No. 1 Warrants) as expeditiously as possible.
- (vi) Issuance of Amendment No. 1 Warrant Shares. That Holdings has agreed that upon exercise of the Amendment No. 1 Warrants, the Amendment No. 1 Warrant Shares will be issued as fully paid and non-assessable common shares in the capital of Holdings.

(aa) Amendment No. 2 Warrants. In respect of the Amendment No. 2 Warrants

- (i) Amendment No. 2 Warrants. That Holdings is duly authorized and has the corporate and lawful power and authority to create and issue the Amendment No. 2 Warrants and the Amendment No. 2 Warrant Shares issuable upon the exercise thereunder and to perform its obligations thereunder and that the certificate(s) representing the Amendment No. 2 Warrants, will, when issued, represent a valid, legal and binding obligation of Holdings enforceable in accordance with its terms.
 - (ii) Amendment No. 2 Warrant Shares. That Holdings has agreed to at all times reserve and keep available out of its authorized common shares a sufficient number of Amendment No. 2 Warrant Shares to satisfy the right of purchase pursuant to the Amendment No. 2 Warrants, it will cause the Amendment No. 2 Warrant Shares, including duly authorized certificates in respect thereof, subscribed for and purchased in accordance with the terms and conditions of the Amendment No. 2 Warrants to be issued and delivered as directed and such Amendment No. 2 Warrant Shares shall be issued as fully paid and non-assessable common shares of Holdings and the holders thereof shall not be liable to Holdings or to its creditors in respect thereof.
 - (iii) Actions to Issue Amendment No. 2 Warrants. That Holdings has agreed to take such actions as may be reasonably necessary and as are within its power to ensure that all Amendment No. 2 Warrant Shares will be issued without violation of any applicable laws or the applicable requirements of any stock exchange upon which the common shares of Holdings may be listed.
 - (iv) Securities Filings. That Holdings has agreed to make all requisite filings under applicable securities laws necessary to remain a reporting issuer not in default in the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland.
 - (v) Listing of Holdings' Shares. That Holdings has agreed to use all reasonable efforts to maintain the listing of its common shares on the Canadian Securities Exchange (or such other recognized stock exchange as may be agreed upon by Holdings and the holder of the Amendment No. 2 Warrants) and to have the Amendment No. 2 Warrant Shares issued pursuant to the exercise of the Amendment No. 2 Warrants listed and posted for trading on the Canadian Securities Exchange (or such other recognized stock exchange as may be agreed upon by Holdings and the holder of the Amendment No. 2 Warrants) as expeditiously as possible.
 - (vi) Issuance of Amendment No. 2 Warrant Shares. That Holdings has agreed that upon exercise of the Amendment No. 2 Warrants, the Amendment No. 2 Warrant Shares will be issued as fully paid and non-assessable common shares in the capital of Holdings.
- (bb) Actions to Issue Extension Shares and Increase Shares. That Holdings has agreed to take such actions as may be reasonably necessary and as are within its power to ensure that all Extension Shares and Increase Shares will be issued without violation of any applicable laws or the applicable requirements of any stock exchange upon which the common shares of Holdings may be listed.

- (cc) Securities Filings. That Holdings has agreed to make all requisite filings under applicable securities laws necessary to remain a reporting issuer not in default in the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland.
- (dd) Listing of Holdings' Shares. That Holdings has agreed to use all reasonable efforts to maintain the listing of its common shares on the Canadian Securities Exchange (or such other recognized stock exchange as may be agreed upon by Holdings and the Agent).

7. **Reporting Covenants**.

- (a) The Borrower will provide to the Agent the following financial information:
 - (i) quarterly consolidated financial statements, within sixty (60) days of each fiscal quarter of the Borrower;
 - (ii) copies of management updates, budgets and other related reports on the operational results of the Obligors which have been provided to the board of directors of the Borrower at such directors' regular board meetings and all such other financial information relating to the foregoing as the Agent reasonably requires to assess the liquidity of the Obligors and the Obligors' performance against such budgets;
 - (iii) a quarterly business review on such terms, and such basis, as is required by the Agent, such to determine the status of business as it relates to the Obligors, and in particular compliance with the terms of this Agreement;
 - (iv) annual audited consolidated financial statements within one hundred twenty (120) days of the end of each fiscal year of the Borrower;
 - (v) on a monthly basis, within thirty (30) days of the end of each calendar month:
 - 1. unconsolidated financial statements of each Obligor;
 - 2. unconsolidated general and ledger trial balance for each Obligor;
 - 3. an accounts receivable summary for each debtor of the Obligors, aged by invoice date;
 - 4. an accounts payable summary for each creditor of the Obligors, aged by invoice date;
 - 5. bank reconciliations, including for greater certainty, bank statements and a complete listing of outstanding cheques;
 - 6. confirmation of payment of all taxes owing by any Obligor; and
 - (vi) on a weekly basis, on Friday of each week (as of Thursday of such week);
 - 1. an accounts receivable summary for each debtor of the Obligors, aged by invoice date;

2. an accounts payable summary for each creditor of the Obligors, aged by invoice date; and
- (vii) any additional financial and reporting information as the Agent may reasonably request from time to time, in its sole discretion.

8. **Covenants**. The Borrower, on behalf of itself and each other Obligor, covenants and agrees with the Agent that it:

- (a) will pay all interest, principal, fees and other amounts due under the terms of this Agreement and any other Transaction Document to which it is a party;
- (b) will satisfy, in all material respects, all the terms and conditions of this Agreement and any other Transaction Document to which it is a party;
- (c) will immediately advise the Agent of any Default or Event of Default;
- (d) will file all tax returns which are or will be required to be filed by it, pay or make provision for payment of all taxes (including interest and penalties) and Potential Priority Claims, which are or will become due and payable and provide adequate reserves for the payment of any tax, the payment of which is being contested;
- (e) it will comply in all material respects with all Applicable Laws (specifically including, for greater certainty, all applicable Cannabis laws) and use the proceeds of all Loan Advances hereunder for legal and proper purposes; and without limiting the generality of the foregoing the Borrower shall and shall cause each other Obligor to:
 - (i) engage in Cannabis-Related Activities only to the extent that such Cannabis-Related Activities are (A) in an Approved Jurisdiction, and (B) in compliance with all Applicable Laws in such Approved Jurisdiction (including, without limitation on a federal, state, provincial, territorial and municipal basis);
 - (ii) ensure that all activities of the Obligors relating to the cultivation, production and processing of Cannabis and Cannabis-related products occur solely in facilities licensed by Governmental Authorities in Approved Jurisdictions; and
 - (iii) ensure that all activities of the Obligors relating to the sale of Cannabis and Cannabis-related products occur solely in facilities licensed by Governmental Authorities in Approved Jurisdictions or between entities licensed by Governmental Authorities in Approved Jurisdictions.
- (f) will: (i) immediately, with respect to Material Agreements and/or Material Permit; and (ii) promptly, and in any event within three (3) Business Days, notify the Agent of any material action requests or material violation notices received by it from any Person (including, without limitation, from any Governmental Authority) concerning it (including, without limitation, any notices or requests in connection with the protection or preservation of the environment) and hold the Agent and the Lenders harmless from and against any losses, costs or expenses which the Agent or any Lender may suffer in connection therewith;

- (g) will promptly advise the Agent of any Material Adverse Change;
- (h) will keep its assets (including, without limitation, the Collateral) fully insured against such perils and in such manner as would be customarily insured by Persons carrying on a similar business or owning similar assets and, in addition, for any buildings located in areas prone to flood and/or earthquake, will insure and keep fully insured such buildings against such perils;
- (i) will, at reasonable times and upon reasonable notice (provided that upon the occurrence of an Event of Default that is continuing, the Agent is permitted to do the following at any time and without notice) permit the Agent or its representatives, from time to time, (i) to visit and inspect any Obligor's premises, properties and assets and examine and obtain copies of the Borrower's records or other information, and (ii) to discuss the Obligors' affairs with the auditors of the Obligors (in the presence of the Obligors' representatives as it may designate); the Obligors hereby authorize and direct any such third party to provide to the Agent or its representatives all such information, records or documentation reasonably requested by the Agent;
- (j) except for Permitted Encumbrances, will not, without the prior written consent of the Agent, grant, create, assume or suffer to exist any mortgage, charge, lien, pledge, security interest or other encumbrance affecting any of its properties, assets or other rights;
- (k) will not, without the prior written consent of the Agent, sell, transfer, convey, lease or otherwise dispose of any of its:
 - (i) accounts receivables; or
 - (ii) other than accounts receivables, properties or assets (excluding obsolete or otherwise superfluous assets) other than (i) in the ordinary course of business and on commercially reasonable terms, or (ii) to another Obligor, (iii) to the extent the proceeds of such sale are promptly reinvested in assets useful to the business of the Obligors, or (iv) if such disposition would not materially impact the operation, business or financial condition of any Obligor.
- (l) will not, without the prior written consent of the Agent, provide any Guarantees (other than Permitted Guarantees);
- (m) will not, without first obtaining the prior written consent of the Agent, merge, amalgamate, or otherwise enter into any other form of business combination with any other Person and it will cause any such resulting Person to become an Obligor hereunder and to grant such security and enter into such Transaction Documents and other agreements as the Agent may require, provided that (i) upon ten (10) days' prior written notice to the Agent any Obligor may merge, amalgamate or wind-up with or into another Obligor, and (ii) concurrently with such merger, amalgamation or winding-up the Borrower shall provide, or cause to be provided to the Agent all additional or replacement Security Agreements as the Agent may reasonably require in connection therewith;
- (n) will not pay any dividends, other corporate distributions, or any interest or principal on subordinated debt other than (i) to another Obligor, (ii) in respect to Permitted Indebtedness, or

- (iii) with the prior written consent of the Agent;
- (o) will not acquire or move any material Collateral or change its chief executive office or principal place of business to any jurisdiction outside of the jurisdiction of each such respective Obligor listed in **Schedule "C"** attached hereto without first executing and delivering all such security and other documentation and completing all registrations, recordings and filings to grant in favour of the Agent a security interest in such Collateral and to render effective the security interest granted thereby, all in form and substance satisfactory to the Agent;
- (p) will not incur additional indebtedness other than Permitted Indebtedness;
- (q) will not enter into any swaps, futures, hedges, foreign exchange or commodity transactions for spot or forward delivery, contracts or other derivative transactions for investment or speculative purposes (for greater certainty, the entering into of any such swaps, futures, hedges, foreign exchange or commodity transactions for spot or forward delivery, contracts or other transactions for protection against fluctuation in currency or interest rates or commodity prices is permitted);
- (r) will not, without the prior written consent of the Agent, make, cause or permit any amendment to any Material Agreement if the effect of such amendment would be reasonably likely to result in a Default or Event of Default;
- (s) will provide written notice to the Agent of each of the following promptly after the occurrence thereof:
 - (i) all proposed amendments to Material Agreements and Material Permits;
 - (ii) all correspondence and notices received from any Governmental Authority or stock exchange with respect to any Material Agreement, Material Permit or any regulatory or other investigations into the Obligors' business practices which could have a material and negative effect on any of the Obligors or their business, or any of the Obligors' ability to repay the obligations owing under this Agreement or would be likely to result in a Default;
 - (iii) any changes in the identity of Responsible Persons, which materially effect the Obligors together with satisfactory evidence of security clearances for such Responsible Persons under the Cannabis Act or the Cannabis Regulations; and any rejection notice for new or renewal security clearance applications for each Responsible Person;
- (t) will conduct its business in compliance with Anti-Terrorism and Corruption Laws and institute and maintain policies and procedures designed to promote and achieve compliance with such Anti-Terrorism and Corruption Laws;
- (u) will (i) where an Account Debtor makes a payment in the form of a cheque, deposit such cheque into the Collections Account, (ii) where an Account Debtor makes a payment by electronic funds transfer, direct such Account Debtor to make such transfer to the Collections Account;
- (v) will not (i) amend, vary or terminate the Collections Account or the Blocked Account Agreement, and (ii) amend, modify or otherwise change any banking instructions provided to the financial institution maintaining the Collections Account, which would result in the application of any funds

from any Account Debtor to an account other than the Collections Account;

- (w) the Borrower shall sweep the Collections Account at the end of each day and use such funds to repay all or any portion of the Loan Advances under the Revolving Facility outstanding at such time;
- (x) will grant the Agent and the Lenders the first right of refusal to provide any debtor in possession financing during any applicable Bankruptcy Event;
- (y) not amend, supplement (in a way that is detrimental to the Lender), terminate, abandon, allow to expire or fail to renew any Material Permits, or permit any other Person to use, become party to or otherwise have an interest in, any Material Permits, or take any action in furtherance of, or fail to take any action, which failure could be reasonably expected to result in, any of the foregoing;
- (z) not enter into any transaction with any Affiliate, other than the another Obligor, except on terms no less favourable than could be obtained in an arm's-length transaction;
- (aa) change in any material respect the nature of its business or operations, nor engage directly or indirectly in any material business activity, or purchase or otherwise acquire any material property, in either case, not related to or in furtherance of the conduct of the business as presently conducted by it;
- (bb) cause Holdings to, at all times, reserve and keep available out of Holdings' authorized common shares a sufficient number of Warrant Shares to satisfy the right of purchase pursuant to the Warrants and to issue and deliver the Warrant Shares subscribed for and purchased in accordance with the terms and conditions of the Warrants to be issued as fully paid and non-assessable common shares of Holdings;
- (cc) to take all actions, and to cause Holdings to take such actions, as may be reasonably necessary and as are within its power to ensure that all Warrant Shares will be issued without violation of any applicable laws or the applicable requirements of any stock exchange upon which the common shares of Holdings may be listed;
- (dd) to cause a news release of Holdings announcing this Agreement, the issuance of the Extension Shares and the issuance of the Increase Shares and such other matters as may be required pursuant to applicable securities laws to be disseminated and filed pursuant to such applicable securities laws, provided that Borrower agrees to provide a draft of such news release to the Agent and to allow the Agent to provide reasonable comments prior to its dissemination / filing;
- (ee) to cause Holdings to provide a draft of any other news release related to this Agreement and/or ancillary matters to the Agent and to allow the Agent to provide reasonable comments prior to the dissemination / filing of any such other new release;
- (ff) in respect of the Amendment No. 1 Warrants, will:
 - (i) [Intentionally Deleted.]

- (ii) cause Holdings to, at all times, reserve and keep available out of Holdings' authorized common shares a sufficient number of Amendment No. 1 Warrant Shares to satisfy the right of purchase pursuant to the Amendment No. 1 Warrants and to issue and deliver the Amendment No. 1 Warrant Shares subscribed for and purchased in accordance with the terms and conditions of the Amendment No. 1 Warrants to be issued as fully paid and non-assessable common shares of Holdings;
- (iii) to take all actions, and to cause Holdings to take such actions, as may be reasonably necessary and as are within its power to ensure that all Amendment No. 1 Warrant Shares will be issued without violation of any applicable laws or the applicable requirements of any stock exchange upon which the common shares of Holdings may be listed;
- (iv) [Intentionally Deleted.]
- (v) [Intentionally Deleted.]
- (gg) in respect of the Amendment No. 2 Warrants, will:
 - (i) [Intentionally Deleted.]
 - (ii) cause Holdings to, at all times, reserve and keep available out of Holdings' authorized common shares a sufficient number of Amendment No. 2 Warrant Shares to satisfy the right of purchase pursuant to the Amendment No. 2 Warrants and to issue and deliver the Amendment No. 2 Warrant Shares subscribed for and purchased in accordance with the terms and conditions of the Amendment No. 2 Warrants to be issued as fully paid and non-assessable common shares of Holdings;
 - (iii) to take all actions, and to cause Holdings to take such actions, as may be reasonably necessary and as are within its power to ensure that all Amendment No. 2 Warrant Shares will be issued without violation of any applicable laws or the applicable requirements of any stock exchange upon which the common shares of Holdings may be listed;
 - (iv) [Intentionally Deleted.]
 - (v) [Intentionally Deleted.]
- (hh) will, within 30 days of March 31, 2022, provide the Agent with evidence reasonably satisfactory to it that has EBITDA for the month of March 31, 2022 greater than Zero Dollars (\$0); and
- (ii) will, within 5 Business Days of the sale of HemPoland Sp. z o.o. (the "**Hempoland Transaction**"), apply not less than Six Million Dollars (\$6,000,000) from the net proceeds of the Hempoland Transaction as a repayment towards the outstanding Loan Advances.

9. **Use of Insurance Proceeds**. The parties agree that the proceeds of any insurance policies received by the Agent in connection with insurable events relating to the Collateral shall be applied to repay the outstanding fees, interest and principal in respect of the Loan Advances.

10. **Term and Termination.**

- (a) The term of the Revolving Facility expires on June 30, 2023 (the “**Maturity Date**”).
- (b) The Agent shall have the right to terminate the Revolving Facility:
 - (i) upon immediate notice, if an Event of Default has occurred and is continuing;
 - (ii) upon one hundred and eighty (180) days notice, if a material adverse change in market conditions is negatively affecting the liquidity of any Lender; and
 - (iii) upon immediate notice, if the Revolving Facility shall become, in whole or in part, illegal or in contravention of any Applicable Law.
- (c) The Revolving Facility may be terminated upon the mutual agreement of the Agent and the Borrower, at which time, all accrued interest, principal and unpaid fees owing shall be paid in cash by the Borrower to the Agent on such date.
- (d) If there is a Bankruptcy Event of the Borrower, then this Agreement shall be forthwith ended and terminated.
- (e) If the Revolving Facility is terminated for any reason, with respect to any outstanding Loan Advances, the Agent shall retain all of its rights and remedies, under the Transaction Documents.
- (f) If the Revolving Facility is terminated for any reason, then at the election of the Agent by way of immediate notice to the Borrower, all accrued and/or unpaid interest, all outstanding Loan Advances, and all unpaid fees will be due and payable under this Agreement, and the Borrower will pay such amounts to the Agent forthwith.

11. **Post-Closing Undertaking.** The Borrower, on behalf of each Obligor, hereby agrees that it shall take (or cause to be taken, as applicable) the following actions within the applicable time periods set out below, and further agrees that any failure of the Borrower to take such actions within such time period shall constitute, at the option of the Agent, an Event of Default:

- (a) on or before October 8, 2021, deliver to the Agent a certificate of a senior officer of the Borrower to which are appended: (i) copies of the articles of incorporation, certificate of formation and by-laws or constitution (if applicable), operating agreement or shareholder agreement governing the affairs of the Borrower (if applicable), (ii) an incumbency certificate setting out the names and offices of all directors and officers of the Borrower, together with specimen signatures of same, and (iii) certified copies of the resolutions of the shareholders or directors of the Borrower authorizing the execution, delivery and performance of the Transaction Documents to which each is a party and the transactions contemplated thereby, and the granting of security;
- (b) on or before October 8, 2021, certificates of good standing in respect of each of the Obligors from the jurisdiction of its organization;
- (c) on or before October 8, 2021, deliver to the Agent opinions regarding corporate status of the Borrower, the due authorization, execution and delivery of the Transaction Documents to which

the Borrower is a party, all registrations in respect of such security, the results of all applicable searches, and the enforceability of such Transaction Documents; all such opinions to be in form and substance satisfactory to the Agent;

- (d) on or before five (5) days following the date hereof, deliver to the Agent the Extension Shares and the Increase Shares; and
- (e) if requested by the Agent, cause to be delivered to the Agent, within forty-five (45) days of such request, a landlord agreement in form and substance satisfactory to the Agent with respect to any real property leased by an Obligor, other than office space that is either not material or reasonably fungible.

12. **Remedies Upon Default.** Upon the occurrence of any Event of Default, the Lender may at its sole option:

- (a) declare, by notice in writing to the Borrower, any or all of the Loan Advances and fees and other obligations owing to the Agent and or the Lenders to be immediately due and payable;
- (b) realize upon all or any part of the Collateral, pursuant to the Security Documents; and
- (c) take such actions and commence such proceedings as may be permitted at law or in equity (whether or not provided for herein or in the Transaction Documents) at such times and in such manner as the Agent in its sole discretion may consider expedient

13. **Accredited Investor Representation.** The Agent represents and warrants to the Borrower and Holdings that it is a an “accredited investor” within the meaning of section 73.3 of the *Securities Act* (Ontario) by virtue of being a person described in the Accredited Investor Certificate (attached as **Schedule “K”**), and the Agent is delivering with this Agreement a completed and signed Accredited Investor Certificate.

14. **Extended Meanings.** Terms defined in the singular have the same meaning when used in the plural, and vice-versa. When used in the context of a general statement followed by a reference to one or more specific items or matters, the term “including” shall mean “including, without limitation”, and the term “includes” shall mean “includes, without limitation”. Any reference herein to the exercise of discretion by the Agent or any Lender (including phrases such as “in the discretion of”, “in the opinion of”, “to the satisfaction of” and similar phrases) shall mean that such discretion is absolute and unfettered and shall not imply any obligation to act reasonably, unless otherwise expressly stated herein.

15. **Headings.** The section headings are not to be considered part of this Agreement, are inserted for convenience of reference only, are not intended to be full or accurate descriptions of the content thereof and shall not affect the construction or interpretation of this Agreement.

16. **Currency.** All dollar amounts referred to in this Agreement and all payments to be made hereunder are in Canadian dollars unless agreed to otherwise in writing by the Agent.

17. **Entire Agreement.** This Agreement, including the Schedules hereto, and the Exhibits to such Schedules, and any other agreement required hereunder to be delivered in connection herewith, constitute the entire agreement between the parties as to the subject matter of this Agreement and may

not be amended or modified in any respect except by written instrument signed by the parties hereto.

18. **Severability.** In the event that any one or more provisions contained in this Agreement, or any other agreement required hereunder to be delivered in connection herewith, shall be invalid, illegal or unenforceable in any way, the remaining provisions hereof or thereof shall not be affected or impaired thereby unless as a consequence thereof of the rights and benefits granted to the Agent are, in the discretion of the Agent, materially and adversely affected.

19. **Execution.** This Agreement may be executed in one or more counterparts, each of which when so executed shall constitute an original and all of which together shall constitute one and the same agreement.

20. **Electronic Execution of Certain Documents.** The words “delivery”, “execution,” “signed,” “signature,” and words of like import in any Transaction Document or any other document to be signed in connection with this Agreement and the transactions contemplated hereby shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Agent, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any Applicable Law; provided, that notwithstanding anything contained herein to the contrary the Agent is under no obligation to agree to accept electronic signature in any form or in any format unless expressly agreed to by the Agent pursuant to procedures approved by it.

21. **Business Day.** If under the provisions of this Agreement any amount is to be paid or any act or thing is to be done or step is to be taken on a day other than a Business Day, then such amount shall be paid or such act or thing or step shall be done or taken on the next succeeding Business Day.

22. **Further Assurance.** The Borrower shall, from time to time execute, draw, endorse and deliver all such instruments and documents and do all such acts and things as the Agent may deem necessary or desirable for the purposes of carrying into effect any or all of the provisions of this Agreement or any documents delivered hereunder or of securing the fulfillment of all the obligations of the Borrower to the Agent hereunder.

23. **Costs, Expenses and Fees.** The Borrower agrees to pay all fees owing to the Agent hereunder and all of the Agent’s costs incurred from time to time (including reasonable legal fees and disbursements and reasonable accountant fees and disbursements) in the preparation, negotiation and execution of this Agreement and the other Transaction Documents and all third party costs associated with bringing or attempting to bring this transaction to a close and any costs incurred in the operation or enforcement of this Agreement or any other Transaction Documents. The Agent will provide a summary of such legal fees and disbursements. All costs of insuring the Collateral will be the responsibility of the Borrower. All such costs and expenses shall be payable upon demand. The Agent shall have the right, but not the obligation, to deduct all such costs and expenses and any fees owing to the Agent, from time to time, from the proceeds of any Loan Advance.

24. **GOVERNING LAW.** THIS AGREEMENT AND THE OTHER TRANSACTION DOCUMENTS (EXCEPT, AS TO ANY OTHER TRANSACTION DOCUMENT, AS EXPRESSLY SET FORTH THEREIN) AND ANY CLAIMS, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER TRANSACTION DOCUMENT (EXCEPT, AS TO ANY OTHER TRANSACTION DOCUMENT, AS EXPRESSLY SET FORTH THEREIN) AND THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE PROVINCE OF ONTARIO AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN.

25. **SUBMISSION TO JURISDICTION.** THE BORROWER IRREVOCABLY AND UNCONDITIONALLY AGREES THAT IT WILL NOT COMMENCE ANY ACTION, LITIGATION OR PROCEEDING OF ANY KIND OR DESCRIPTION, WHETHER IN LAW OR EQUITY, WHETHER IN CONTRACT OR IN TORT OR OTHERWISE, AGAINST THE AGENT OR ANY RELATED PARTY OF THE AGENT IN ANY WAY RELATING TO THIS AGREEMENT OR ANY OTHER TRANSACTION DOCUMENT OR THE TRANSACTIONS RELATING HERETO OR THERETO, IN ANY FORUM OTHER THAN THE COURTS OF THE PROVINCE OF ONTARIO SITTING IN THE CITY OF TORONTO, THE FEDERAL COURTS OF CANADA SITTING IN THE CITY OF TORONTO, AND ANY APPELLATE COURT FROM ANY THEREOF, (EXCEPT, AS TO ANY OTHER TRANSACTION DOCUMENT, AS EXPRESSLY SET FORTH THEREIN) AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE JURISDICTION OF SUCH COURTS AND AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION, LITIGATION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH ONTARIO PROVINCIAL COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION, LITIGATION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AGREEMENT OR IN ANY OTHER TRANSACTION DOCUMENT SHALL AFFECT ANY RIGHT THAT THE AGENT MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER TRANSACTION DOCUMENT AGAINST THE BORROWER OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

26. **WAIVER OF VENUE.** THE BORROWER IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER TRANSACTION DOCUMENT IN ANY COURT REFERRED TO IN SECTION 25. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

27. **SERVICE OF PROCESS.** EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 28. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

28. **Notice.** Any notice to be given by any party hereto to any other party hereto shall be in writing and may be given by personal delivery, or except during any period when postal service is interrupted, by prepaid registered mail, or by facsimile, electronic mail or by other means of instantaneous transmission that produces a permanent copy to the address noted below ("**other communication**") addressed as follows:

(a) to the Borrower:

The Green Organic Dutchman Ltd.
Building A, Suite 301 6205 Airport Road
Mississauga, Ontario L4V 1E3

Attention: Sean Bovingdon
Telephone: (905) 304-4201 (extension 269)
Email: SBovingdon@tgod.ca

(b) to the Agent or a Lender:

Cortland Credit Lending Corporation
c/o Cortland Credit Group Inc.
200 Bay St., Suite 3230
Royal Bank Plaza South Tower
Toronto, ON, M5J 2J2

Attention: Bruce Sherk
Telephone: (416) 407-4440
Email: bsherk@cortlandcredit.ca

If given by registered mail shall be deemed to have been received by the party to whom it was addressed on the date falling four (4) Business Days following the date upon which it has been deposited in the post office with postage and cost of registration prepaid, and if personally delivered to an adult during normal business hours, when so delivered, and if given by other communication, the third (3rd) business hour after transmission and confirmation of receipt. Provided that any of the above-named parties may change the address designated from time to time, by notice in writing to the other party hereto.

29. **Binding Effect.** This Agreement shall be binding upon and shall enure to the benefit of (i) the Agent and the Lenders and their respective successors and assigns, and (ii) the Borrower and its successors and permitted assigns; "successors" includes any corporation resulting from the amalgamation of any party with any other corporation.

30. **Lenders.** The Borrower acknowledges and agrees that the Lenders shall be determined by the Agent from time to time, provided that (i) prior to the occurrence of an Event of Default, a Lender may be any entity designated by the Agent (without the consent of the Borrower) that is managed, affiliated with or Controlled by the Agent, (ii) prior to the occurrence of an Event of Default, a Lender may be any entity designated by the Agent (with the consent of the Borrower) that is not an entity managed, affiliated with or Controlled by the Agent, and (iii) following the occurrence of an Event of Default a Lender may be any entity designated by the Agent in its sole and unfettered discretion.

31. **General Indemnity.** The Borrower hereby indemnifies and holds harmless the Indemnified Parties from and against any and all claims, damages, losses, costs and expenses, that may be incurred by or asserted or awarded against any Indemnified Party, in each case arising out of or in connection with or relating to any investigation, litigation or proceeding or the preparation of any defense with respect thereto arising out of or in connection with or relating to this Agreement, the other Transaction Documents or the

transactions contemplated hereby or thereby, or any use made or proposed to be made with the proceeds of the Loan Advances, whether or not such investigation, litigation or proceeding is brought by an Obligor, any shareholder or creditor thereof, an Indemnified Party or any other Person, or an Indemnified Party is otherwise a party thereto and whether or not the transactions contemplated hereby are consummated, except to the extent such losses and expenses are found in a final, non-appealable judgment by a court of competent jurisdiction to have resulted from such Indemnified Party's intentional or gross negligence or wilful misconduct or for breach in bad faith of such Indemnified Party's obligations hereunder or under any other Transaction Document, or where such litigation or proceeding is solely between Indemnified Parties.

32. **Claims under the Indemnity.** The Indemnified Party claiming indemnification under Section 31 shall give the Borrower prompt notice in writing of particulars of any claim asserted by third parties against it which is covered by such indemnities.

33. **Amendment and Restatement.** This Agreement is an amendment and restatement of the Original Credit Agreement, and is in full force and effect, as of and from the date hereof. This Agreement will not discharge or constitute a novation of any debt, obligation, covenant or agreement contained in the Original Credit Agreement or in any other Transaction Document, agreements, certificates and other documents executed and delivered by or on behalf of any Obligor in respect thereof or in connection therewith, but the same shall remain in full force and effect as amended and restated by this Agreement and is hereby ratified and confirmed in the form of this Agreement. For greater certainty, the parties hereto agree that any obligations outstanding under or in connection with the Original Credit Agreement or the Transaction Documents as of the date hereof, constitute obligations outstanding under this Agreement or the Transaction Documents (as applicable). Each reference to the "Credit Agreement" or other similar reference in any of the Transaction Documents and all other agreements, certificates and other documents executed and delivered by any of the Obligors or Cortland in respect thereof or in connection therewith shall mean and be a reference to this Agreement.

[Remainder of this page is intentionally left blank; signature page follows.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

BORROWER:

THE GREEN ORGANIC DUTCHMAN LTD.

Per: Sean Bovingdon
Name: Sean Bovingdon
Title: Chief Executive Officer

Per: _____
Name: _____
Title: _____
I/we have the authority to bind the Borrower.

AGENT:

CORTLAND CREDIT LENDING CORPORATION, as Agent

Per: _____
Name: _____
Title: _____

Per: _____
Name: _____
Title: _____
I/we have the authority to bind the Agent.

SCHEDULE "A"

FORM OF ADVANCE REQUEST CERTIFICATE

ADVANCE REQUEST CERTIFICATE

Pursuant to the provisions of the amended and restated credit agreement dated September 30, 2021 (as it may be amended, restated, supplemented or otherwise modified from time to time, the “**Credit Agreement**”) (terms defined therein being used herein as so defined), between, *inter alia*, The Green Organic Dutchman Ltd. (the “**Borrower**”) and Cortland Credit Lending Corporation, as administrative agent (the “**Agent**”), the undersigned, being an officer or director of the Borrower hereby represents, warrants and certifies in such capacity, and not in her or his personal capacity, as follows:

1. **Representations and Warranties.** The representations and warranties of the Borrower and the other Obligors set forth in the Credit Agreement, or which are contained in any certificate, document or financial or other written statement furnished pursuant to or in connection with the Credit Agreement, including the other Transaction Documents are accurate and complete in all material respects on and as of the date hereof with the same effect as if made on the date hereof, except to the extent specified in the Credit Agreement or Transaction Documents to be made as of a specific date.

2. **No Material Adverse Change.** Since the date of the latest financial statements of the Borrower provided to the Agent in connection with the Transaction Documents, no Material Adverse Change has occurred.

3. **No Default.** No Default or Event of Default has occurred and is continuing as of the date hereof.

4. **Conditions Precedent.** The conditions precedent to this Loan Advance in accordance with the Credit Agreement have been satisfied.

5. **Loan Advance.** The Borrower hereby requests, authorizes, and instructs the Agent to drawdown and advance under the Revolving Facility the amount of CDN \$ _____ to the Borrower on _____, 20____. This will be the Agent’s authority:
 - a) [●]; and

 - b) [●].

[Signature Page Follows]

DATED _____, 20____.

THE GREEN ORGANIC DUTCHMAN LTD.

Per: _____

Name:

Title:

Per: _____

Name:

Title:

SCHEDULE "B"

FORM OF BORROWING BASE CERTIFICATE

[to follow]

SCHEDULE "C"

DEFINED TERMS

As used in this Agreement and unless otherwise stated herein, the terms set out below shall have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined).

"**\$**" and "**Dollar**" each mean Canadian dollars.

"**Account Debtor**" means the account debtor in respect of any account receivable of an Obligor arising from a bona fide, fully-completed transaction in the ordinary course of business consisting of either the sale of goods or the provision of services by the Obligor.

"**Advance Rate**" means eighty-five percent (85%).

"**Advance Request Certificate**" means a written notice, in the form attached as **Schedule "A"** attached hereto, pursuant to which the Borrower may request a Loan Advance in an amount not less than \$250,000.

"**Affiliate**" means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

"**Amendment No. 1**" means the first amendment to this Agreement dated May 27, 2020.

"**Amendment No. 1 Effective Date**" means the date upon which all of the conditions precedent to the effectiveness of Amendment No. 1 shall have been satisfied.

"**Amendment No. 1 Exercise Price**" means \$0.50.

"**Amendment No. 2**" means the second amendment to this Agreement dated October 1, 2020.

"**Amendment No. 2 Effective Date**" means the date upon which all of the conditions precedent to the effectiveness of Amendment No. 2 shall have been satisfied.

"**Amendment No. 2 Exercise Price**" means \$0.30.

"**Amendment No. 3**" means the third amendment to this Agreement dated July 30, 2021.

"**Amendment No. 3 Amount**" an amount equal to \$3,000,000.

"**Amendment No. 3 Effective Date**" means the date upon which all of the conditions precedent to the effectiveness of Amendment No. 3 shall have been satisfied.

"**Anti-Terrorism and Corruption Laws**" means any Applicable Laws relating to terrorism, trade sanctions programs and embargoes, import/export licensing, money laundering, corruption or bribery, and any regulation, order, or directive promulgated, issued or enforced pursuant to such laws, rules and regulations, all as amended, supplemented or replaced from time to time.

“Applicable Law” means, with respect to any Person, all laws, rules, regulations and orders of Governmental Authorities applicable to such Person or any of its properties or assets.

“Approved Jurisdiction” means a country in which it is legal in all political subdivisions therein (including for greater certainty on a federal, state, provincial, territorial and municipal basis) to undertake any Cannabis-Related Activities provided that in each case (i) such country has been approved in writing by the Agent in its discretion and (ii) if required by the Agent, the ability to undertake Cannabis-Related Activities to the extent permitted by Applicable Law therein is confirmed by a legal opinion provided by the Borrower's counsel in such jurisdiction, in form and substance satisfactory to the Agent. The Agent may in its discretion from time to time (i) upon receipt of a written request by the Borrower, designate any jurisdiction an Approved Jurisdiction provided that the above criteria are satisfied; and (ii) revoke the designation of any jurisdiction as an Approved Jurisdiction by written notice to the Borrower if such criteria are not satisfied.

“Associate” has the meaning ascribed thereto in the *Canada Business Corporations Act*.

“Bankruptcy Event” means an Involuntary Bankruptcy Event or a Voluntary Bankruptcy Event.

“Base Facility Amount” means: (a) prior to completion of the Hempoland Transaction, Seventeen Million Dollars (\$17,000,000); and (b) five Business Days following the completion of the Hempoland Transaction, Eleven Million Dollars (\$11,000,000).

“Blocked Account Agreement” means an agreement, in form and substance satisfactory to the Agent, in respect of a Collections Account in which, among other things, the financial institution maintaining such account acknowledges and agrees with the Agent and relevant Obligors that the Agent will control all disbursements from such accounts.

“Borrowing Base Certificate” means a written report, in the form attached as **Schedule “B”** attached hereto, pursuant to which the Borrower has, among other things, calculated the Revolving Facility Margin Limit.

“Business Day” means any day other than: (a) a Saturday or Sunday; or (b) a day on which banking institutions in Toronto, Ontario, are authorized or obligated by law or executive order to be closed.

“Cannabis” means:

- (a) any plant or seed, whether live or dead, from any species or subspecies of genus *Cannabis*, including *Cannabis sativa*, *Cannabis indica* and *Cannabis ruderalis*, Marijuana and any part, whether live or dead, of the plant or seed thereof, including any stalk, branch, root, leaf, flower, or trichome;
- (b) any material obtained, extracted, isolated, or purified from the plant or seed or the parts contemplated by clause (a) of this definition, including any oil, cannabinoid, terpene, genetic material or any combination thereof;
- (c) any organism engineered to biosynthetically produce the material contemplated by clause (b) of this definition, including any micro-organism engineered for such purpose;

- (d) any biologically or chemically synthesized version of the material contemplated by clause (b) of this definition or any analog thereof, including any product made by any organism contemplated by clause (c) of this definition;
- (e) any other meaning ascribed to the term “cannabis” under Applicable Law in any Approved Jurisdiction, including the Cannabis Act and the *Controlled Drugs and Substances Act* (Canada); and
- (f) any other meaning ascribed to the term “cannabis” under the *Controlled Substances Act* (United States).

“Cannabis Act” means *An Act respecting cannabis and to amend the Controlled Drugs and Substances Act, the Criminal Code and other Acts*, S.C. 2018, c. 16, as amended from time to time.

“Cannabis Regulations” means Cannabis Regulations under the Cannabis Act, as amended from time to time and all other regulations made from time to time under the Cannabis Act or any other statute in an Approved Jurisdiction with respect to Cannabis-Related Activities.

“Cannabis-Related Activities” means any activities, including advertising or promotional activities, relating to or in connection with the importation, exportation, cultivation, production, purchase, distribution or sale of Cannabis or Cannabis-related products.

“Capital Lease” means, with respect to a Person, a lease or other arrangement in respect of personal property that is required to be classified and accounted for as an obligation on a balance sheet of the Person in accordance with IFRS.

“Change of Control” means (i) if both (x) Brian Athaide ceases to be the chief executive officer of the Borrower, and (y) Sean Bovington ceases to be the chief financial officer of the Borrower, and the Agent shall not have been satisfied, in its reasonable discretion, with the arrangements made with respect to the replacement of both such individuals, (ii) fifty percent (50%) or more of the ownership or Control of the voting interests of Holdings are acquired, directly or indirectly, by any Person, whether acting individually or in concert with any other Person or Persons, (iii) the sale of all or substantially all of the assets of any Obligor (other than to another Obligor); or (iv) if any wholly owned, direct or indirect, subsidiary of the Borrower ceases to be wholly owned, directly or indirectly, by the Borrower; or (v) Borrower ceases to be wholly-owned, directly or indirectly, by Holdings.

“Collateral” means all present and after acquired undertaking and personal property of the Obligors, including all proceeds thereof, subject to such customary exclusions as set out in the Security Documents.

“Collections Account” means the account established and maintained by a Schedule “1” Canadian Chartered Bank in the name of the Borrower into which all payments by Account Debtors are deposited and which account shall at all times be subject to the Blocked Account Agreement.

“Control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise, and **“Controlling”** and **“Controlled”** have meanings correlative thereto.

“Default” means any event, act, omission or condition which with the giving of notice or passage of time, or both, would result in an Event of Default.

“EBITDA”, for a period, means net income of the Borrower for such period, on a consolidated basis, plus, without duplication for such period, each on a consolidated basis, interest expense, taxes, depreciation, amortization, extraordinary or non-recurring losses and impairments, unrealized losses in the fair value of biological assets and non-cash stock based compensation, less unrealized gains in the fair value of biological assets and extraordinary or non-recurring gains.

“Eligible Account Receivable” means, in respect of any Obligor, an account receivable of such Obligor (in this definition, individually called an "account") which satisfies all of the following eligibility criteria:

- (a) the account is subject to a first-ranking security interest held by the Agent pursuant to the Security Agreements and is not subject to any other Liens, except Permitted Encumbrances, and the Account Debtor thereof has been directed to pay the proceeds of such account to the Collections Account;
- (b) if the Account Debtor is a Governmental Authority, all requirements of Applicable Law have been satisfied in order that the assignment of such account in favour of the Agent shall be valid and enforceable;
- (c) the Account Debtor is located in an Approved Jurisdiction;
- (d) the Account Debtor is not any Obligor or any Related Person of any Obligor;
- (e) the account is not in dispute or subject to any defence, counterclaim or claim by the Account Debtor for credit, set-off, allowance or adjustment;
- (f) the Obligor does not have an obligation to hold any portion of the account in trust or as agent for any other Person (except pursuant to a statutory lien securing obligations which are not overdue);
- (g) an invoice relating to the account has been issued by the Obligor and received by the Account Debtor;
- (h) the account is not outstanding for more than ninety-one (91) days from the date of the invoice relating thereto (regardless of the due date specified in such invoice for payment), unless the Account Debtor is a Governmental Authority, in which case the account shall not be outstanding for more than one hundred twenty-one (121) days from the date of the invoice relating thereto (regardless of the due date specified in such invoice for payment);
- (i) the Account Debtor is not insolvent or subject to any Bankruptcy Event; and
- (j) the account is not subject to undue credit risk in the opinion of the Agent.

“Event of Default” means:

- (a) if any Obligor at any time shall fail to pay or perform with regard to the obligation to repay the principal or interest on each Loan Advance on the date required by this Agreement for such payment;
- (b) if any Obligor at any time shall fail to pay or perform with regard to the obligation to pay any fees or other amounts payable to the Agent (which, for greater certainty, does not include amounts

payable under item (i), above) within three (3) Business Days of the date required by this Agreement or any other Transaction Document for such payment;

- (c) if any Obligor ceases or threatens to cease carrying on its business or if a petition shall be filed, an order shall be made or an effective resolution shall be passed for the winding-up or liquidation of an Obligor;
- (d) if a Bankruptcy Event of any Obligor occurs;
- (e) if a Change of Control (that has not been consented to in writing by the Agent) occurs;
- (f) if any encumbrancer, lien holder or Person acting on its behalf shall take possession of the Collateral or any part thereof;
- (g) if any Obligor permits any sum which is outstanding in an aggregate principal amount exceeding \$100,000 and which has been admitted as due by such Obligor or is not disputed to be due by it and which forms or is capable of being made a charge on any Collateral in priority to the security interests granted to the Agent to remain unpaid after proceedings have been taken to enforce such charge;
- (h) if any representation or warranty made by or on behalf of any Obligor or any of its officers, employees or agents to the Agent shall be false or inaccurate, in any material respect (determined in the discretion of the Agent, acting reasonably);
- (i) if any Obligor fails to perform or comply with any of its covenants or obligations contained in any Transaction Document; provided that (other than any covenants provided for in Sections 8(j), 8(k), 8(l), 8(m), 8(n), 8(o), 8(p), 8(q), 8(r), 8(t), 8(u), 8(v), 8(w), and 8(y) or any other Event of Default provided for in any other clause of this definition), if such non-compliance is capable of being remedied within ten (10) days, such Obligor diligently attempts to remedy such non-compliance and informs the Agent of its efforts in this regard, and remedies such default within such ten (10) days, then such non-compliance shall be deemed not to constitute an Event of Default;
- (j) if any Obligor defaults in the observance or performance of any provision relating to the indebtedness or liability of such Obligor to any Person other than the Agent, in an aggregate principal amount exceeding \$100,000, subject to any cure or grace periods provided for in the documentation providing for such indebtedness or liability;
- (k) if any Material Agreement or Material Permit shall terminate, be withdrawn, suspended, revoked, cancelled or amended in contravention of this Agreement;
- (l) if a Material Adverse Change shall have occurred;
- (m) if there is a suspension of trading of the common shares of Holdings on the Canadian Securities Exchange (or such other recognized stock exchange as may be agreed upon by Holdings and the Agent and such suspension is in excess of five (5) trading days on such exchange; or
- (n) if the Cannabis Act is repealed and not replaced with similar legislation.

“Governmental Authority” means the government of Canada, the United States of America or any other nation or any political subdivision thereof, whether state, provincial or local, and any agency, authority, instrumentality, regulatory body (including any self-regulatory body), court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government, and for greater certainty includes Health Canada.

“Guarantee” means any agreement by which any Person assumes, guarantees, endorses, contingently agrees to purchase or provide funds for the payment of, or otherwise becomes liable upon, the obligation of any other Person, or agrees to maintain the net worth or working capital or other financial condition of, or provide any financial assistance to any other Person or otherwise assures any creditor of such Person against loss, and shall include any contingent liability under any letter of credit or similar document or instrument.

“Hazardous Materials” means any contaminant, pollutant, waste or substance that is likely to cause immediately or at some future time harm or degradation to the surrounding environment or risk to human health; and without restricting the generality of the foregoing, including any pollutant, contaminant, waste, hazardous waste or dangerous goods that is regulated by any Requirements of Environmental Law or that is designated, classified, listed or defined as hazardous, toxic, radioactive or dangerous or as a contaminant, pollutant or waste by any Requirements of Environmental Law.

“Health Canada Licenses” means, in respect of any Obligor, all Material Permits of such Obligor which are both related to the Cannabis-Related Activities of such Obligor and issued by Health Canada, including Material Permits to plant, grow, cultivate, extract, produce, process, store, destroy, sell, provide, ship, deliver, transport and/or distribute cannabis under Applicable Law, including without limitation License Nos. LIC-CJMMLU7IJN-2019, LIC-NIHQWUXTUS-2019, LIC-QBWAEEEME64-2018, LIC-QBWAEEEME64-2018-2, and LIC-NM7TA6CIJ3-2019.

“Hempoland Transaction” has the meaning given to such term in Section 8(ii).

“Holdings” means The Green Organic Dutchman Holdings Inc.

“Indemnified Parties” refers collectively to the Agent, the Lenders, each of their affiliates as well as each of its directors, officers, employees, representatives and agents and **“Indemnified Party”** refers to any one thereof.

“Interest Rate” means the greater of (i) 12% per annum and, (ii) the TD Prime Rate, plus 8.05% per annum.

“Involuntary Bankruptcy Event” means, without the consent or acquiescence of the applicable Person, the entering of an application for an order for relief or approving a petition or court order for relief or reorganization or any other petition or order seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, monitoring or other similar relief under any present or future bankruptcy, insolvency or similar process under Applicable Law, or the filing of any such petition or order against such Person or, without the consent or acquiescence of such Person, the entering of an order appointing a trustee, monitor, custodian, inspector, receiver or liquidator of such Person or of all or any substantial part of the undertaking or property of such Person, in each case where such petition or order shall remain unstayed or shall not have been stayed or dismissed within forty-five (45) days from entry thereof.

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

“Loan Advance” means any loan extended to the Borrower pursuant to the terms of this Agreement.

“Marijuana” has the meaning ascribed to such term (i) under the Applicable Law in any Approved Jurisdiction or (ii) under the *Controlled Substances Act* (United States).

“Material Adverse Change” means any event, circumstance or change that could be expected to result, individually or in the aggregate, in a material adverse effect, in any respect, on (a) the legality, validity or enforceability of any of the Transaction Documents or any of the security interests provided for thereunder, (b) the right or ability of an Obligor to perform any of its obligations under any of the Transaction Documents, in each case to which it is a party, or to consummate the transactions contemplated under any of the Transaction Documents, (c) the financial condition, assets, business or prospects of the Obligors, taken as a whole, (d) any Material Permit, (e) an Obligor’s ability to retain, utilize, exploit or comply with its obligations under any Material Permit, or (f) the rights or remedies of the Agent under any of the Transaction Documents, that any change in the financial condition of an Obligor as the date hereof caused by or related to the COVID-19 global pandemic occurring prior to the date of this Agreement shall not constitute a Material Adverse Change.

“Material Agreement” means any contract or agreement of an Obligor (i) which involves potential revenue or expenditure in excess of \$500,000 in any fiscal year, or (ii) the loss, termination or non-renewal of which would reasonably be expected to result in a Material Adverse Change, including without limitation any agreement between an Obligor and any other Person for the supply of Cannabis.

“Material Permit” means the Health Canada Licenses and any other authorization, approval, consent, exemption, license, grant, permit, franchise, right, privilege or no-action letter from any Governmental Authority having jurisdiction with respect to any specified Person, property, transaction or event, or with respect to any of such Person’s property or business and affairs (including any zoning approval, development permit or building permit), the failure of which to be obtained or held would prohibit or reasonably be expected to materially and adversely affect the ability of any Obligor to conduct its business as presently conducted and planned to be conducted.

“Obligors” means, collectively the Borrower, Holdings and all of Holdings’ direct and indirect subsidiaries which are organized under the federal laws of Canada (or any province thereof) or any state of the United States of America, and “Obligor” means any of them; for greater certainty, as of the date of this Agreement, the Obligors include the Borrower, The Green Organic Dutchman Holdings Ltd., The Green Organic Hemp Ltd., Medican Organic Inc.

“Permitted Encumbrances” means, collectively:

- (a) Liens granted in favour of the Agent pursuant to the Security Agreements;
- (b) Liens or deposit under workers' compensation, social security or similar legislation or in connection with bids, tenders, leases or contracts or to secured related public or statutory obligations, surety and appeal bonds where required by law;

- (c) any builders', mechanics', materialman's, carriers', repairmen's, warehousemen's, landlords' and other like Liens and privileges, in each case, which relate to obligations not yet due or delinquent or being contested in good faith;
- (d) any Liens for taxes, assessments, unpaid wages, unpaid superannuation or governmental charges or levies for the then current year and not at the time due and delinquent or are being contested in good faith;
- (e) any right reserved to or vested in any Governmental Authority by the terms of any lease, licence, franchise, grant, claim or permit held or acquired by an Obligor, or by any statutory provision, to terminate the lease, licence, franchise, grant, claim or permit or to purchase assets used in connection therewith or to require annual or other periodic payments as a condition of the continuance thereof;
- (f) any Lien created or assumed by any Obligor in favour of a public utility when required by the utility in connection with the operations of such Obligor that do not in the aggregate detract from the value of any of the Collateral or impair their use in the operation of the business of such Obligor;
- (g) any reservations, limitations, provisos and conditions expressed in original grants from any Governmental Authority;
- (h) any applicable municipal and other Governmental Authority restrictions affecting the use of land or the nature of any structures which may be erected thereon, any minor encumbrance, such as easements, rights-of-way, servitudes or other similar rights in land granted to or reserved by other Persons, rights-of-way for sewers, electric lines, telegraph and telephone lines, oil and natural gas pipelines and other similar purposes, or zoning or other restrictions applicable to the use of real property by any Obligor, or title defects, encroachments or irregularities, that do not detract from the value of the property or impair its use in the operation of the business of any Obligor;
- (i) any Lien that secures Permitted Indebtedness referred to under clause (c) of the definition of "Permitted Indebtedness";
- (j) any Lien that secures Permitted Indebtedness referred to under clause (g) of the definition of "Permitted Indebtedness" provided that: (a) such Lien is limited to the mobile equipment which was acquired with the proceeds of such Permitted Indebtedness and (b) the amount of such Permitted Indebtedness secured by any such Lien at no time exceeds 100% of the original acquisition price of such mobile asset at the time it was acquired, plus interest and fees, if any;
- (k) any Lien in connection with attachments, judgments and other similar Liens arising in connection with court proceedings; provided however that: (a) the Liens are in existence for less than twenty (20) Business Days after their creation, or (b) the execution or other enforcement of the Lien is effectively stayed or the claims so secured is being contested in good faith by appropriate proceedings and as to which reserves are being maintained in accordance with generally accepted accounting principles;
- (l) customary rights of set-off or combination of accounts with respect to deposits or accounts incurred in the ordinary course of business; and

- (m) Liens listed in Schedule “J”;
- (n) any Lien that secures indebtedness provided that such Lien is limited to monies paid or payable under the insurance policies together with the assigned right to cancel the insurance policies.

“**Permitted Guarantees**” means any Guarantee by an Obligor of any Permitted Indebtedness.

“**Permitted Indebtedness**” means any:

- (a) indebtedness under this Agreement;
- (b) indebtedness comprised of amounts owed to trade creditors and accruals in the ordinary course of business, which are either not overdue or, if disputed and in that case whether or not overdue, are being contested in good faith by such Obligor by appropriate proceedings diligently conducted, and provided always that: (i) the failure to pay such indebtedness could not be expected to result in a Default or Event of Default and (ii) the aggregate amount of such indebtedness does not exceed \$15,000,000;
- (c) any inter-company indebtedness between any Obligors;
- (d) any other indebtedness which the Agent agrees in writing is Permitted Indebtedness for the purposes of this Agreement;
- (e) any indebtedness under Capital Leases and Purchase Money Obligations, which indebtedness does not exceed \$10,000,000 in the aggregate for the Obligors at any time; and
- (f) indebtedness owed to any Person providing or financing workers’ compensation, health, disability or other employee benefits or property, casualty or liability insurance, in each case incurred in the ordinary course of business.

“**Person**” means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

“**Potential Priority Claims**” means all amounts owing or required to be paid, where the failure to pay any such amount could give rise to a claim pursuant to any Applicable Law or otherwise, which ranks or is capable of ranking in priority to the Agent’s security or otherwise in priority to any claim by the Agent for repayment of any amounts owing under this Agreement.

“**PPSA**” means the *Personal Property Security Act* (Ontario), as amended, and to the extent relevant, equivalent statutes of the other Provinces of Canada, including the *Civil Code of Quebec*.

“**Priority Lien**” means any Lien that is not a Subordinated Lien.

“**Purchase Money Obligation**” means, with respect to a Person, indebtedness of the Person issued, incurred or assumed to finance all or part of the cost of acquiring any tangible asset.

“Related Person” in relation to any Person means a Subsidiary, Affiliate, Associate or shareholder, director, officer or employee of such Person.

“Requirements of Environmental Law” means: (i) obligations under common law; (ii) requirements imposed by or pursuant to statutes, regulations and by-laws whether presently or hereafter in force; (iii) directives, policies and guidelines issued or relied upon by any Governmental Authority to the extent such directives, policies or guidelines have the force of law; (iv) permits, licenses, certificates and approvals from Governmental Authorities which are required in connection with air emissions, discharges to surface or groundwater, noise emissions, solid or liquid waste disposal, the use, generation, storage, transportation or disposal of Hazardous Materials; and (v) requirements imposed under any clean-up, compliance or other order made pursuant to any of the foregoing, in each and every case relating to environmental, health or safety matters including all such obligations and requirements which relate to (A) solid, gaseous or liquid waste generation, handling, treatment, storage, disposal or transportation of Hazardous Materials and (B) exposure to Hazardous Materials.

“Responsible Person” means: (i) an officer or director of any Obligor; or (ii) any other Person required to hold a security clearance pursuant to the Cannabis Act or the Cannabis Regulations.

“Revolving Facility” means a revolving credit facility in an amount not to exceed the Revolving Facility Limit.

“Revolving Facility Limit” means the Base Facility Amount at such time, plus the Revolving Facility Margin Limit at such time, provided that such aggregate amount shall not at any time exceed \$25,000,000.

“Revolving Facility Margin Limit” means, at any time, the Advance Rate multiplied by, (x) the face amount of all Eligible Accounts Receivables at such time, minus (y) any Eligible Accounts Receivables subject to any Potential Priority Claims and Priority Liens at such time.

“Security Agreements” means, collectively, (i) general security and pledge agreements (or hypothecs) delivered by each of the Obligors to the Agent; (ii) the debentures and mortgages given by the Obligors to the Agent, as applicable, in respect of the real property owned by them; (iii) security agreements in respect of intellectual property delivered by each of the Obligors to the Agent, as applicable; (iv) a subordination agreement or intercreditor from each creditor in respect of an Outstanding Payable, as applicable; (v) all guarantees given by any Obligor to the Agent, and (vi) a Blocked Account Agreement with respect to the Collections Accounts; and (vii) assignments of insurance delivered by the Obligors in favour of the Agent, as applicable, in each case, as such agreements may be amended, amended and restated or replaced in its entirety from time to time.

“Solvent” means, with respect to any Person as of the date of determination, (i) the aggregate property of such Person is sufficient, if disposed of at a fairly conducted sale under legal process, to enable payment of all its obligations, due and accruing due; (ii) the aggregate property of such Person is, at a fair valuation, sufficient to enable payment of all its obligations, due and accruing due; (iii) such Person is able to meet its obligations as they generally become due; and (iv) such Person has not ceased paying its current obligations in the ordinary course of business as they generally become due; and for purposes of this definition, the amount of any contingent obligation at such time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

“Subordinated Lien” means any Lien for which the holder thereof has agreed, pursuant to a subordination agreement or intercreditor agreement in form satisfactory to the Agent, that such Lien shall at all times be subordinated and postponed in favour of the Liens granted by any Obligor in favour of the Agent.

“Subsidiary” means a Person (other than a natural person) which is Controlled, directly or indirectly, by another Person (other than a natural person); and for greater certainty includes a Subsidiary of a Subsidiary.

“TD Prime Rate” means the floating annual rate of interest established from time to time by the Toronto-Dominion Bank as the reference rate it will use to determine rates of interest payable to the Toronto-Dominion Bank by commercial borrowers from it of Canadian dollar loans in Canada and designated by it as its “prime rate”.

“Total Exposure” has the meaning given to such term in Section 3(a) of this Agreement.

“Transaction Documents” means, collectively, this Agreement, the Guarantees given by the Obligors (other than the Borrower) in respect of the obligations under this Agreement, the Security Agreements, the Warrants, the Amendment No. 1 Warrants, the Amendment No. 2 Warrants and all other documents contemplated by this Agreement and/or delivered in connection with this Agreement (including, for greater certainty, any Advance Request Certificate and Borrowing Base Certificate).

“Utilization Fee Rate” means two and four tenths of a percent (2.40%) per annum, divided by the then current calendar year of three hundred and sixty-five (365) or three hundred and sixty-six (366) days, as the case may be.

“Vendor Subordination Agreements” means the subordination agreements referred to in part (iv) of the definition of “Security Agreements”.

“Voluntary Bankruptcy Event” means (a) an admission in writing by a Person of its inability to pay its debts generally or a general assignment by such Person for the benefit of creditors, (b) the filing of any assignment, petition or consent thereto or answer by such Person seeking to adjudicate itself as bankrupt or insolvent, or seeking for itself any liquidation, winding-up, reorganization, arrangement, adjustment, protection, relief or composition of such Person or its debts under any present or future bankruptcy, insolvency or similar Applicable Law, or seeking, consenting to or acquiescing in the entry of an order for relief in any case under any such Applicable Law, or the appointment of or taking possession by a trustee, monitor, custodian, inspector, receiver or liquidator of such Person or for any substantial part of such Person’s property, or (c) corporate or other action taken by such Person to authorize any of the actions set forth above.

SCHEDULE "D"

LITIGATION

1. 1613240 Ontario Ltd. and Amy Stephenson v. The Green Organic Dutchman Holdings Ltd. ("TGOD Holdings"), Ontario Superior Court of Justice File No. CV-18-605781. Action commenced by the former Chief Financial Officer of TGOD Holdings claiming \$3 million in damages, stemming from the termination of her consulting agreement.
2. Iostesso Holdings Inc., 2 Chisholm Court Property Inc., Jonathan Wener and PT Enterprises Inc. v. The Green Organic Dutchman Holdings Ltd., Supreme Court of British Columbia, Registry No. S-195390. Action commenced by a group of investors claiming approximately \$1.25 million in damages for breach of contract arising from lock-up provisions applicable to certain warrants issued by TGOD Holdings.
3. On August 3, 2020, the Company was named as a defendant in a civil litigation matter commenced in the United States District Court for the Middle District of Georgia relating to its minority interest in a US-based beverage incubation business, seeking, among other things, unquantified compensatory damages and injunctive relief

SCHEDULE "E"

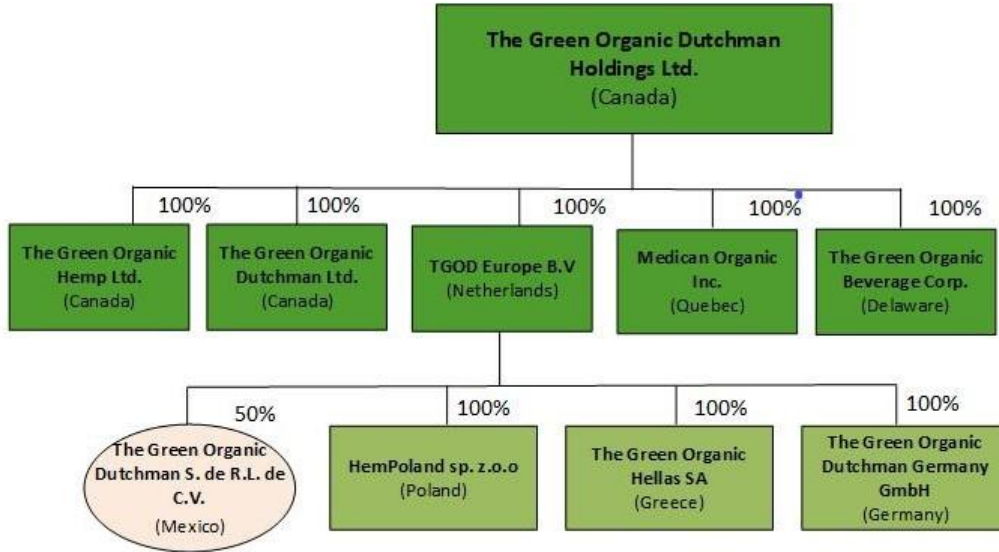
ENVIRONMENTAL DISCLOSURE

Nil.

SCHEDULE "F"

CORPORATE INFORMATION

Intercorporate Relationships



The Green Organic Dutchman Ltd.

Name of Obligor: The Green Organic Dutchman Ltd.

Prior Obligor Names: N/A

Predecessor Corporations: N/A

Jurisdiction of Incorporation: Canada

Registered Office: Building A, Suite 200, 6205 Airport Road, Mississauga, Ontario L4V 1E3

Principal Place of Business/
Chief Executive Office: 1915 Jerseyville Road West, Jerseyville, Ontario L0R 1R0

Issued & Outstanding Shares: 200 common shares

List of Shareholders: The Green Organic Dutchman Holdings Ltd. – 200 common shares

The Green Organic Dutchman Holdings Ltd.

Name of Obligor: The Green Organic Dutchman Holdings Ltd.

Prior Obligor Names: N/A

Predecessor Corporations: N/A

Jurisdiction of Incorporation: Canada

Registered Office: Building A, Suite 200, 6205 Airport Road, Mississauga, Ontario L4V 1E3

Principal Place of Business/
Chief Executive Office: Building A, Suite 200, 6205 Airport Road, Mississauga, Ontario L4V 1E3

Issued & Outstanding Shares: 313,608,518 common shares

List of Shareholders: N/A

The Green Organic Hemp Ltd.

Name of Obligor: The Green Organic Hemp Ltd.

Prior Obligor Names: N/A

Predecessor Corporations: N/A

Jurisdiction of Incorporation: Canada

Registered Office: Building A, Suite 200, 6205 Airport Road, Mississauga, Ontario L4V 1E3

Principal Place of Business/
Chief Executive Office: Building A, Suite 200, 6205 Airport Road, Mississauga, Ontario L4V 1E3

Issued & Outstanding Shares: 103 common shares

List of Shareholders: The Green Organic Dutchman Holdings Ltd. – 103 common shares

Medican Organic Inc.

Name of Obligor: Medican Organic Inc./Médican Biologique inc.

Prior Obligor Names: N/A

Predecessor Corporations: 9371-8633 Québec Inc./9371-8633 Québec Inc.

Jurisdiction of Incorporation: Québec

Registered Office: 311-455 Boul. Fénelon, Dorval, Québec H9S 5T8

Principal Place of Business/
Chief Executive Office: 1175 Boul. Gérard-Cadieux, Salaberry-de-Valleyfield, Québec, J6T 6M1

Issued & Outstanding Shares: 100 common shares

List of Shareholders: The Green Organic Dutchman Holdings Ltd. – 100 common shares

SCHEDULE "G"

PENDING CORPORATE CHANGES

Warrants issued by The Green Organic Dutchman Holdings Ltd. under the indenture dated October 23, 2020 and trading on the Canadian Securities Exchange under the symbol "TGOD.WA".

Warrants issued by The Green Organic Dutchman Holdings Ltd. under the indenture dated December 10, 2020 and trading on the Canadian Securities Exchange under the symbol "TGOD.WB".

Warrants issued by The Green Organic Dutchman Holdings Ltd. under the indenture dated June 12, 2020 and trading on the Canadian Securities Exchange under the symbol "TGOD.WR".

Warrants issued by The Green Organic Dutchman Holdings Ltd. under the indenture dated December 19, 2019 and trading on the Canadian Securities Exchange under the symbol "TGOD.WS".

Warrants issued by The Green Organic Dutchman Holdings Ltd. to Maynbridge Capital Inc. in connection with its senior secured loan, repaid on June 22, 2021.

Warrants issued by The Green Organic Dutchman Holdings Ltd. To Cortland Credit Corporation. in connection with its senior secured loan, repaid on June 22, 2021.

Warrants issued by The Green Organic Dutchman Holdings Ltd. to Canaccord Genuity Corp. in connection with its financings of The Green Organic Dutchman Holdings Ltd.

Escrowed share units, contingent share units, RSUs, and incentive stock options and ESPP issued under The Green Organic Dutchman Holdings Ltd.'s incentive compensation plans

SCHEDULE "H"

MATERIAL AGREEMENTS AND MATERIAL PERMITS

Material Agreements

1. Standing Offer Contract 1631 between The Green Organic Dutchman Holdings Ltd. and Alberta Gaming, Liquor and Cannabis Commission dated May 20, 2019
2. Master Cannabis Supply Agreement between The Green Organic Dutchman Holdings Ltd. and Ontario Cannabis Retail Corporation dated February 6, 2019
3. Data Subscription Agreement between The Green Organic Dutchman Holdings Ltd. and Ontario Cannabis Retail Corporation dated February 25, 2019
4. Licensed Producer Supply Agreement for Non-Medical Cannabis between The Green Organic Dutchman Holdings Ltd. and Her Majesty the Queen in Right of the Province of British Columbia, as represented by the Administrator of the Cannabis Distribution Act dated November 7, 2019
5. NLC Cannabis and Cannabis Related Product Supply Agreement between The Green Organic Dutchman Ltd. and Newfoundland and Labrador Liquor Corporation dated November 19, 2019
6. Lettre D'Intention between The Green Organic Dutchman Holdings Ltd. and Societe Quebecoise du Cannabis dated March 26, 2020
7. CCDC 5B Construction Management Contract for Services and Construction between Medican Organic Inc. and Ed Brunet & Associates Canada Inc. dated August 24, 2018, as amended by an Agreement for Future Amendment dated August 2018 and Supplementary Conditions dated August 30, 2018
8. Supra-Contractual Liability Agreement between Medican Organic Inc., Ed Brunet et Associates Canada Inc., KVPBC Greenhouses Manufacturing BV, Kubo Greenhouse Projects BV, PB Techniek BV, Hawe Systems International BV, VK Greenhouse Projects BV, 9668837 Canada Inc., and Emile Seguin & Fils Ltee dated March 20, 2019
9. CCDC 5B Construction Management Contract for Services and Construction between The Green Organic Dutchman Ltd. and Ledcor Construction Limited dated February 3, 2017, as amended April 9, 2019 and as further amended on December 20, 2019
10. Services Agreement between The Green Organic Dutchman Holdings Ltd. and Velvet Management Inc. dated November 12, 2018
11. Equipment Purchase Agreement between Medican Organic Inc. and Ziel Equipment, Sales & Services, LLC dated March 15, 2019
12. Equipment Purchase Agreement between The Green Organic Dutchman Holdings Ltd. and Enwave Corporation dated December 28, 2018

13. Equipment Purchase Agreement between Medican Organic Inc. and Enwave Corporation dated March 22, 2019, as amended July 17, 2019
14. Budget Equipment Proposal Reference CON-19-1218R7-NP between The Green Organic Dutchman Ltd. and Capmatic Ltd. dated April 5, 2019
15. Budget Equipment Proposal Reference CON-18-1216R9-NP between The Green Organic Dutchman Ltd. and Capmatic Ltd. dated April 5, 2019
16. Letter of Intent between Medican Organic Inc. and Capmatic Ltd. dated December 5, 2018
17. Supplier Agreement – Cannabis Products between The Green Organic Dutchman Holdings Ltd. and Loblaw's Inc. dated March 3, 2020
18. Agreement of Purchase and Sale of Valleyfield Facility with Cannara Biotech (Ops) Inc., dated June 8, 2021
19. Service agreement with Cannara (Valleyfield) with respect to providing services at Valleyfield, QC dated September 25, 2021.

Material Permits

20. License and Consulting Agreement between The Green Organic Dutchman Holdings Ltd. and CBx Enterprises LLC dated May 21, 2018
21. License Agreement between The Green Organic Dutchman Holdings Ltd. and 5071 Incorporated (o/a Stillwater Foods) dated May 28, 2018
22. Health Canada Licence No LIC-NM7TA6CIJ3-2019 (hemp cultivation) issued to The Green Organic Hemp Ltd. expiring March 29, 2022
23. Health Canada Licence No LIC-CJMMLU7IIN-2019-1 (cultivation, processing, sale) issued to The Green Organic Dutchman Ltd. expiring August 16, 2022
24. Health Canada Licence No LIC-MVXNLN8UCN-2020 (Research) issued to The Green Organic Dutchman Ltd., expiring February 12, 2025

SCHEDULE "I"

REAL PROPERTY

1. Owned:
 - a. 1915 Jerseyville Road West, Jerseyville, ON L0R 1R0 owned by The Green Organic Dutchman Ltd.
2. Leased:
 - a. 6205 Airport Rd., Suites 200 & 301, Bldg A, Mississauga, ON L4V 1E3 leased by The Green Organic Dutchman Holdings Ltd.
 - b. 311-455 BOUL., Fenelon, Dorval, Quebec H9S 578 leased by Medican Organic Inc.

SCHEDULE "J"

PERMITTED ENCUMBRANCES

1. Lien with registration number 20170906 1631 1862 3892 in favour of Alterna Savings and Credit Union Limited as against The Green Organic Dutchman Holdings Ltd. with respect to assignment of term deposits and credit balances.
2. Lien with registration number 20180410 1610 1532 1077 in favour of Bank of Montreal as against The Green Organic Dutchman Holdings Ltd. with respect to a short-term investment certificate n/o 0002-9631-033 in the principal amount of \$100,000.
3. Lien with registration number 20191025 1616 1626 1771 in favour of Alterna Savings and Credit Union Limited as against The Green Organic Dutchman Holdings Ltd. with respect to a term deposits #8 and #9 for letters of credit in the amount of \$35,000 and \$455,500, plus interest accrued on such term deposits.

SCHEDULE "K"

ACCREDITED INVESTOR CERTIFICATE

TO: THE GREEN ORGANIC DUTCHMAN HOLDINGS LTD. (the "Corporation")

You (the undersigned accredited investor) represent and warrant to the Corporation that you are an "accredited investor" as defined in section 73.3 of the *Securities Act* (Ontario), on the basis that you fit within the category of accredited investor which you have indicated below.

You represent and warrant that you are: ***{please initial the applicable item, complete the relevant information and sign this certificate}***

- _____ (a) a Schedule I, II or III bank, or a Canadian financial institution
- _____ (b) the Business Development Bank of Canada
- _____ (c) a subsidiary of any person referred to in paragraph (a) or (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary
- _____ (d) a person registered under the securities legislation of a jurisdiction of Canada as an adviser or dealer
- _____ (e) an individual registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in paragraph (d)
- _____ (e.1) an individual formerly registered under the securities legislation of a jurisdiction of Canada, other than an individual formerly registered solely as a representative of a limited market dealer under one or both of the *Securities Act* (Ontario) or the *Securities Act* (Newfoundland and Labrador)
- _____ (f) the Government of Canada or a jurisdiction of Canada, or any crown corporation, agency or wholly owned entity of the Government of Canada or a jurisdiction of Canada
- _____ (g) a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l'île de Montréal or an intermunicipal management board in Québec
- _____ (h) any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government
- _____ (i) a pension fund that is regulated by either the Office of the Superintendent of Financial Institutions (Canada) or a pension commission or similar regulatory authority of a jurisdiction of Canada

- _____ (j) an individual who, either alone or with a spouse, beneficially owns financial assets having an aggregate realizable value that, before taxes but net of any related liabilities, exceeds \$1,000,000
- {Note: Financial assets include cash and securities, but do not include a personal residence – see the definition of “financial assets” later in this certificate. Financial assets are generally liquid or relatively easy to liquidate. You must subtract any liabilities related to your financial assets to calculate your net financial assets—see the definition of “related liabilities”. Financial assets held in a group RRSP under which you do not have the ability to acquire the financial assets and deal with them directly are not considered to be beneficially owned by you.}*
- _____ (j.1) an individual who beneficially owns financial assets having an aggregate realizable value that, before taxes but net of any related liabilities, exceeds \$5,000,000
- {Note: The financial assets of your spouse (including financial assets in a spousal RRSP) cannot be included in the calculation of net financial assets under this paragraph (j.1).}*
- _____ (k) an individual whose net income before taxes exceeded \$200,000 in each of the two most recent calendar years or whose net income before taxes combined with that of a spouse exceeded \$300,000 in each of the two most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year
- _____ (l) an individual who, either alone or with a spouse, has net assets of at least \$5,000,000
- {Note: To calculate net assets, take the value of your total assets (which may include a personal residence) and subtract your total liabilities (which may include a mortgage). The value attributed to assets should reasonably reflect their estimated fair value. Income tax should be considered a liability if the obligation to pay it is outstanding at the time of the subscription.}*
- _____ (m) a person, other than an individual or investment fund, that has net assets of at least \$5,000,000 as shown on its most recently prepared financial statements
- _____ (n) an investment fund that distributes or has distributed its securities only to:
- (i) a person that is or was an accredited investor at the time of the distribution;
 - (ii) a person that acquires or acquired securities in the circumstances referred to in sections 2.10 (*Minimum amount investment*), or 2.19 (*Additional investment in investment funds*) of NI 45-106; or
 - (iii) a person described in paragraph (i) or (ii) that acquires or acquired securities under section 2.18 (*Investment fund reinvestment*) of NI 45-106
- _____ (o) an investment fund that distributes or has distributed securities under a prospectus in a jurisdiction of Canada for which the regulator or, in Québec, the securities regulatory authority, has issued a receipt
- _____ (p) a trust company or trust corporation registered or authorized to carry on business under the *Trust and Loan Companies Act* (Canada) or under comparable legislation in a

jurisdiction of Canada or a foreign jurisdiction, acting on behalf of a fully managed account managed by the trust company or trust corporation, as the case may be

_____ (q) a person acting on behalf of a fully managed account managed by that person, if that person is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction

_____ (r) a registered charity under the *Income Tax Act* (Canada) that, in regard to the trade, has obtained advice from an eligibility adviser or an adviser registered under the securities legislation of the jurisdiction of the registered charity to give advice on the securities being traded

_____ (s) an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (a) to (d) or paragraph (i) in form and function

_____ (t) a person in respect of which all of the owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by directors, are persons that are accredited investors

*{Note: If you have initialled this paragraph (t), name each owner of an interest, and indicate the category of accredited investor into which that person fits (by reference to the paragraph numbers in this **Error! Reference source not found.**). If a person named below is a director required by law to own a voting security, and that person is not an accredited investor, indicate "director" under Category.}*

Name	Category
_____	_____
_____	_____
_____	_____
_____	_____

_____ (u) an investment fund that is advised by a person registered as an adviser or a person that is exempt from registration as an adviser

_____ (v) a person that is recognized or designated by the securities regulatory authority or, except in Ontario and Québec, the regulator as an accredited investor

_____ (w) a trust established by an accredited investor for the benefit of the accredited investor's family members of which a majority of the trustees are accredited investors and all of the beneficiaries are the accredited investor's spouse, a former spouse of the accredited investor or a parent, grandparent, brother, sister, child or grandchild of that accredited investor, of that accredited investor's spouse or of that accredited investor's former spouse

{Note: If you have initialled this paragraph (w), name the person who established the trust and each trustee, and indicate the category of accredited investor into which that person

*fits (by reference to the paragraph numbers in this **Error! Reference source not found.**). If a person named below is not an accredited investor, indicate "N/A" under Category.}*

	Name	Category
Person who established trust:	_____	_____
Trustee:	_____	_____
Trustee:	_____	_____
Trustee:	_____	_____

Signatures	
Name of accredited investor:	CORTLAND CREDIT LENDING CORPORATION
Signature of authorized signatory/agent on behalf of accredited investor:	
Name and official capacity or title of authorized signatory/agent:	
Date:	

As used in this certificate, the following terms have the following meanings.

"Canadian financial institution" means:

- (a) an association governed by the *Cooperative Credit Associations Act* (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of that Act; and
- (b) in Ontario, also means a loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative or credit union league or federation that is authorized by a statute of Canada or Ontario to carry on business in Canada or Ontario, as the case may be; and
- (c) outside of Ontario, also means a loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada.

"eligibility adviser" means:

- (a) a person that is registered as an investment dealer and authorized to give advice with respect to the type of security being distributed; and

- (b) in Manitoba, also means a lawyer who is a practicing member in good standing with a law society of a jurisdiction of Canada or a public accountant who is a member in good standing of an institute or association of chartered accountants, certified general accountants or certified management accountants in a jurisdiction of Canada provided that the lawyer or public accountant must not:
- (i) have a professional, business or personal relationship with the issuer, or any of its directors, executive officers, founders or control persons; and
 - (ii) have acted for or been retained personally or otherwise as an employee, executive officer, director, associate or partner of a person that has acted for or been retained by the issuer or any of its directors, executive officers, founders or control persons within the previous 12 months.

“executive officer” means, for an issuer, an individual who is:

- (a) a chair, vice-chair or president;
- (b) a vice-president in charge of a principal business unit, division or function including sales, finance or production; or
- (c) performing a policy-making function in respect of the issuer.

“financial assets” means:

- (a) cash;
- (b) securities; or
- (c) a contract of insurance, a deposit or an evidence of a deposit that is not a security for the purposes of securities legislation.

“foreign jurisdiction” means a country other than Canada or a political subdivision of a country other than Canada.

“founder” means, in respect of an issuer, a person who:

- (a) acting alone, in conjunction, or in concert with one or more persons, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer; and
- (b) at the time of the distribution or trade is actively involved in the business of the issuer.

“fully managed account” means an account of a client for which a person makes the investment decisions if that person has full discretion to trade in securities for the account without requiring the client’s express consent to a transaction.

“investment fund” has the same meaning as in National Instrument 81-106 — *Investment Fund Continuous Disclosure* and means a mutual fund or a non-redeemable investment fund.

“jurisdiction of Canada” means a province or territory of Canada.

“non-redeemable investment fund” means an issuer:

- (a) whose primary purpose is to invest money provided by its securityholders;
- (b) that does not invest:
 - (i) for the purpose of exercising or seeking to exercise control of an issuer, other than an issuer that is a mutual fund or a non-redeemable investment fund; or
 - (ii) for the purpose of being actively involved in the management of any issuer in which it invests, other than an issuer that is a mutual fund or a non-redeemable investment fund; and
- (c) that is not a mutual fund.

“person” includes:

- (a) an individual;
- (b) a corporation;
- (c) a partnership, trust, fund and an association, syndicate, organization or other organized group of persons, whether incorporated or not; and
- (d) an individual or other person in that person’s capacity as a trustee, executor, administrator or personal or other legal representative.

“related liabilities” means:

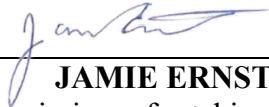
- (a) liabilities incurred or assumed for the purpose of financing the acquisition or ownership of financial assets; or
- (b) liabilities that are secured by financial assets.

“spouse” means an individual who:

- (a) is married to another individual and is not living separate and apart within the meaning of the *Divorce Act* (Canada), from the other individual;
- (b) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender; or
- (c) in Alberta, is an individual referred to in paragraph (a) or (b), or is an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta).

“subsidiary” means an issuer that is controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary.

THIS IS **EXHIBIT "Z"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.



JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)

SECOND AMENDED AND RESTATED CREDIT AGREEMENT

Dated as of January 8, 2024

Among:

Cortland Credit Lending Corporation,
in its capacity as administrative agent (the “**Agent**”)
for the Lenders (as defined herein)
200 Bay St., Suite 3230
Royal Bank Plaza South Tower
Toronto, ON, M5J 2J2

And:

The Green Organic Dutchman Ltd. (the “**Borrower**”)
Suite 402 – 5520 Explorer Drive
Mississauga, ON L4W 5L1

And:

Those lenders from time to time party hereto in accordance with Section 30 (collectively, the “**Lenders**”, and each a “**Lender**”).

WHEREAS the Agent and the Borrower entered into a credit agreement dated March 31, 2020, as amended by a first amendment dated May 27, 2020, a second amendment dated October 1, 2020 and a third amendment dated July 30, 2021 (as amended, the “**Original Credit Agreement**”).

AND WHEREAS the Agent and the Borrower amended and restated the Original Credit Agreement in its entirety by way of an amended and restated credit agreement dated September 29, 2021, as amended by a first amendment dated November 30, 2021, a second amendment dated March 9, 2022, a third amendment dated April 29, 2022, a fourth amendment dated November 3, 2022, a fifth amendment dated June 30, 2023, and a sixth amendment dated August 30, 2023 (as amended, the “**First ARCA**”).

AND WHEREAS the Borrower and the Lenders wish to amend and restate the First ARCA in its entirety by way of this second amended and restated credit agreement (this “**Agreement**”).

AND WHEREAS terms used and not otherwise defined have the meanings given to such terms in Schedule “C” attached hereto.

IN CONSIDERATION of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties to this Agreement hereby agree as follows:

1. **Funding Commitment.**

- (a) Subject to the satisfaction of the terms and conditions set out in this Agreement, the Agent, on behalf of the Lenders, hereby agrees to continue to provide the Borrower with the Revolving Facility, by way of Loan Advances, provided that the aggregate amount of Loan Advances outstanding at any time shall not exceed the Revolving Facility Limit.

(b) The Borrower acknowledges and agrees that the proceeds of the Revolving Facility will be used to finance the working capital requirements of the Obligors, including the payment of ordinary course payables of the Obligors, including fees and expenses relating to the transactions contemplated by this Agreement.

2. **Agent Compensation.** In consideration of, among other things, amending the Revolving Facility as provided for under this Agreement, the Agent shall be entitled to the following fees or reimbursement of the following costs (which fees and costs shall be in addition to any other amounts payable to the Agent and/or Lenders hereunder, including interest):

(a) **[Reserved].**

(b) Any documented out-of-pocket expenses incurred in connection with (i) the Agent's due diligence, and (ii) the monitoring of the Revolving Facility while the Revolving Facility is made available to the Borrower, shall be payable upon demand.

(c) A utilization fee, calculated daily and payable on the last Business Day of each month, by subtracting the aggregate amount of the Loan Advances outstanding on each day, from the Maximum Revolving Facility Limit) and multiplying the difference by the Utilization Fee Rate.

3. **Loan Advances.**

(a) Subject to satisfaction of the terms and conditions set out in this Agreement, the Agent shall, from time to time, upon request of the Borrower made in accordance with the terms and conditions of this Agreement, make one or more Loan Advances available to the Borrower provided that the aggregate principal amount of such Loan Advances does not exceed, at any given time, the Revolving Facility Limit at such time. If at any time the aggregate principal amount of all Loan Advances outstanding (collectively, the "**Total Exposure**") exceeds the Revolving Facility Limit at such time, then the Borrower will promptly repay such Loan Advances in cash by an amount required to reduce the Total Exposure to an amount less than or equal to the Revolving Facility Limit.

(b) Each Loan Advance will bear interest at the Interest Rate, which interest will be due and payable in cash on the last Business Day of each month.

(c) The Revolving Facility shall be a revolving facility. For greater certainty, the Borrower shall be entitled to obtain Loan Advances under the Revolving Facility from time to time and repay all or any portion of the Loan Advances under the Revolving Facility from time to time and thereafter re-borrow Loan Advances from time to time; provided that: (i) the Borrower, acknowledges, covenants and agrees that the Total Exposure shall not at any time exceed the Revolving Facility Limit.; (ii) any repayment made in respect of the Base Facility Amount prior to the Maturity Date (each such repayment, a "**Base Facility Prepayment**") shall permanently reduce the Base Facility Amount (but, for greater certainty, not the Maximum Revolving Facility Limit) by an amount equal to such Base Facility Prepayment; and (iii) on and after March 24, 2024, the Borrower shall make Base Facility Prepayments, on a monthly basis, in amounts to be determined by the Agent acting reasonably.

(d) The Collection Account will be swept daily as provided for in Section 8(w).

- (e) Interest owing on the Loan Advances shall be calculated daily and not in advance on the basis of the then current calendar year of three-hundred and sixty-five (365) or three-hundred and sixty-six (366) days for the actual number of days elapsed, and in the case of a leap year, the annual interest rate corresponding to the interest calculated on a three-hundred and sixty-five (365) day year is equal to the interest rate thus calculated multiplied by three-hundred and sixty-six (366) and divided by three-hundred and sixty-five (365). Any amount of principal, interest, commission, discount or of any other nature remaining unpaid at maturity shall bear interest at the Interest Rate. Interest on all overdue interest calculated as aforesaid and compounded monthly at the aforesaid rate from the due date thereof without necessity of notice or demand, the whole before as well as after maturity, demand, default or judgement. The Borrower acknowledges and agrees that for the purposes of the *Interest Act* (Canada), the information provided to it hereunder with respect to the calculation of interest hereunder or under any other Transaction Document shall constitute an express statement of the yearly rate or percentage of interest to which such interest rate (including the Interest Rate) or percentage is equivalent. The Borrower hereby irrevocably agrees not to plead or assert, whether by way of defence or otherwise, in any proceeding relating to this Agreement or any other Transaction Document, that the interest payable under this Agreement (including the Interest Rate) or any other Transaction Document and the calculation thereof has not been adequately disclosed to the Borrower, whether pursuant to section 4 of the *Interest Act* (Canada) or any other Applicable Law.
- (f) Where the rate of interest payable under any Loan Advance is found by a competent court of law, governmental agency or other tribunal to exceed the maximum rate of interest permitted by the laws of any applicable jurisdiction or the rules or regulations of any appropriate regulatory authority, then during the time that the rate of interest would exceed the permissible limit, that portion of each interest payment attributable to the portion of the interest rate that exceeds the permissible limit shall be deemed to be a voluntary prepayment of principal.
- (g) The Agent's books and records relating to the Loan Advances and any related interest shall be *prima facie* evidence of same, absent manifest error.

4. **Conditions Precedent to the Effectiveness of this Agreement.** The effectiveness of this Agreement will be subject to receipt by the Agent of an executed copy of this Agreement together with the following, each in a form satisfactory to the Agent, and/or satisfaction of the following, unless waived by the Agent on terms satisfactory to the Agent:

- (a) an executed copy of a perfection certificate by the FBC Obligors;
- (b) an executed copy of a confirmation of guarantee and security agreement from each Obligor (other than the FBC Obligors);
- (c) an executed copy of an attornment agreement to the Guarantee to be delivered by each FBC Obligor;
- (d) an executed copy of each of the Security Agreements by each FBC Obligor;
- (e) an executed copy of an amendment agreement to the Security Agreement previously delivered by Holdings;

- (f) an executed copy of a completion certificate in respect of the FBC SEA by Holdings together with:
 - (i) a copy of the release by the FBC Vendor (and all subsidiaries of the FBC Vendor except for the FBC Obligors) of any and all amounts owing by the FBC Obligors (other than the FBC Unsecured Loan); and
 - (ii) copies of each employee release required under or pursuant to the FBC SEA;
- (g) until view access has been granted pursuant to Section 11(c), deliver, or caused to be delivered, to the Agent a bank statement with respect to the FBC Obligor bank accounts daily and the Borrower will, or will cause the FBC Obligors to, manually sweep such accounts weekly to the Agent;
- (h) documents evidencing the equity conversion of the loan made by Stone Pine to Holdings pursuant to the secured demand promissory note dated September 26, 2022 in the principal amount of \$2,200,000, including:
 - (i) executed copies of any and all documents relating to the equity conversion;
 - (ii) executed copies of any and all documents releasing Holdings from the security granted in favour of Stone Pine, including that certain general security agreement dated September 26, 2022;
 - (iii) executed copies of any and all documents confirming payment in full of the Stone Pine indebtedness incurred pursuant to such note; and
 - (iv) copies of the discharges for any registrations or filings that may be outstanding in favour of Stone Pine against Holdings in connection with Section 4(h)(ii) immediately above.
- (i) receipt by the Agent of all information necessary for the Agent to comply with its legal and internal requirements in respect of applicable money-laundering legislation, proceeds of crime legislation and “know your customer” requirements;
- (j) completion of and satisfaction with all necessary financial, insurance and legal due diligence (including the Agent’s satisfaction with the nature and scope of any Liens affecting the FBC Obligors);
- (k) a corporate organizational chart for the Obligors;
- (l) a certificate of a senior officer of the Borrower, Holdings and each FBC Obligor to which are appended: (i) copies of the articles of incorporation, certificate of formation and by-laws or constitution (if applicable), operating agreement or shareholder agreement governing the affairs of such Obligor (if applicable), (ii) an incumbency certificate setting out the names and offices of all directors and officers of such Obligor, together with specimen signatures of same, and (iii) certified copies of the resolutions of the shareholders or directors of such Obligor authorizing the execution, delivery and performance of the Transaction Documents to which each is a party and the transactions contemplated thereby, and the granting of security;
- (m) certificates of status or good standing or equivalent, as applicable, of each Obligor in respect of its jurisdiction of formation;

- (n) opinions regarding corporate status of the Borrower, Holdings and each FBC Obligor, the due authorization, execution and delivery of the Transaction Documents to which such Obligor is a party, all registrations in respect of such security and the enforceability of such Transaction Documents (all such opinions to be in form and substance satisfactory to the Agent);
- (o) all representations and warranties provided for in the Transaction Documents being true, accurate and complete, in all material respects;
- (p) no Material Adverse Change has occurred since the date of the last financial statements provided by the Obligors to the Agent;
- (q) evidence that all security given to the Agent is registered and perfected in all such jurisdictions satisfactory to the Agent in order to provide the Agent with a first-ranking security interest (subject only to Permitted Encumbrances) in the Collateral;
- (r) the Agent shall have received payment in full of all fees and expenses required under this Agreement;
- (s) the Agent shall have received, in form and substance satisfactory to the Agent, delivery of any estoppel letters, releases, discharges, subordinations and postponements (in registerable form where appropriate) with respect to any Liens affecting the Collateral;
- (t) the Agent shall have received copies of all Material Agreements and Material Permits; and
- (u) such other conditions and/or documents or instruments as the Agent may reasonably require.

5. **Conditions Precedent to Loan Advances.** The obligation of the Lenders to make any Loan Advance (subsequent to the initial Loan Advance) will be subject to receipt by the Agent of the following, each in a form satisfactory to the Agent, and/or satisfaction of the following, in each case, without duplication, unless waived by the Agent on terms satisfactory to the Agent:

- (a) an executed Advance Request Certificate and a Borrowing Base Certificate shall have been received not less than 1 Business Day before the date of the proposed Loan Advance;
- (b) all representations and warranties provided for in the Transaction Documents being true, accurate and complete, in all material respects, as of the date of such Loan Advance, except to the extent specified to be made as of a specific date; and
- (c) no Default or Event of Default shall have occurred as of the date of such Loan Advance.

6. **Representations and Warranties.** Each Obligor represents and warrants to the Agent as follows:

- (a) **Status.** It has been duly organized and is a valid and subsisting legal entity in good standing under the laws of its jurisdiction of formation and has full capacity and power to carry on its business as the same is presently conducted and, to own and lease property.
- (b) **Power and Authority.** It has the power and is duly authorized to enter into, execute, deliver and perform its obligations under this Agreement and each other Transaction Document

to which it is a party, and it has the power and is duly authorized to borrow as herein contemplated and to provide the security interests herein contemplated.

- (c) Ownership of Assets. It owns, leases or has rights in all assets required in order to carry on its businesses as presently conducted. All such assets are owned by it free and clear of all Liens other than Permitted Encumbrances.
- (d) Compliance with Laws. It is in compliance in all material respects with all Applicable Laws (specifically including, for greater certainty, all applicable Cannabis laws).
- (e) Litigation, Judgments and Executions. There are no actions, suits or proceedings pending, or to the knowledge of it threatened, against it in any court or before or by any federal, provincial, municipal or other Governmental Authority, except: (A) the litigation disclosed in Schedule "D" attached hereto; and (B) other litigation in which all amounts claimed against the Obligors do not in the aggregate exceed Fifty Thousand Dollars (\$50,000). There are no judgments or executions against it. Without limiting the generality of the foregoing:
 - (i) the matter involving Panni Management and Technology Corporation has been resolved and the settlement was not material, and did not cause a Material Adverse Change or result in the occurrence of a Default or Event of Default; and
 - (ii) any amount owing or which may become owing by any Obligor pursuant to or in connection with the Tambakos Litigation Matter (as defined in Schedule "D" attached hereto) is fully indemnified by a Person (other than an Obligor) pursuant to the FBC SEA.
- (f) Environmental Laws. Except to the extent disclosed in Schedule "E" attached hereto:
 - (i) each Obligor and its business, operations, assets, equipment, property, leaseholds and other facilities is in compliance in all material respects with all Requirements of Environmental Law, specifically including all Requirements of Environmental Law concerning the storage and handling of Hazardous Materials;
 - (ii) each Obligor holds all material permits, licenses, certificates and approvals from Governmental Authorities which are required in connection with air emissions, discharges to surface or groundwater, noise emissions, solid or liquid waste disposal, the use, generation, storage, transportation or disposal of Hazardous Materials and all other Requirements of Environmental Law;
 - (iii) there has been no material emission, spill, release, or discharge into or upon the air, soils (or any improvements located thereon), surface water or groundwater or the sewer, septic system or waste treatment, storage or disposal system servicing any premises, of any Hazardous Materials at or from any of the properties owned or leased by any of the Obligors;
 - (iv) no material written complaint, order, directive, claim, citation, or notice from any Governmental Authority or any other Person has been received by any Obligor with respect to any of the properties owned or leased by any of the Obligors in respect of air emissions, spills, releases, or discharges to soils or improvements located thereon, surface water, groundwater or the sewer, septic system or waste treatment, storage or disposal systems servicing any of the properties owned or

leased by any of the Obligors, noise emissions, solid or liquid waste disposal, the use, generation, storage, transportation, or disposal of Hazardous Materials or other Requirements of Environmental Law affecting any of the properties owned or leased by any of the Obligors;

- (v) there are no material legal or administrative proceedings, investigations or claims now pending, or to the Borrower's knowledge, threatened in writing, with respect to the presence on or under, or the discharge, emission, spill, radiation or disposal into or upon any of the properties owned or leased by any of the Obligors, the atmosphere, or any watercourse or body of water, of any Hazardous Material; nor are there any material matters under discussion between any Obligor and any Governmental Authority relating thereto; and there is no factual basis for any such proceedings, investigations or claims; and
- (vi) the Obligors have no material indebtedness, obligation or liability, absolute or contingent, matured or not matured, with respect to the storage, treatment, cleanup or disposal of any Hazardous Materials, including without limitation any such indebtedness, obligation, or liability under any Requirements of Environmental Law regarding such storage, treatment, cleanup or disposal.
- (g) Bankruptcy Events. No Bankruptcy Event has been initiated by it or occurred in respect of it, and no Bankruptcy Event has been threatened against it.
- (h) Anti-Terrorism and Corruption Laws. It has conducted its business in compliance with Anti-Terrorism and Corruption Laws and has instituted and maintained policies and procedures reasonably designed to promote and achieve compliance with such Anti-Terrorism and Corruption Laws.
- (i) Subsidiaries. As of the date hereof, the only Subsidiaries it has are listed in Schedule "F" attached hereto.
- (j) Corporate Information. Schedule "F" attached hereto contains a true and complete list as of the date hereof of the following information in respect of each Obligor:
 - (i) all prior names and predecessor corporations;
 - (ii) jurisdiction of incorporation;
 - (iii) registered office, chief executive office, principal place of business, and all locations at which it has places of business or owns assets;
 - (iv) the number and classes of its issued and outstanding shares, except in the case of Holdings; and
 - (v) a list of all shareholders including the number and class of shares held by each and a list of all of its subsidiaries.
- (k) Solvency. It is Solvent.
- (l) No Pending Corporate Changes. Except as disclosed on Schedule "G" attached hereto, or in the public filings of Holdings, as of the date hereof, no Person has any agreement or option or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement, including convertible securities, warrants or convertible

obligations of any nature, for the purchase of any properties or assets of any Obligor out of the ordinary course of business or for the purchase, subscription, allotment or issuance of any debt or equity securities of any Obligor.

- (m) Material Agreements and Material Permits. Its Material Agreements and Material Permits are listed in Schedule "H" attached hereto (as such Schedule may be updated from time to time to reflect any Material Agreements or Material Permits entered into or obtained in compliance with the terms hereof) and true, correct and complete copies of each have been delivered to the Agent. Each such Material Agreement and Material Permit is in good standing, in full force and effect and there are no defaults thereunder, except to the extent any such Material Agreement has terminated as scheduled in the ordinary course in accordance with its terms.
- (n) No Conflicts under Material Agreements or Material Permits. The execution and delivery by each Obligor of those Transaction Documents to which it is a party, and the performance of its obligations thereunder, will not conflict with, result in a breach of or require any approval or consent under any Material Agreement or Material Permit to which it is a party.
- (o) Real Properties. Its real property interests as of the date hereof, both owned and leased, and subject to a warehouse contract or held with a bailee, are listed in Schedule "I" attached hereto.
- (p) No Guarantees. It has not granted any Guarantees, other than Permitted Guarantees.
- (q) Statutory Liens. It has remitted on a timely basis all amounts required to have been withheld and remitted (including withholdings from employee wages and salaries relating to income tax and employment insurance), goods and services tax and all other amounts, which if not paid when due could result in the creation of a statutory lien against any of its property.
- (r) No Default or Event of Default. No Default or Event of Default has occurred and is continuing.
- (s) Financial Statements and No Material Change. The financial statements of the each Obligor that have been made available to the Agent have been prepared in accordance with GAAP, and fairly present the financial position and results of operations of such Obligor for the dates or periods reported on thereby subject, in relation to any unaudited financial statements, any year-end adjustments. From the date of the last audited financial statements made available to the Agent, there has been no event which would reasonably be expected to result in a Material Adverse Change.
- (t) Related Party Transactions. Except as (A) disclosed in the financial statements or other public disclosure of the Obligors or (B) as permitted by this Agreement, no Obligor: (i) is a creditor under a loan or otherwise committed to make any payment or loan to, or borrowed any moneys from or otherwise been indebted to, any related party thereof (other than another Obligor); or (ii) been a party to any contract with any related party thereof, other than independent contractor or indemnification agreements entered into with officers or directors. Any transactions between an Obligor and a related party (other than another Obligor) has been completed on reasonable commercial terms that, considered as a whole, are not in any material respect less advantageous to such Obligor, than if the

transaction was with a Person dealing at arm's length with such Obligor, as the case may be.

- (u) U.S. Cannabis. It has no direct, indirect or ancillary interest in any "marijuana-related activity" in the United States as defined in Staff Notice 51-352 (Revised) – Issuers with U.S. Marijuana Activities of the Canadian Securities Administrators.
- (v) Internal Controls. It has established and maintains a system of internal controls over financial reporting that is designed to provide reasonable assurance regarding the preparation of financial statements for external purposes in accordance with GAAP, and includes policies and procedures that: (i) pertain to the maintenance of records that accurately and fairly reflect the material transactions, acquisitions and dispositions of the property and assets of it; (ii) are designed to provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that material receipts and expenditures of it are made only in accordance with authorizations of management its directors; and (iii) are designed to provide reasonable assurance regarding prevention or timely detection of any unauthorized acquisition, use or disposition of its property or assets that could have a material adverse effect on its financial statements.
- (w) Full Disclosure. All information (including, without limitation, financial information and financial statements) furnished by or in respect of the Obligors to the Agent for the purposes of or in connection with this Agreement and each of the other Transaction Documents was true and correct in all material respects as at the date such information is stated to have been given, and is not incomplete by omitting to state any material fact necessary to make the statements contained in such information not misleading in any material respect in light of the circumstances under which the statements contained in such information were made.
- (x) Warrants. In respect of the Warrants and the Warrant Shares:
 - (i) Warrants. That the Agent, or its Affiliates, are the holders of the Warrants and that the Warrants are fully earned.
 - (ii) Warrant Shares. That Holdings (A) is duly authorized and has the corporate and lawful power and authority to create and issue the Warrant Shares upon the exercise of the Warrants and to perform its obligations thereunder and that the certificate(s) representing the Warrants, will, when issued, represent a valid, legal and binding obligation of Holdings enforceable in accordance with its terms; and (B) has agreed to, at all times, reserve and keep available out of its authorized common shares a sufficient number of Warrant Shares to satisfy the right of purchase pursuant to the Warrants, it will cause the Warrant Shares, including duly authorized certificates in respect thereof, subscribed for and purchased in accordance with the terms and conditions of the Warrants to be issued and delivered as directed and such Warrant Shares shall be issued as fully paid and non-assessable common shares of Holdings and the holders thereof shall not be liable to Holdings or to its creditors in respect thereof.
 - (iii) Actions to Issue Warrant Shares. That Holdings has agreed to take such actions as may be reasonably necessary and as are within its power to ensure that all Warrant Shares will be issued without violation of any applicable laws or the

applicable requirements of any stock exchange upon which the common shares of Holdings may be listed.

- (iv) Securities Filings. That Holdings has agreed to make all requisite filings under applicable securities laws necessary to preserve and maintain its corporate existence and its status as a reporting issuer not in default in the provinces and territories of Canada.
- (v) Listing of Holdings' Shares. That Holdings has agreed to use all reasonable efforts to maintain the listing of its common shares for trading on the Canadian Securities Exchange (or such other recognized stock exchange as may be agreed upon by Holdings and the holder of the Warrants or the Agent) and to have the Warrant Shares issued pursuant to the exercise of the Warrants listed and posted for trading on the Canadian Securities Exchange (or such other recognized stock exchange as may be agreed upon by Holdings and the holder of the Warrants or the Agent) as expeditiously as possible and in any event prior to the issuance of such common shares.
- (vi) Issuance of Warrant Shares. That Holdings has agreed that upon exercise of the Warrants, the Warrant Shares will be issued as fully paid and non-assessable common shares in the capital of Holdings.
- (y) Securities Filings. That Holdings has agreed to make all requisite filings under applicable securities laws necessary to remain a reporting issuer not in default in the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland.
- (z) Listing of Holdings' Shares. That Holdings has agreed to use all reasonable efforts to maintain the listing of its common shares on the Canadian Securities Exchange (or such other recognized stock exchange as may be agreed upon by Holdings and the Agent).
- (aa) Excluded Subsidiaries. Each of the Excluded Subsidiaries does not hold any assets.
- (bb) 102172093 Saskatchewan Ltd. Without the prior written consent of the Agent, at its sole discretion, the Borrower shall not permit 102172093 Saskatchewan Ltd. to, at any time, own or acquire any material assets that exceed \$50,000 in value individually or in the aggregate.

7. Reporting Covenants.

- (a) The Borrower will provide to the Agent the following financial information:
 - (i) quarterly consolidated financial statements, within sixty (60) days of each fiscal quarter of the Borrower;
 - (ii) copies of management updates, budgets and other related reports on the operational results of the Obligors which have been provided to the board of directors of the Borrower at such directors' regular board meetings and all such other financial information relating to the foregoing as the Agent reasonably requires to assess the liquidity of the Obligors and the Obligors' performance against such budgets;

- (iii) a quarterly business review on such terms, and such basis, as is required by the Agent, such to determine the status of business as it relates to the Obligors, and in particular compliance with the terms of this Agreement;
- (iv) annual audited consolidated financial statements within one hundred twenty (120) days of the end of each fiscal year of the Borrower;
- (v) on a monthly basis, within thirty (30) days of the end of each calendar month:
 - 1. unconsolidated financial statements of each Obligor;
 - 2. unconsolidated general and ledger trial balance for each Obligor;
 - 3. an accounts receivable summary for each debtor of the Obligors, aged by invoice date;
 - 4. an accounts payable summary for each creditor of the Obligors, aged by invoice date;
 - 5. bank reconciliations, including for greater certainty, bank statements and a complete listing of outstanding cheques;
 - 6. confirmation of payment of all taxes owing by any Obligor; and
- (vi) on a weekly basis, on Friday of each week (as of Thursday of such week);
 - 1. an accounts receivable summary for each debtor of the Obligors, aged by invoice date;
 - 2. an accounts payable summary for each creditor of the Obligors, aged by invoice date; and
- (vii) any additional financial and reporting information as the Agent may reasonably request from time to time, in its sole discretion.

8. **Covenants.** Each Obligor covenants and agrees with the Agent that it:

- (a) will pay all interest, principal, fees and other amounts due under the terms of this Agreement and any other Transaction Document to which it is a party;
- (b) will satisfy, in all material respects, all the terms and conditions of this Agreement and any other Transaction Document to which it is a party;
- (c) will immediately advise the Agent of any Default or Event of Default;
- (d) will file all tax returns which are or will be required to be filed by it, pay or make provision for payment of all taxes (including interest and penalties) and Potential Priority Claims, which are or will become due and payable and provide adequate reserves for the payment of any tax, the payment of which is being contested;
- (e) it will comply in all material respects with all Applicable Laws (specifically including, for greater certainty, all applicable Cannabis laws) and use the proceeds of all Loan Advances hereunder for legal and proper purposes; and without limiting the generality of the foregoing the Borrower shall and shall cause each other Obligor to:

- (i) engage in Cannabis-Related Activities only to the extent that such Cannabis-Related Activities are (A) in an Approved Jurisdiction, and (B) in compliance with all Applicable Laws in such Approved Jurisdiction (including, without limitation on a federal, state, provincial, territorial and municipal basis);
 - (ii) ensure that all activities of the Obligors relating to the cultivation, production and processing of Cannabis and Cannabis-related products occur solely in facilities licensed by Governmental Authorities in Approved Jurisdictions; and
 - (iii) ensure that all activities of the Obligors relating to the sale of Cannabis and Cannabis-related products occur solely in facilities licensed by Governmental Authorities in Approved Jurisdictions or between entities licensed by Governmental Authorities in Approved Jurisdictions.
- (f) will: (i) immediately, with respect to Material Agreements and/or Material Permit; and (ii) promptly, and in any event within three (3) Business Days, notify the Agent of any material action requests or material violation notices received by it from any Person (including, without limitation, from any Governmental Authority) concerning it (including, without limitation, any notices or requests in connection with the protection or preservation of the environment) and hold the Agent and the Lenders harmless from and against any losses, costs or expenses which the Agent or any Lender may suffer in connection therewith;
- (g) will promptly advise the Agent of any Material Adverse Change;
- (h) will keep its assets (including, without limitation, the Collateral) fully insured against such perils and in such manner as would be customarily insured by Persons carrying on a similar business or owning similar assets and, in addition, for any buildings located in areas prone to flood and/or earthquake, will insure and keep fully insured such buildings against such perils;
- (i) will, at reasonable times and upon reasonable notice (provided that upon the occurrence of an Event of Default that is continuing, the Agent is permitted to do the following at any time and without notice) permit the Agent or its representatives, from time to time, (i) to visit and inspect any Obligor's premises, properties and assets and examine and obtain copies of the Borrower's records or other information, and (ii) to discuss the Obligors' affairs with the auditors of the Obligors (in the presence of the Obligors' representatives as it may designate); the Obligors hereby authorize and direct any such third party to provide to the Agent or its representatives all such information, records or documentation reasonably requested by the Agent;
- (j) except for Permitted Encumbrances, will not, without the prior written consent of the Agent, grant, create, assume or suffer to exist any mortgage, charge, lien, pledge, security interest or other encumbrance affecting any of its properties, assets or other rights;
- (k) will not, without the prior written consent of the Agent, sell, transfer, convey, lease or otherwise dispose of any of its:
- (i) accounts receivables; or
 - (ii) other than accounts receivables, properties or assets (excluding obsolete or otherwise superfluous assets) other than (i) in the ordinary course of business and on commercially reasonable terms, or (ii) to another Obligor, (iii) to the extent the

proceeds of such sale are promptly reinvested in assets useful to the business of the Obligors, or (iv) if such disposition would not materially impact the operation, business or financial condition of any Obligor.

- (l) will not, without the prior written consent of the Agent, provide any Guarantees (other than Permitted Guarantees);
- (m) will not, without first obtaining the prior written consent of the Agent, merge, amalgamate, or otherwise enter into any other form of business combination with any other Person and it will cause any such resulting Person to become an Obligor hereunder and to grant such security and enter into such Transaction Documents and other agreements as the Agent may require, provided that (i) upon ten (10) days' prior written notice to the Agent any Obligor may merge, amalgamate or wind-up with or into another Obligor, and (ii) concurrently with such merger, amalgamation or winding-up the Borrower shall provide, or cause to be provided to the Agent all additional or replacement Security Agreements as the Agent may reasonably require in connection therewith;
- (n) will not pay any dividends, other corporate distributions, or any interest or principal on subordinated debt other than (i) to another Obligor, (ii) in respect to Permitted Indebtedness, or (iii) with the prior written consent of the Agent *provided that* notwithstanding the foregoing: (i) no payments may be made in respect of the FBC Unsecured Loan if a Default or Event of Default has occurred hereunder and is continuing or would occur upon the making of any such payment; (ii) no payments may be made other than as set out in the FBC Unsecured Promissory Note.
- (o) will not acquire or move any material Collateral or change its chief executive office or principal place of business to any jurisdiction outside of the jurisdiction of each such respective Obligor listed in Schedule "F" attached hereto without first executing and delivering all such security and other documentation and completing all registrations, recordings and filings to grant in favour of the Agent a security interest in such Collateral and to render effective the security interest granted thereby, all in form and substance satisfactory to the Agent;
- (p) will not incur additional indebtedness other than Permitted Indebtedness;
- (q) will not enter into any swaps, futures, hedges, foreign exchange or commodity transactions for spot or forward delivery, contracts or other derivative transactions for investment or speculative purposes (for greater certainty, the entering into of any such swaps, futures, hedges, foreign exchange or commodity transactions for spot or forward delivery, contracts or other transactions for protection against fluctuation in currency or interest rates or commodity prices is permitted);
- (r) will not, without the prior written consent of the Agent, make, cause or permit any amendment to any Material Agreement if the effect of such amendment would be reasonably likely to result in a Default or Event of Default;
- (s) will provide written notice to the Agent of each of the following promptly after the occurrence thereof:
 - (i) all proposed amendments to Material Agreements and Material Permits;

- (ii) all correspondence and notices received from any Governmental Authority or stock exchange with respect to any Material Agreement, Material Permit or any regulatory or other investigations into the Obligors' business practices which could have a material and negative effect on any of the Obligors or their business, or any of the Obligors' ability to repay the obligations owing under this Agreement or would be likely to result in a Default;
- (iii) any changes in the identity of Responsible Persons, which materially effect the Obligors together with satisfactory evidence of security clearances for such Responsible Persons under the Cannabis Act or the Cannabis Regulations; and any rejection notice for new or renewal security clearance applications for each Responsible Person;
- (t) will conduct its business in compliance with Anti-Terrorism and Corruption Laws and institute and maintain policies and procedures designed to promote and achieve compliance with such Anti-Terrorism and Corruption Laws;
- (u) will (i) where an Account Debtor makes a payment in the form of a cheque, deposit such cheque into the Collections Account, (ii) where an Account Debtor makes a payment by electronic funds transfer, direct such Account Debtor to make such transfer to the Collections Account;
- (v) will not (i) amend, vary or terminate the Collections Account or the Blocked Account Agreement, and (ii) amend, modify or otherwise change any banking instructions provided to the financial institution maintaining the Collections Account, which would result in the application of any funds from any Account Debtor to an account other than the Collections Account;
- (w) the Borrower shall sweep the Collections Account at the end of each day and use such funds to repay all or any portion of the Loan Advances under the Revolving Facility outstanding at such time;
- (x) will grant the Agent and the Lenders the first right of refusal to provide any debtor in possession financing during any applicable Bankruptcy Event;
- (y) not amend, supplement (in a way that is detrimental to the Lender), terminate, abandon, allow to expire or fail to renew any Material Permits, or permit any other Person to use, become party to or otherwise have an interest in, any Material Permits, or take any action in furtherance of, or fail to take any action, which failure could be reasonably expected to result in, any of the foregoing;
- (z) not enter into any transaction with any Affiliate, other than the another Obligor, except on terms no less favourable than could be obtained in an arm's-length transaction;
- (aa) change in any material respect the nature of its business or operations, nor engage directly or indirectly in any material business activity, or purchase or otherwise acquire any material property, in either case, not related to or in furtherance of the conduct of the business as presently conducted by it;
- (bb) cause Holdings to, at all times, reserve and keep available out of Holdings' authorized common shares a sufficient number of Warrant Shares to satisfy the right of purchase pursuant to the Warrants and to issue and deliver the Warrant Shares subscribed for and

purchased in accordance with the terms and conditions of the Warrants to be issued as fully paid and non-assessable common shares of Holdings;

- (cc) to take all actions, and to cause Holdings to take such actions, as may be reasonably necessary and as are within its power to ensure that all Warrant Shares will be issued without violation of any applicable laws or the applicable requirements of any stock exchange upon which the common shares of Holdings may be listed;
- (dd) to cause a news release of Holdings announcing this Agreement and such other matters as may be required pursuant to applicable securities laws to be disseminated and filed pursuant to such applicable securities laws, provided that Borrower agrees to provide a draft of such news release to the Agent and to allow the Agent to provide reasonable comments prior to its dissemination / filing;
- (ee) to cause Holdings to provide a draft of any other news release related to this Agreement and/or ancillary matters to the Agent and to allow the Agent to provide reasonable comments prior to the dissemination / filing of any such other new release;
- (ff) in respect of the Warrants, will:
 - (i) cause Holdings to, at all times, reserve and keep available out of Holdings' authorized common shares a sufficient number of Warrant Shares to satisfy the right of purchase pursuant to the Warrants and to issue and deliver the Warrant Shares subscribed for and purchased in accordance with the terms and conditions of the Warrants to be issued as fully paid and non-assessable common shares of Holdings; and
 - (ii) to take all actions, and to cause Holdings to take such actions, as may be reasonably necessary and as are within its power to ensure that all Warrant Shares will be issued without violation of any applicable laws or the applicable requirements of any stock exchange upon which the common shares of Holdings may be listed;
- (gg) will maintain positive EBITDA on a rolling 3-month average;
- (hh) with respect to the BZAM Edmonton Property:
 - (i) it shall not or shall not permit, as applicable, the charge on the Existing BZAM Edmonton Property Charge to be increased from such amount existing as of November 3, 2022;
 - (ii) it shall not or shall not permit, as applicable, any charges to be placed on the BZAM Edmonton Property (other than Permitted Encumbrances); and
 - (iii) to the extent the Existing BZAM Edmonton Property Charge is discharged at any time, it shall provide or cause to be provided (as applicable) a first charge on the BZAM Edmonton Property in favour of the Agent.
- (ii) will provide, or cause to be provided, in respect of any Excluded Subsidiary to the extent it holds any assets, all Guarantees and Security Agreements required to be provided under this Agreement. For greater certainty, to the extent any such Subsidiary no longer qualifies as an Excluded Subsidiary, such Subsidiary shall cease to be an Excluded Subsidiary and shall be an Obligor for the purposes of this Agreement;

- (jj) will remit to the Agent no less than \$4,000,000 from the net proceeds of the sale of the BZAM Edmonton Property to be applied as follows by the Agent: (i) \$3,000,000 to repay the Overadvance; and (ii) no less than \$1,000,000 to be applied as a Base Facility Prepayment (which for greater certainty shall reduce the Base Facility Amount by an amount equal to such Base Facility Prepayment); and
- (kk) will provide evidence, in form and substance satisfactory to the Agent, of the amalgamation of Médican Biologique Inc. and 9430-6347 Quebec Inc. within two (2) Business Days following the release of the Medican SPA (as defined in Schedule "G") from escrow.

9. **Use of Insurance Proceeds.** The parties agree that the proceeds of any insurance policies received by the Agent in connection with insurable events relating to the Collateral shall be applied to repay the outstanding fees, interest and principal in respect of the Loan Advances.

10. **Term and Termination.**

- (a) The term of the Revolving Facility expires on March 24, 2024 (the "**Maturity Date**").
- (b) The Agent shall have the right to terminate the Revolving Facility:
 - (i) upon immediate notice, if an Event of Default has occurred and is continuing;
 - (ii) upon one hundred and eighty (180) days notice, if a material adverse change in market conditions is negatively affecting the liquidity of any Lender; and
 - (iii) upon immediate notice, if the Revolving Facility shall become, in whole or in part, illegal or in contravention of any Applicable Law.
- (c) The Revolving Facility may be terminated upon the mutual agreement of the Agent and the Borrower, at which time, all accrued interest, principal and unpaid fees owing shall be paid in cash by the Borrower to the Agent on such date; provided that if any such termination is at the request of the Borrower, the term "unpaid fees" in the preceding sentence shall include, without limitation, the Termination Fee.
- (d) If there is a Bankruptcy Event of the Borrower, then this Agreement shall be forthwith ended and terminated.
- (e) If the Revolving Facility is terminated for any reason, with respect to any outstanding Loan Advances, the Agent shall retain all of its rights and remedies, under the Transaction Documents.
- (f) If the Revolving Facility is terminated for any reason, then at the election of the Agent by way of immediate notice to the Borrower, all accrued and/or unpaid interest, all outstanding Loan Advances, and all unpaid fees will be due and payable under this Agreement, and the Borrower will pay such amounts to the Agent forthwith.
- (g) the Borrower shall have the right to terminate this Agreement without the Agent's consent upon not less than ninety (90) days written notice, subject to the payment in full all accrued and/or unpaid interest, all outstanding Loan Advances, and all unpaid fees, such amounts shall be payable in cash by the Borrower to the Agent forthwith upon such termination.

11. **Post-Closing Undertaking.** The Borrower, on behalf of each Obligor, hereby agrees that it shall take (or cause to be taken, as applicable) the following actions within the applicable time periods set out below, and further agrees that any failure of the Borrower to take such actions or satisfy any of the following post-closing conditions within such time period shall constitute (subject to any written extensions granted by the Agent) an Event of Default:

- (a) cause to be delivered to the Agent, within thirty (30) days of the date of this Agreement, Collateral Access Agreements;
- (b) grant to the Agent, within two (2) Business Days view access on all FBC Obligor bank accounts and the Borrower will, or will cause the FBC Obligors to, manually sweep such accounts weekly to the Agent;
- (c) move, or cause to be moved, within thirty (30) days of the date of this Agreement, all FBC Obligor bank accounts from Alterna Savings and Credit Union Limited to Bank of Montreal (or such other financial institution acceptable to the Agent in its sole discretion);
- (d) cause to be delivered to the Agent, within ten (10) days of the date that Section 11(b) immediately above has been satisfied (and in any event within forty (40) days of the date of this Agreement), Blocked Account Agreements;
- (e) deliver to the Agent immediately upon completion (and in any event within three (3) Business Days of the date of this Agreement) evidence of the name change of any of the FBC Obligors;
- (f) deliver to the Agent or its counsel, within three (3) Business Days of the date of this Agreement, original share certificates for any and all equity interests in the capital of FBC, together with duly executed stock transfer powers of attorney in blank with respect to such equity interests;
- (g) deliver to the Agent:
 - (i) within ten (10) days of the date of this Agreement, copies of each of the consents required under or pursuant to the FBC SEA;
 - (ii) within sixty (60) days of the date of this Agreement, copies of each of the governmental authorizations required under or pursuant to the FBC SEA; and
- (h) cause the Agent to be added as (i) an additional insured to each commercial general liability insurance policy maintained by the FBC Obligors; and (ii) first mortgagee and first loss payee to each property and business insurance policy maintained by the FBC Obligors, and deliver to the Agent, within five (5) Business Days certificates of insurance for all such insurance policies, with such additional insured and mortgagee/loss payee endorsements, together with copies of the applicable policies.

12. **Remedies Upon Default.** Upon the occurrence of any Event of Default, the Lender may at its sole option:

- (a) declare, by notice in writing to the Borrower, any or all of the Loan Advances and fees and other obligations owing to the Agent and or the Lenders to be immediately due and payable;
- (b) realize upon all or any part of the Collateral, pursuant to the Security Agreements; and

(c) take such actions and commence such proceedings as may be permitted at law or in equity (whether or not provided for herein or in the Transaction Documents) at such times and in such manner as the Agent in its sole discretion may consider expedient

13. **Accredited Investor Representation.** The Agent represents and warrants to the Borrower and Holdings that it is an “accredited investor” within the meaning of section 73.3 of the *Securities Act* (Ontario) by virtue of being a person described in the Accredited Investor Certificate (attached as Schedule “K”), and the Agent is delivering with this Agreement a completed and signed Accredited Investor Certificate.

14. **Extended Meanings.** Terms defined in the singular have the same meaning when used in the plural, and vice-versa. When used in the context of a general statement followed by a reference to one or more specific items or matters, the term “including” shall mean “including, without limitation”, and the term “includes” shall mean “includes, without limitation”. Any reference herein to the exercise of discretion by the Agent or any Lender (including phrases such as “in the discretion of”, “in the opinion of”, “to the satisfaction of” and similar phrases) shall mean that such discretion is absolute and unfettered and shall not imply any obligation to act reasonably, unless otherwise expressly stated herein.

15. **Headings.** The section headings are not to be considered part of this Agreement, are inserted for convenience of reference only, are not intended to be full or accurate descriptions of the content thereof and shall not affect the construction or interpretation of this Agreement.

16. **Currency.** All dollar amounts referred to in this Agreement and all payments to be made hereunder are in Canadian dollars unless agreed to otherwise in writing by the Agent.

17. **Entire Agreement.** This Agreement, including the Schedules hereto, and the Exhibits to such Schedules, and any other agreement required hereunder to be delivered in connection herewith, constitute the entire agreement between the parties as to the subject matter of this Agreement and may not be amended or modified in any respect except by written instrument signed by the parties hereto.

18. **Severability.** In the event that any one or more provisions contained in this Agreement, or any other agreement required hereunder to be delivered in connection herewith, shall be invalid, illegal or unenforceable in any way, the remaining provisions hereof or thereof shall not be affected or impaired thereby unless as a consequence thereof of the rights and benefits granted to the Agent are, in the discretion of the Agent, materially and adversely affected.

19. **Execution.** This Agreement may be executed in one or more counterparts, each of which when so executed shall constitute an original and all of which together shall constitute one and the same agreement.

20. **Electronic Execution of Certain Documents.** The words “delivery”, “execution,” “signed,” “signature,” and words of like import in any Transaction Document or any other document to be signed in connection with this Agreement and the transactions contemplated hereby shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Agent, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any Applicable Law; provided, that notwithstanding anything contained herein to the contrary the Agent is under no obligation to agree to accept

electronic signature in any form or in any format unless expressly agreed to by the Agent pursuant to procedures approved by it.

21. **Business Day.** If under the provisions of this Agreement any amount is to be paid or any act or thing is to be done or step is to be taken on a day other than a Business Day, then such amount shall be paid or such act or thing or step shall be done or taken on the next succeeding Business Day.

22. **Further Assurance.** The Borrower shall, from time to time execute, draw, endorse and deliver all such instruments and documents and do all such acts and things as the Agent may deem necessary or desirable for the purposes of carrying into effect any or all of the provisions of this Agreement or any documents delivered hereunder or of securing the fulfillment of all the obligations of the Borrower to the Agent hereunder.

23. **Costs, Expenses and Fees.** The Borrower agrees to pay all fees owing to the Agent hereunder and all of the Agent's costs incurred from time to time (including reasonable legal fees and disbursements and reasonable accountant fees and disbursements) in the preparation, negotiation and execution of this Agreement and the other Transaction Documents and all third party costs associated with bringing or attempting to bring this transaction to a close and any costs incurred in the operation or enforcement of this Agreement or any other Transaction Documents. The Agent will provide a summary of such legal fees and disbursements. All costs of insuring the Collateral will be the responsibility of the Borrower. All such costs and expenses shall be payable upon demand. The Agent shall have the right, but not the obligation, to deduct all such costs and expenses and any fees owing to the Agent, from time to time, from the proceeds of any Loan Advance.

24. **GOVERNING LAW.** THIS AGREEMENT AND THE OTHER TRANSACTION DOCUMENTS (EXCEPT, AS TO ANY OTHER TRANSACTION DOCUMENT, AS EXPRESSLY SET FORTH THEREIN) AND ANY CLAIMS, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER TRANSACTION DOCUMENT (EXCEPT, AS TO ANY OTHER TRANSACTION DOCUMENT, AS EXPRESSLY SET FORTH THEREIN) AND THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE PROVINCE OF ONTARIO AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN.

25. **SUBMISSION TO JURISDICTION.** THE BORROWER IRREVOCABLY AND UNCONDITIONALLY AGREES THAT IT WILL NOT COMMENCE ANY ACTION, LITIGATION OR PROCEEDING OF ANY KIND OR DESCRIPTION, WHETHER IN LAW OR EQUITY, WHETHER IN CONTRACT OR IN TORT OR OTHERWISE, AGAINST THE AGENT OR ANY RELATED PARTY OF THE AGENT IN ANY WAY RELATING TO THIS AGREEMENT OR ANY OTHER TRANSACTION DOCUMENT OR THE TRANSACTIONS RELATING HERETO OR THERETO, IN ANY FORUM OTHER THAN THE COURTS OF THE PROVINCE OF ONTARIO SITTING IN THE CITY OF TORONTO, THE FEDERAL COURTS OF CANADA SITTING IN THE CITY OF TORONTO, AND ANY APPELLATE COURT FROM ANY THEREOF, (EXCEPT, AS TO ANY OTHER TRANSACTION DOCUMENT, AS EXPRESSLY SET FORTH THEREIN) AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE JURISDICTION OF SUCH COURTS AND AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION, LITIGATION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH ONTARIO PROVINCIAL COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES

THAT A FINAL JUDGMENT IN ANY SUCH ACTION, LITIGATION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AGREEMENT OR IN ANY OTHER TRANSACTION DOCUMENT SHALL AFFECT ANY RIGHT THAT THE AGENT MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER TRANSACTION DOCUMENT AGAINST THE BORROWER OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

26. **WAIVER OF VENUE.** THE BORROWER IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER TRANSACTION DOCUMENT IN ANY COURT REFERRED TO IN SECTION 25. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

27. **SERVICE OF PROCESS.** EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 28. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

28. **Notice.** Any notice to be given by any party hereto to any other party hereto shall be in writing and may be given by personal delivery, or except during any period when postal service is interrupted, by prepaid registered mail, or by electronic mail or by other means of instantaneous transmission that produces a permanent copy to the address noted below ("**other communication**") addressed as follows:

(a) to the Borrower:

The Green Organic Dutchman Ltd.
Suite 402 – 5520 Explorer Drive
Mississauga, ON L4W 5L1

Attention: Matt Milich
Telephone: (778) 655-6335
Email: mmilich@bzam.com

(b) to the Agent or a Lender:

Cortland Credit Lending Corporation
c/o Cortland Credit Group Inc.
200 Bay St., Suite 3230
Royal Bank Plaza South Tower
Toronto, ON, M5J 2J2

Attention: Bruce Sherk
Telephone: (416) 407-4440
Email: bsherk@cortlandcredit.ca

If given by registered mail shall be deemed to have been received by the party to whom it was addressed on the date falling four (4) Business Days following the date upon which it has been

deposited in the post office with postage and cost of registration prepaid, and if personally delivered to an adult during normal business hours, when so delivered, and if given by other communication, the third (3rd) business hour after transmission and confirmation of receipt. Provided that any of the above-named parties may change the address designated from time to time, by notice in writing to the other party hereto.

29. **Binding Effect.** This Agreement shall be binding upon and shall enure to the benefit of (i) the Agent and the Lenders and their respective successors and assigns, and (ii) the Borrower and its successors and permitted assigns; "successors" includes any corporation resulting from the amalgamation of any party with any other corporation.

30. **Lenders.**

(a) The Borrower acknowledges and agrees that the Lenders shall be determined by the Agent from time to time, provided that (i) prior to the occurrence of an Event of Default, a Lender may be any entity designated by the Agent (without the consent of the Borrower) that is managed, affiliated with or Controlled by the Agent, (ii) prior to the occurrence of an Event of Default, a Lender may be any entity designated by the Agent (with the consent of the Borrower) that is not an entity managed, affiliated with or Controlled by the Agent, and (iii) following the occurrence of an Event of Default a Lender may be any entity designated by the Agent in its sole and unfettered discretion.

(b) The Borrower acknowledges and agrees that the Agent is acting as administrative and collateral agent for the Lenders. The Borrower acknowledges and agrees that the Agent shall be entitled to disclose, on a confidential basis, all information received by it regarding the Borrower, any Obligor, the Collateral, this Agreement and any other Transaction Document to: (i) each Lender, each prospective Lender, any Person purchasing notes, units or otherwise providing funding, directly or indirectly, to any Lender (or any prospective Lender), each prospective assignee or participant, and the officers, directors, employees, accountants, lawyers and other professional advisors of the Agent, any Lender, any prospective Lender and any prospective assignee or participant (each a "**Receiving Party**") provided that each Receiving Party agrees to maintain the confidentiality of any such information in respect of which the Agent has any duty of confidentiality to the Borrower or any Obligor; (ii) to any rating agencies rating the indebtedness of a Lender, provided such rating agencies are bound by customary confidentiality agreements; (iii) to any agent of the Agent or any Lender to the extent necessary to enforce any rights which the Agent or such Lender may have to collect any amounts in respect of the Transaction Documents or the Collateral, provided such agent has agreed in writing to be bound by the provision of this Agreement in respect of such information; (iv) to the extent required for any registration or filing required to perfect any of the Agent's Liens contemplated any Security Agreement or other Transaction Document; and (v) as may be required by Applicable Law. The Agent and the Lenders confirm that, regardless of the number and identity of the Lenders, the Obligors will only be required to act in accordance with the instructions of the Agent, and no Lender will have an independent cause of action or remedy against the Obligors directly, it being understood that each Lender has appointed, or will appoint, the Agent as its sole and exclusive administrative and collateral agent in connection with the transactions contemplated by this Agreement.

31. **General Indemnity.** Each Obligor hereby indemnifies and holds harmless the Indemnified Parties from and against any and all claims, damages, losses, costs and expenses, that may be

incurred by or asserted or awarded against any Indemnified Party, in each case arising out of or in connection with or relating to any investigation, litigation or proceeding or the preparation of any defense with respect thereto arising out of or in connection with or relating to this Agreement, the other Transaction Documents or the transactions contemplated hereby or thereby, or any use made or proposed to be made with the proceeds of the Loan Advances, whether or not such investigation, litigation or proceeding is brought by an Obligor, any shareholder or creditor thereof, an Indemnified Party or any other Person, or an Indemnified Party is otherwise a party thereto and whether or not the transactions contemplated hereby are consummated, except to the extent such losses and expenses are found in a final, non-appealable judgment by a court of competent jurisdiction to have resulted from such Indemnified Party's intentional or gross negligence or wilful misconduct or for breach in bad faith of such Indemnified Party's obligations hereunder or under any other Transaction Document, or where such litigation or proceeding is solely between Indemnified Parties.

32. **Claims under the Indemnity.** The Indemnified Party claiming indemnification under Section 31 shall give the Borrower prompt notice in writing of particulars of any claim asserted by third parties against it which is covered by such indemnities.

33. **Amendment and Restatement.** This Agreement is an amendment and restatement of the First ARCA, and is in full force and effect, as of and from the date hereof. This Agreement will not discharge or constitute a novation of any debt, obligation, covenant or agreement contained in the Original Credit Agreement, the First ARCA or in any other Transaction Document, agreements, certificates and other documents executed and delivered by or on behalf of any Obligor in respect thereof or in connection therewith, but the same shall remain in full force and effect as amended and restated by this Agreement and is hereby ratified and confirmed in the form of this Agreement. For greater certainty, the parties hereto agree that any obligations outstanding under or in connection with the Original Credit Agreement, the First ARCA or the Transaction Documents as of the date hereof, constitute obligations outstanding under this Agreement or the Transaction Documents (as applicable). Each reference to the "**Credit Agreement**" or other similar reference in any of the Transaction Documents and all other agreements, certificates and other documents executed and delivered by any of the Obligors or Cortland in respect thereof or in connection therewith shall mean and be a reference to this Agreement.

[Remainder of this page is intentionally left blank; signature page follows.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

BORROWER:

THE GREEN ORGANIC DUTCHMAN LTD.

Per: Sean Bovingdon
Name: Sean Bovingdon
Title: CFO

Per: _____
Name:
Title:

I/We have the authority to bind the Borrower.

AGENT:

**CORTLAND CREDIT LENDING
CORPORATION, as Agent**

Per: _____
Name:
Title:

Per: _____
Name:
Title:

I/We have the authority to bind the Borrower.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

BORROWER:

THE GREEN ORGANIC DUTCHMAN LTD.


Per: _____
Name:
Title:

Per: _____
Name:
Title:

I/We have the authority to bind the Borrower.

AGENT:

CORTLAND CREDIT LENDING CORPORATION, as Agent

Per:  _____
Name: Sean Register
Title: CEO

Per: _____
Name:
Title:

I/We have the authority to bind the Borrower.

OTHER OBLIGORS:

BZAM LTD.

Per: 
Name: Matt Milich
Title: CEO

Per: _____
Name:
Title:

I/We have the authority to bind the Obligor.

MEDICAN ORGANIC INC.

Per: Sean Bovingdon
Name: Sean Bovingdon
Title: CFO

Per: _____
Name:
Title:

I/We have the authority to bind the Obligor.

BZAM HOLDINGS INC.

Per: 
Name: Matt Milich
Title: President

Per: _____
Name:
Title:

I/We have the authority to bind the Obligor.

FOLIUM LIFE SCIENCE INC.

Per: 
Name: Matt Milich
Title: President

Per: _____
Name:
Title:

I/We have the authority to bind the Obligor.

BZAM MANAGEMENT INC.

Per: 
Name: Matt Milich
Title: CEO

Per: _____
Name:
Title:

I/We have the authority to bind the Obligor.


BZAM CANNABIS CORP.

Per: 
Name: Matt Milich
Title: President

Per: _____
Name:
Title:

I/We have the authority to bind the Obligor.

FINAL BELL CANADA INC.

Per: 
Name: Greg Boone
Title: President

Per: _____
Name:
Title:

I/We have the authority to bind the Obligor.

FINAL BELL CORP.

Per: 
Name: Greg Boone
Title: CEO

Per: _____
Name:
Title:

I/We have the authority to bind the Obligor.

FINAL BELL CANADA INC.

Per: _____
Name:
Title:
Per: _____
DocuSigned by:
Jennifer Maccarone
Name: Jennifer Maccarone
Title: coo

I/We have the authority to bind the Obligor.

FINAL BELL CORP.

Per: _____
Name:
Title:
Per: _____
DocuSigned by:
Jennifer Maccarone
Name: Jennifer Maccarone
Title: coo

I/We have the authority to bind the Obligor.

SCHEDULE "A"
FORM OF ADVANCE REQUEST CERTIFICATE

ADVANCE REQUEST CERTIFICATE

Pursuant to the provisions of the second amended and restated credit agreement dated January 8, 2024 (as it may be amended, restated, supplemented or otherwise modified from time to time, the "**Credit Agreement**") (terms defined therein being used herein as so defined), between, *inter alia*, The Green Organic Dutchman Ltd. (the "**Borrower**") and Cortland Credit Lending Corporation, as administrative agent (the "**Agent**"), the undersigned, being an officer or director of the Borrower hereby represents, warrants and certifies in such capacity, and not in her or his personal capacity, as follows:

1. **Representations and Warranties**. The representations and warranties of the Borrower and the other Obligors set forth in the Credit Agreement, or which are contained in any certificate, document or financial or other written statement furnished pursuant to or in connection with the Credit Agreement, including the other Transaction Documents, are accurate and complete in all material respects on and as of the date hereof with the same effect as if made on the date hereof, except to the extent specified in the Credit Agreement or Transaction Documents to be made as of a specific date.
2. **No Material Adverse Change**. Since the date of the latest financial statements of the Borrower provided to the Agent in connection with the Transaction Documents, no Material Adverse Change has occurred.
3. **No Default**. No Default or Event of Default has occurred and is continuing as of the date hereof.
4. **Conditions Precedent**. The conditions precedent to this Loan Advance in accordance with the Credit Agreement have been satisfied.
5. **Loan Advance**. The Borrower hereby requests, authorizes, and instructs the Agent to drawdown and advance under the Revolving Facility the amount of CDN \$● to the Borrower on _____, 20____. This will be the Agent's authority:
 - (a) [●]; and
 - (b) [●].

[Signature Page Follows]

DATED _____, 20____.

THE GREEN ORGANIC DUTCHMAN LTD.

Per: _____
Name:
Title:

Per: _____
Name:
Title:

SCHEDULE "B"

WARRANTS

	Warrant 1	Warrant 2	Warrant 3	Warrant 4
Expiry Date	2024-06-03	2025-11-02	2026-11-29	2027-11-07
Strike	5.00	3.00	1.4	0.95
Cortland Credit Strategies LP	28,000	28,000	182,000	456,400
Cortland Credit Institutional LP	5,333	5,333	18,000	10,267
Agent	16,667	16,667	100,000	233,333
Total Current	50,000	50,000	300,000	700,000
Actual Issuance	500,000	500,000	3,000,000	700,000

SCHEDULE "C"

DEFINED TERMS

As used in this Agreement and unless otherwise stated herein, the terms set out below shall have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined).

"\$" and "Dollar" each mean Canadian dollars.

"**Account Debtor**" means the account debtor in respect of any account receivable of an Obligor arising from a bona fide, fully-completed transaction in the ordinary course of business consisting of either the sale of goods or the provision of services by the Obligor.

"**Accounts Receivable**" means all debts, accounts (including all "**accounts**" as defined in the PPSA), claims, demands, monies and choses in action which are now or which may at any time hereafter be due, owing to or accruing due to or owned by a Person, together with all books, records, documents, papers and electronically recorded data and any other documents or information of any kind which in any way evidences or relates to any or all of the said debts, accounts, claims, demands, monies and choses in action.

"**Accounts Receivable Eligibility Criteria**" means, in respect of any Obligor, an Account Receivable of such Obligor (in this definition, individually called an "**account**") which satisfies all of the following eligibility criteria:

- (a) the account is subject to a first-ranking security interest held by the Agent pursuant to the Security Agreements and is not subject to any other Liens, except Permitted Encumbrances, and the Account Debtor thereof has been directed to pay the proceeds of such account to the Collections Account;
- (b) if the Account Debtor is a Governmental Authority, all requirements of Applicable Law have been satisfied in order that the assignment of such account in favour of the Agent shall be valid and enforceable;
- (c) the Account Debtor is located in an Approved Jurisdiction;
- (d) the Account Debtor is not any Obligor or any Related Person of any Obligor;
- (e) the account is not in dispute or subject to any defence, counterclaim or claim by the Account Debtor for credit, set-off, allowance or adjustment;
- (f) the Obligor does not have an obligation to hold any portion of the account in trust or as agent for any other Person (except pursuant to a statutory lien securing obligations which are not overdue);
- (g) an invoice relating to the account has been issued by the Obligor and received by the Account Debtor;
- (h) the account is not outstanding for more than ninety-one (91) days from the date of the invoice relating thereto (regardless of the due date specified in such invoice for payment), unless the Account Debtor is a Governmental Authority, in which case the account shall not be outstanding for more than one hundred twenty-one (121) days from the date of the invoice relating thereto (regardless of the due date specified in such invoice for payment);

- (i) the Account Debtor is not insolvent or subject to any Bankruptcy Event; and
- (j) the account is not subject to undue credit risk in the opinion of the Agent.

“Advance Rate” means: means: (i) with respect to Eligible Inventory, twenty-five percent (25%); and (ii) with respect to Eligible Accounts Receivable, eighty-five percent (85%).

“Advance Request Certificate” means a written notice, in the form attached as Schedule “A” attached hereto, pursuant to which the Borrower may request a Loan Advance in an amount not less than \$250,000.

“Affiliate” means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

“Anti-Terrorism and Corruption Laws” means any Applicable Laws relating to terrorism, trade sanctions programs and embargoes, import/export licensing, money laundering, corruption or bribery, and any regulation, order, or directive promulgated, issued or enforced pursuant to such laws, rules and regulations, all as amended, supplemented or replaced from time to time.

“Applicable Law” means, with respect to any Person, all laws, rules, regulations and orders of Governmental Authorities applicable to such Person or any of its properties or assets.

“Applicable Margin” means at any time: (i) at any time there is a Positive EBDA Variance, 6.55% per annum; or (ii) at any time there is a Negative EBDA Variance, 8.05% per annum.

“Approved Jurisdiction” means a country in which it is legal in all political subdivisions therein (including for greater certainty on a federal, state, provincial, territorial and municipal basis) to undertake any Cannabis-Related Activities provided that in each case (i) such country has been approved in writing by the Agent in its discretion and (ii) if required by the Agent, the ability to undertake Cannabis-Related Activities to the extent permitted by Applicable Law therein is confirmed by a legal opinion provided by the Borrower’s counsel in such jurisdiction, in form and substance satisfactory to the Agent. The Agent may in its discretion from time to time (i) upon receipt of a written request by the Borrower, designate any jurisdiction an Approved Jurisdiction provided that the above criteria are satisfied; and (ii) revoke the designation of any jurisdiction as an Approved Jurisdiction by written notice to the Borrower if such criteria are not satisfied.

“Associate” has the meaning ascribed thereto in the *Canada Business Corporations Act*.

“Bankruptcy Event” means an Involuntary Bankruptcy Event or a Voluntary Bankruptcy Event.

“Base Facility Amount” means Twenty-Four Million Dollars (\$24,000,000), as such amount may be reduced in accordance with this Agreement;

“Blocked Account Agreement” means an agreement, in form and substance satisfactory to the Agent, in respect of a Collections Account in which, among other things, the financial institution maintaining such account acknowledges and agrees with the Agent and relevant Obligors that the Agent will control all disbursements from such accounts.

“Borrowing Base Certificate” means a written report, in form and substance satisfactory to the Agent, pursuant to which the Borrower has, among other things, calculated the Revolving Facility Margin Limit.

“Business Day” means any day other than: (a) a Saturday or Sunday; or (b) a day on which banking institutions in Toronto, Ontario, are authorized or obligated by law or executive order to be closed.

“BZAM Edmonton Property” means the real property legally described as Plan 8720213, Block 5, Lot 4, Excepting thereout all mines and minerals and municipally known as 8770 24th Street NW, Edmonton, Alberta, T6P 1X8.

“BZAM Loan” means the loans made by Stone Pine to Holdings pursuant to secured demand promissory notes on:

- (a) March 3, 2023, in the principal amount of \$2,500,000;
- (b) April 30, 2023, in the principal amount of \$1,325,000;
- (c) October 27, 2023, in the principal amount of \$1,190,000;
- (d) November 8, 2023, in the principal amount of \$600,000;
- (e) November 30, 2023, in the principal amount of \$2,000,000;
- (f) December 4, 2023, in the principal amount of \$900,000; and
- (g) such other amounts that the Agent may agree to, in writing, in its sole discretion.

“Cannabis” means:

- (a) any plant or seed, whether live or dead, from any species or subspecies of genus Cannabis, including Cannabis sativa, Cannabis indica and Cannabis ruderalis, Marijuana and any part, whether live or dead, of the plant or seed thereof, including any stalk, branch, root, leaf, flower, or trichome;
- (b) any material obtained, extracted, isolated, or purified from the plant or seed or the parts contemplated by clause (a) of this definition, including any oil, cannabinoid, terpene, genetic material or any combination thereof;
- (c) any organism engineered to biosynthetically produce the material contemplated by clause (b) of this definition, including any micro-organism engineered for such purpose;
- (d) any biologically or chemically synthesized version of the material contemplated by clause (b) of this definition or any analog thereof, including any product made by any organism contemplated by clause (c) of this definition;
- (e) any other meaning ascribed to the term “cannabis” under Applicable Law in any Approved Jurisdiction, including the *Cannabis Act and the Controlled Drugs and Substances Act* (Canada); and
- (f) any other meaning ascribed to the term “cannabis” under the *Controlled Substances Act* (United States).

“Cannabis Act” means An Act respecting cannabis and to amend the *Controlled Drugs and Substances Act*, the *Criminal Code* and other Acts, S.C. 2018, c. 16, as amended from time to time.

“Cannabis Regulations” means Cannabis Regulations under the Cannabis Act, as amended from time to time and all other regulations made from time to time under the Cannabis Act or any other statute in an Approved Jurisdiction with respect to Cannabis-Related Activities.

“Cannabis-Related Activities” means any activities, including advertising or promotional activities, relating to or in connection with the importation, exportation, cultivation, production, purchase, distribution or sale of Cannabis or Cannabis-related products.

“Capital Lease” means, with respect to a Person, a lease or other arrangement in respect of personal property that is required to be classified and accounted for as an obligation on a balance sheet of the Person in accordance with IFRS.

“Change of Control” means (i) if (x) Matt Milich ceases to be the chief executive officer of the Borrower, (y) Sean Bovingdon ceases to be the chief financial officer of the Borrower, or (z) Jordan Winnett ceases to be the chief commercial officer of the Borrower, and the Agent shall not have been satisfied, in its reasonable discretion, with the arrangements made with respect to the replacement of both such individuals; (ii) fifty percent (50%) or more of the ownership or Control of the voting interests of Holdings are acquired, directly or indirectly, by any Person, whether acting individually or in concert with any other Person or Persons; (iii) the sale of all or substantially all of the assets of any Obligor (other than to another Obligor); (iv) if any wholly owned, direct or indirect, subsidiary of the Borrower ceases to be wholly owned, directly or indirectly, by the Borrower; or (v) Borrower ceases to be wholly-owned, directly or indirectly, by Holdings. Notwithstanding the foregoing, BZAM International Ltd. (and its Affiliates) may own more than fifty percent (50%) of Holdings pursuant to: (i) an equity conversion relating to the BZAM Loan; or (ii) with the written consent of the Agent, in its sole discretion; provided that, in each case, Holdings shall provide, or cause to be provided to the Agent any and all documentation required in order for the Agent to comply with Applicable Law.

“Collateral” means all present and after acquired undertaking and personal property of the Obligors, including all proceeds thereof, subject to such customary exclusions as set out in the Security Agreements.

“Collateral Access Agreement” means a landlord waiver, bailee letter, or acknowledgement agreement of any lessor, warehouseman, processor, consignee, or other Person in possession of, having a Lien upon, or having rights or interests in any Collateral in form and substance reasonably satisfactory to Agent.

“Collections Account” means the account established and maintained by a Schedule “I” Canadian Chartered Bank in the name of the Borrower into which all payments by Account Debtors are deposited and which account shall at all times be subject to the Blocked Account Agreement.

“Control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise, and **“Controlling”** and **“Controlled”** have meanings correlative thereto.

“Default” means any event, act, omission or condition which with the giving of notice or passage of time, or both, would result in an Event of Default.

“EBDA” means, at any time, EBITDA less (without duplication) interest, financing costs and taxes.

“EBITDA”, for a period, means net income of the Borrower for such period, on a consolidated basis, plus, without duplication for such period, each on a consolidated basis, interest expense,

taxes, depreciation, amortization, extraordinary or non-recurring losses and impairments, unrealized losses in the fair value of biological assets and non-cash stock based compensation, less unrealized gains in the fair value of biological assets and extraordinary or non-recurring gains.

“Eligible Accounts Receivable” means in respect of any Obligor, Accounts Receivable owned by such Obligor which complies with the Accounts Receivable Eligibility Criteria.

“Eligible Inventory” means in respect of any Obligor, Inventory owned by such Obligor which complies with the Inventory Eligibility Criteria.

“Event of Default” means:

- (a) if any Obligor at any time shall fail to pay or perform with regard to the obligation to repay the principal or interest on each Loan Advance on the date required by this Agreement for such payment;
- (b) if any Obligor at any time shall fail to pay or perform with regard to the obligation to pay any fees or other amounts payable to the Agent (which, for greater certainty, does not include amounts payable under item (i), above) within three (3) Business Days of the date required by this Agreement or any other Transaction Document for such payment;
- (c) if any Obligor ceases or threatens to cease carrying on its business or if a petition shall be filed, an order shall be made or an effective resolution shall be passed for the winding-up or liquidation of an Obligor;
- (d) if a Bankruptcy Event of any Obligor occurs;
- (e) if a Change of Control (that has not been consented to in writing by the Agent) occurs;
- (f) if any encumbrancer, lien holder or Person acting on its behalf shall take possession of the Collateral or any part thereof;
- (g) if any Obligor permits any sum which is outstanding in an aggregate principal amount exceeding \$100,000 and which has been admitted as due by such Obligor or is not disputed to be due by it and which forms or is capable of being made a charge on any Collateral in priority to the security interests granted to the Agent to remain unpaid after proceedings have been taken to enforce such charge;
- (h) if any representation or warranty made by or on behalf of any Obligor or any of its officers, employees or agents to the Agent shall be false or inaccurate, in any material respect (determined in the discretion of the Agent, acting reasonably);
- (i) if any Obligor fails to perform or comply with any of its covenants or obligations contained in any Transaction Document; provided that (other than any covenants provided for in Sections 8(j), 8(k), 8(l), 8(m), 8(n), 8(o), 8(p), 8(q), 8(r), 8(t), 8(u), 8(v), 8(w), and 8(y) or any other Event of Default provided for in any other clause of this definition), if such non-compliance is capable of being remedied within ten (10) days, such Obligor diligently attempts to remedy such non-compliance and informs the Agent of its efforts in this regard, and remedies such default within such ten (10) days, then such non-compliance shall be deemed not to constitute an Event of Default;

- (j) if any Obligor defaults in the observance or performance of any provision relating to the indebtedness or liability of such Obligor to any Person other than the Agent, in an aggregate principal amount exceeding \$100,000, subject to any cure or grace periods provided for in the documentation providing for such indebtedness or liability;
- (k) if any Material Agreement or Material Permit shall terminate, be withdrawn, suspended, revoked, cancelled or amended in contravention of this Agreement;
- (l) if a Material Adverse Change shall have occurred;
- (m) if there is a suspension of trading of the common shares of Holdings on the Canadian Securities Exchange (or such other recognized stock exchange as may be agreed upon by Holdings and the Agent and such suspension is in excess of five (5) trading days on such exchange);
- (n) if the Cannabis Act is repealed and not replaced with similar legislation;
- (o) if the FBC Unsecured Promissory Note is amended in any respect;
- (p) if there is a default, event of default or other breach of the FBC Unsecured Promissory Note (without giving effect to any cure period); or
- (q) if any payment is made in respect of the FBC Unsecured Loan that is not explicitly permitted hereunder.

“Excluded Subsidiaries” means, collectively (i) The Green Organic Beverage Corp., a Delaware corporation; (ii) 102172093 Saskatchewan Ltd., a Saskatchewan corporation; and (iii) 14274261 Canada Inc., a federal corporation.

“Existing BZAM Edmonton Property Charge” means the charge on the BZAM Edmonton Property in favour of Manjinder Singh Gill, as agent, in a principal amount of \$5,000,000 with registration number 212152636.

“FBC” means Final Bell Corp. (formerly Starseed Medicinal Inc.), a federal corporation, extra-provincially registered in Ontario, Saskatchewan, British Columbia, Alberta and Quebec.

“FBC Obligors” means, collectively FBCI and FBC.

“FBC SEA” means the share exchange agreement, dated December 5, 2023 between Holdings, as purchaser, the FBC Vendor and FBCI.

“FBC Unsecured Loan” means the loan made by the FBC Vendor to FBCI pursuant to the FBC Unsecured Promissory Note in the principal amount of \$8,000,000.

“FBC Unsecured Promissory Note” means the unsecured promissory note between Final Bell Holdings Inc. and FBCI dated January 5, 2024, in the principal amount of \$8,000,000.

“FBC Vendor” Final Bell Holdings International Ltd.

“FBCI” means Final Bell Canada Inc., an Ontario corporation.

“Governmental Authority” means the government of Canada, the United States of America or any other nation or any political subdivision thereof, whether state, provincial or local, and any agency, authority, instrumentality, regulatory body (including any self-regulatory body), court,

central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government, and for greater certainty includes Health Canada.

“Guarantee” means any agreement by which any Person assumes, guarantees, endorses, contingently agrees to purchase or provide funds for the payment of, or otherwise becomes liable upon, the obligation of any other Person, or agrees to maintain the net worth or working capital or other financial condition of, or provide any financial assistance to any other Person or otherwise assures any creditor of such Person against loss, and shall include any contingent liability under any letter of credit or similar document or instrument.

“Hazardous Materials” means any contaminant, pollutant, waste or substance that is likely to cause immediately or at some future time harm or degradation to the surrounding environment or risk to human health; and without restricting the generality of the foregoing, including any pollutant, contaminant, waste, hazardous waste or dangerous goods that is regulated by any Requirements of Environmental Law or that is designated, classified, listed or defined as hazardous, toxic, radioactive or dangerous or as a contaminant, pollutant or waste by any Requirements of Environmental Law.

“Health Canada Licenses” means, in respect of any Obligor, all Material Permits of such Obligor which are both related to the Cannabis-Related Activities of such Obligor and issued by Health Canada, including Material Permits to plant, grow, cultivate, extract, produce, process, store, destroy, sell, provide, ship, deliver, transport and/or distribute cannabis under Applicable Law, including without limitation License Nos. LIC-CJMMLU7IUN-2022, LIC-JTUPWJZJ50-2022, LIC-2OLWTAUL3J-2022, LIC-9GRI1YRQEV-2021, LIC-J5USTB6Z3V-2022, LIC-MVXNLN8UCN-2020, LIC-E5FM5PUXBF-2020-5, LIC-ZOTV09QHPG-2022.

“Holdings” means BZAM Ltd. (formerly The Green Organic Dutchman Holdings Ltd.). For greater certainty, each reference in any other (i) Transaction Document; or (ii) document, instrument or agreement executed and/or delivered in connection with this Agreement, to the words “Holdings”, “The Green Organic Dutchman Holdings Ltd.”, or words of like import, shall mean and be a reference to BZAM Ltd.

“Indemnified Parties” refers collectively to the Agent, the Lenders, each of their affiliates as well as each of its directors, officers, employees, representatives and agents and **“Indemnified Party”** refers to any one thereof.

“Interest Rate” means the greater of (i) 12% per annum and, (ii) the TD Prime Rate, plus the Applicable Margin.

“Inventory” means finished goods (including all “goods” as defined in the PPSA) acquired or held for sale, re-sale or lease or furnished or to be furnished under contracts of rental or service, raw materials, work in progress, finished goods, returned goods, parts or equipment acquired from third parties for re-sale, and includes all Inventory in transit.

“Inventory Eligibility Criteria” means the criteria set by the Agent from time to time which identifies and sets any requirements or restrictions for the purpose of determining whether any Inventory owned by an Obligor is Eligible Inventory and includes the following eligibility criteria, which may be amended by the Agent from time to time: (i) such Inventory is not obsolete; (ii) such Inventory was not acquired by any Obligor more than 8 months from any testing date; (iii) such Inventory does not have any customer or supplier deposits applied against it; (iv) the supplier of such Inventory does not retain any title in such Inventory; (v) such Inventory is not subject to any recall or safety restrictions in any relevant jurisdiction of sale or operations of any Obligor; (vi)

such Inventory is not subject to any Potential Priority Claim or Priority Lien; (vii) such Inventory has been paid for in cash by such Obligor; (viii) such Inventory is relevant to the Obligors' business at all relevant times; and (ix) such Inventory is either: (A) located at premises owned by an Obligor; or (B) located on premises owned by any other Persons which are the subject of a duly executed Collateral Access Agreement in favour of the Agent.

"Involuntary Bankruptcy Event" means, without the consent or acquiescence of the applicable Person, the entering of an application for an order for relief or approving a petition or court order for relief or reorganization or any other petition or order seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, monitoring or other similar relief under any present or future bankruptcy, insolvency or similar process under Applicable Law, or the filing of any such petition or order against such Person or, without the consent or acquiescence of such Person, the entering of an order appointing a trustee, monitor, custodian, inspector, receiver or liquidator of such Person or of all or any substantial part of the undertaking or property of such Person, in each case where such petition or order shall remain unstayed or shall not have been stayed or dismissed within forty-five (45) days from entry thereof.

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

"Loan Advance" means any loan extended to the Borrower pursuant to the terms of this Agreement.

"Marijuana" has the meaning ascribed to such term (i) under the Applicable Law in any Approved Jurisdiction or (ii) under the *Controlled Substances Act* (United States).

"Material Adverse Change" means any event, circumstance or change that could be expected to result, individually or in the aggregate, in a material adverse effect, in any respect, on (a) the legality, validity or enforceability of any of the Transaction Documents or any of the security interests provided for thereunder, (b) the right or ability of an Obligor to perform any of its obligations under any of the Transaction Documents, in each case to which it is a party, or to consummate the transactions contemplated under any of the Transaction Documents, (c) the financial condition, assets, business or prospects of the Obligors, taken as a whole, (d) any Material Permit, or (e) an Obligor's ability to retain, utilize, exploit or comply with its obligations under any Material Permit.

"Material Agreement" means any contract or agreement of an Obligor (i) which involves potential revenue or expenditure in excess of \$500,000 in any fiscal year, or (ii) the loss, termination or non-renewal of which would reasonably be expected to result in a Material Adverse Change, including without limitation any agreement between an Obligor and any other Person for the supply of Cannabis.

"Material Permit" means the Health Canada Licenses and any other authorization, approval, consent, exemption, license, grant, permit, franchise, right, privilege or no-action letter from any Governmental Authority having jurisdiction with respect to any specified Person, property, transaction or event, or with respect to any of such Person's property or business and affairs (including any zoning approval, development permit or building permit), the failure of which to be obtained or held would prohibit or reasonably be expected to materially and adversely affect the ability of any Obligor to conduct its business as presently conducted and planned to be conducted.

“Maximum Revolving Facility Limit” means Thirty Four Million Dollars (\$34,000,000).

“Negative EBDA Variance” means at any time, when there exists no Positive EBDA Variance.

“Obligors” means, collectively the Borrower, Holdings and all of Holdings’ direct and indirect subsidiaries which are organized under the federal laws of Canada (or any province thereof) or any state of the United States of America (other than Excluded Subsidiaries), and “Obligor” means any of them; for greater certainty, as of the date of this Agreement, the Obligors include the Borrower, Holdings, Medican Organic Inc., BZAM Holdings Inc., BZAM Management Inc., BZAM Cannabis Corp., Folium Life Science Inc., FBCI and FBC.

“Overadvance” means, between August 30, 2023 and the earlier of: (i) the completion of the sale of the BZAM Edmonton Property; and (ii) March 24, 2024, Three Million Dollars (\$3,000,000), and at all other times thereafter, Zero Dollars (\$0).

“Permitted Encumbrances” means, collectively:

- (a) Liens granted in favour of the Agent pursuant to the Security Agreements;
- (b) Liens or deposit under workers’ compensation, social security or similar legislation or in connection with bids, tenders, leases or contracts or to secured related public or statutory obligations, surety and appeal bonds where required by law;
- (c) any builders’, mechanics’, materialman’s, carriers’, repairmen’s, warehousemen’s, landlords’ and other like Liens and privileges, in each case, which relate to obligations not yet due or delinquent or being contested in good faith;
- (d) any Liens for taxes, assessments, unpaid wages, unpaid superannuation or governmental charges or levies for the then current year and not at the time due and delinquent or are being contested in good faith;
- (e) any right reserved to or vested in any Governmental Authority by the terms of any lease, licence, franchise, grant, claim or permit held or acquired by an Obligor, or by any statutory provision, to terminate the lease, licence, franchise, grant, claim or permit or to purchase assets used in connection therewith or to require annual or other periodic payments as a condition of the continuance thereof;
- (f) any Lien created or assumed by any Obligor in favour of a public utility when required by the utility in connection with the operations of such Obligor that do not in the aggregate detract from the value of any of the Collateral or impair their use in the operation of the business of such Obligor;
- (g) any reservations, limitations, provisos and conditions expressed in original grants from any Governmental Authority;
- (h) any applicable municipal and other Governmental Authority restrictions affecting the use of land or the nature of any structures which may be erected thereon, any minor encumbrance, such as easements, rights-of-way, servitudes or other similar rights in land granted to or reserved by other Persons, rights-of-way for sewers, electric lines, telegraph and telephone lines, oil and natural gas pipelines and other similar purposes, or zoning or other restrictions applicable to the use of real property by any Obligor, or title defects, encroachments or irregularities, that do not detract from the value of the property or impair its use in the operation of the business of any Obligor;

- (i) any Lien that secures Permitted Indebtedness referred to under clause (e) of the definition of “Permitted Indebtedness” provided that: (i) such Lien is limited to the mobile equipment which was acquired with the proceeds of such Permitted Indebtedness and (ii) the amount of such Permitted Indebtedness secured by any such Lien at no time exceeds 100% of the original acquisition price of such mobile asset at the time it was acquired, plus interest and fees, if any;
- (j) any Lien in connection with attachments, judgments and other similar Liens arising in connection with court proceedings; provided however that: (i) the Liens are in existence for less than twenty (20) Business Days after their creation, or (ii) the execution or other enforcement of the Lien is effectively stayed or the claims so secured is being contested in good faith by appropriate proceedings and as to which reserves are being maintained in accordance with generally accepted accounting principles;
- (k) customary rights of set-off or combination of accounts with respect to deposits or accounts incurred in the ordinary course of business;
- (l) any Lien in connection with the BZAM Loan;
- (m) Liens listed in Schedule “J”; and
- (n) any Lien that secures indebtedness provided that such Lien is limited to monies paid or payable under the insurance policies together with the assigned right to cancel the insurance policies.

“Permitted Guarantees” means any Guarantee by an Obligor of any Permitted Indebtedness.

“Permitted Indebtedness” means any:

- (a) indebtedness under this Agreement;
- (b) indebtedness comprised of amounts owed to trade creditors and accruals in the ordinary course of business, which are either not overdue or, if disputed and in that case whether or not overdue, are being contested in good faith by such Obligor by appropriate proceedings diligently conducted, and provided always that: (i) the failure to pay such indebtedness could not be expected to result in a Default or Event of Default and (ii) the aggregate amount of such indebtedness does not exceed \$15,000,000;
- (c) any inter-company indebtedness between any Obligors;
- (d) any other indebtedness which the Agent agrees in writing is Permitted Indebtedness for the purposes of this Agreement;
- (e) any indebtedness under Capital Leases and Purchase Money Obligations, which indebtedness does not exceed \$10,000,000 in the aggregate for the Obligors at any time;
- (f) indebtedness owed to any Person providing or financing workers’ compensation, health, disability or other employee benefits or property, casualty or liability insurance, in each case incurred in the ordinary course of business;
- (g) the BZAM Loan;

- (h) indebtedness owing to Manjinder Singh Gill in a principal amount not to exceed \$5,000,000, secured by the Existing BZAM Edmonton Property Charge; and
- (i) the FBC Unsecured Loan.

“**Person**” means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

“**Positive EBDA Variance**” means at any time, EBDA greater than Zero Dollars (\$0) in each month of the immediately preceding consecutive three (3) month period.

“**Potential Priority Claims**” means all amounts owing or required to be paid, where the failure to pay any such amount could give rise to a claim pursuant to any Applicable Law or otherwise, which ranks or is capable of ranking in priority to the Agent’s security or otherwise in priority to any claim by the Agent for repayment of any amounts owing under this Agreement; provided that, for the purposes of calculating the Revolving Facility Margin Limit, the portion of Potential Priority Claims relating to excise tax shall exclude any deposits made in connection with any such excise tax owing.

“**PPSA**” means the *Personal Property Security Act* (Ontario), as amended, and to the extent relevant, equivalent statutes of the other Provinces of Canada, including the Civil Code of Quebec.

“**Priority Lien**” means any Lien that is not a Subordinated Lien.

“**Purchase Money Obligation**” means, with respect to a Person, indebtedness of the Person issued, incurred or assumed to finance all or part of the cost of acquiring any tangible asset.

“**Related Person**” in relation to any Person means a Subsidiary, Affiliate, Associate or shareholder, director, officer or employee of such Person.

“**Requirements of Environmental Law**” means: (i) obligations under common law; (ii) requirements imposed by or pursuant to statutes, regulations and by-laws whether presently or hereafter in force; (iii) directives, policies and guidelines issued or relied upon by any Governmental Authority to the extent such directives, policies or guidelines have the force of law; (iv) permits, licenses, certificates and approvals from Governmental Authorities which are required in connection with air emissions, discharges to surface or groundwater, noise emissions, solid or liquid waste disposal, the use, generation, storage, transportation or disposal of Hazardous Materials; and (v) requirements imposed under any clean-up, compliance or other order made pursuant to any of the foregoing, in each and every case relating to environmental, health or safety matters including all such obligations and requirements which relate to (A) solid, gaseous or liquid waste generation, handling, treatment, storage, disposal or transportation of Hazardous Materials and (B) exposure to Hazardous Materials.

“**Responsible Person**” means: (i) an officer or director of any Obligor; or (ii) any other Person required to hold a security clearance pursuant to the Cannabis Act or the Cannabis Regulations.

“**Revolving Facility**” means a revolving credit facility in an amount not to exceed the Revolving Facility Limit.

“**Revolving Facility Limit**” means the Base Facility Amount at such time, plus the Revolving Facility Margin Limit at such time, provided that such aggregate amount shall not at any time exceed the Maximum Revolving Facility Limit.

“Revolving Facility Margin Limit” means, at any time: (i) the book value of Eligible Inventory at such time (which, for greater certainty, excludes any Inventory subject to any Potential Priority Claims or Priority Liens) multiplied by the Advance Rate applicable to Eligible Inventory; plus (ii) the face amount of Eligible Accounts Receivable at such time multiplied by the Advance Rate applicable to Eligible Accounts Receivable; plus (iii) the Overadvance; minus (iv) the face amount of Potential Priority Claims relating to Eligible Accounts Receivable forming (or capable of forming) Priority Liens; provided that the amount calculated in (i), above, shall not exceed Three Million Dollars (\$3,000,000).

“Security Agreements” means, collectively, (i) general security and pledge agreements (or hypothecs) delivered by each of the Obligor to the Agent; (ii) the debentures and mortgages given by the Obligor to the Agent, as applicable, in respect of the real property owned by them; (iii) security agreements in respect of intellectual property delivered by each of the Obligor to the Agent, as applicable; (iv) a subordination agreement or intercreditor as may be required by the Agent from time to time; (v) all guarantees given by any Obligor to the Agent; (vi) Blocked Account Agreements (including with respect to the Collections Accounts); (vii) assignments of insurance delivered by the Obligor in favour of the Agent, as applicable, in each case, as such agreements may be amended, amended and restated or replaced in its entirety from time to time; and (viii) Collateral Access Agreements.

“Solvent” means, with respect to any Person as of the date of determination, (i) the aggregate property of such Person is sufficient, if disposed of at a fairly conducted sale under legal process, to enable payment of all its obligations, due and accruing due; (ii) the aggregate property of such Person is, at a fair valuation, sufficient to enable payment of all its obligations, due and accruing due; (iii) such Person is able to meet its obligations as they generally become due; and (iv) such Person has not ceased paying its current obligations in the ordinary course of business as they generally become due; and for purposes of this definition, the amount of any contingent obligation at such time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

“Stone Pine” means Stone Pine Capital Ltd.

“Subordinated Lien” means any Lien for which the holder thereof has agreed, pursuant to a subordination agreement or intercreditor agreement in form satisfactory to the Agent, that such Lien shall at all times be subordinated and postponed in favour of the Liens granted by any Obligor in favour of the Agent.

“Subsidiary” means a Person (other than a natural person) which is Controlled, directly or indirectly, by another Person (other than a natural person); and for greater certainty includes a Subsidiary of a Subsidiary.

“TD Prime Rate” means the floating annual rate of interest established from time to time by the Toronto-Dominion Bank as the reference rate it will use to determine rates of interest payable to the Toronto-Dominion Bank by commercial borrowers from it of Canadian dollar loans in Canada and designated by it as its “prime rate”.

“Termination Fee” means, at any time, an amount equal to two percent (2%) of the Maximum Revolving Facility Limit.

“Total Exposure” has the meaning given to such term in Section 3(a) of this Agreement.

“Transaction Documents” means, collectively, this Agreement (including for greater certainty any amendments thereto), the Guarantees given by the Obligors (other than the Borrower) in respect of the obligations under this Agreement, the Security Agreements, the Warrants, and all other documents contemplated by this Agreement and/or delivered in connection with this Agreement (including, for greater certainty, any Advance Request Certificate and Borrowing Base Certificate).

“Utilization Fee Rate” means two and four tenths of a percent (2.40%) per annum, divided by the then current calendar year of three hundred and sixty-five (365) or three hundred and sixty-six (366) days, as the case may be.

“Voluntary Bankruptcy Event” means (a) an admission in writing by a Person of its inability to pay its debts generally or a general assignment by such Person for the benefit of creditors, (b) the filing of any assignment, petition or consent thereto or answer by such Person seeking to adjudicate itself as bankrupt or insolvent, or seeking for itself any liquidation, winding-up, reorganization, arrangement, adjustment, protection, relief or composition of such Person or its debts under any present or future bankruptcy, insolvency or similar Applicable Law, or seeking, consenting to or acquiescing in the entry of an order for relief in any case under any such Applicable Law, or the appointment of or taking possession by a trustee, monitor, custodian, inspector, receiver or liquidator of such Person or for any substantial part of such Person’s property, or (c) corporate or other action taken by such Person to authorize any of the actions set forth above.

“Warrants” means the warrants created and issued in favour of the Agent, including those created and issued as a condition under, or pursuant to, the Original Credit Agreement and the First ARCA, as further described in Schedule “B” attached hereto.

“Warrant Shares” means the warrants to purchase freely tradeable common shares in Holdings pursuant to the Warrants, as further described in Schedule “B” attached hereto.

SCHEDULE “D”

LITIGATION

1. *1613240 Ontario Ltd. and Amy Stephenson v. The Green Organic Dutchman Holdings Ltd.* (the prior name of Holdings), Ontario Superior Court of Justice File No. CV-18-605781. Action commenced by the former Chief Financial Officer of Holdings claiming \$3 million in damages, stemming from the termination of her consulting agreement. As of November 29, 2023, Ms. Stephenson, through counsel has put forward a settlement offer of \$325,000 plus costs.
2. BZAM Cannabis Corp. commenced a claim, by arbitration, against GO Drywall Ltd. for breach of a construction contract for failure to provide services. BZAM Cannabis Corp.’s claim is for \$248,936.25. Go Drywall Ltd. commenced a cross claim for wrongful termination of the contract seeking \$746,805.89. A final arbitration was awarded in favor of BZAM Cannabis Corp.’s for the full amount of the claim, plus legal costs. BZAM Cannabis Corp.’s is in the process of attempting to enforce judgment.
3. BZAM Management Inc. has filed an appeal from the assessments by the BC Ministry of Finance’s tax appeals division to recover approximately \$1.05 Million in BC property transfer taxes paid by it in connection with its acquisition of three properties in British Columbia. BZAM Management Inc. takes the position that the taxes were not payable as it is not in fact a “foreign corporation”, which is the basis upon which such taxes are exigible. Waiting on response from BC Ministry of Finance Tax Appeals Division.
4. British Columbia Workers’ Compensation Appeal Tribunal (“**WCAT**”). Employee BZAM Management Inc. has claimed workers’ compensation benefits for a workplace injury. Claim denied on review. Worker appealed to WCAT. After the appeal hearing on January 16, 2023, all claims against BZAM Cannabis Corp. were dismissed.
5. On February 1, 2021, a former BZAM Cannabis Corp. employee filed a human rights complaint with the Alberta Human Rights Commission with respect to their termination for refusal to be vaccinated for Covid-19 pursuant to BZAM’s Vaccination Policy. Waiting for hearing date.
6. *Jason Glenn c.o.b.a Frostmec Services v BZAM Management Inc.* – British Columbia Small Claims Court. Former employee filed a Notice of Claim alleging non-payment of invoices and seeking \$28,082.00. BZAM denies all allegations of fact in the Notice of Claim. The parties were unable to settle at the Settlement Conference. A trial date has yet to be set by the Court.
7. *Freyja Jorgensen v. Final Bell Canada*, HRTO File No. 2023-53071, commenced May 31, 2023. Freyja Jorgensen, a former employee of Final Bell Corp., commenced a proceeding at the Human Rights Tribunal of Canada in the amount of CAD \$123,201. Final Bell Corp. has filed a response and estimates that its exposure is between CAD \$0 and CAD \$50,000.
8. *Thanasi Tambakos, Silvia Vassileva, Christian Tambakos, by his Litigation Guardian, Silvia Vassileva, and Gabriella Tambakos by her Litigation Guardian Silvia Vassileva v. Spectrum Cannabis Canada Ltd. (F.K.A. Mettrum Ltd.), Final Bell Corp. (F.K.A. Starseed Medicinal Inc., and Mettrum (Bennett North) Ltd.), Agripharm Corp., and Canopy Growth Corporation*, CV-23-00695168-0000, issued February 23, 2023. This action claims that

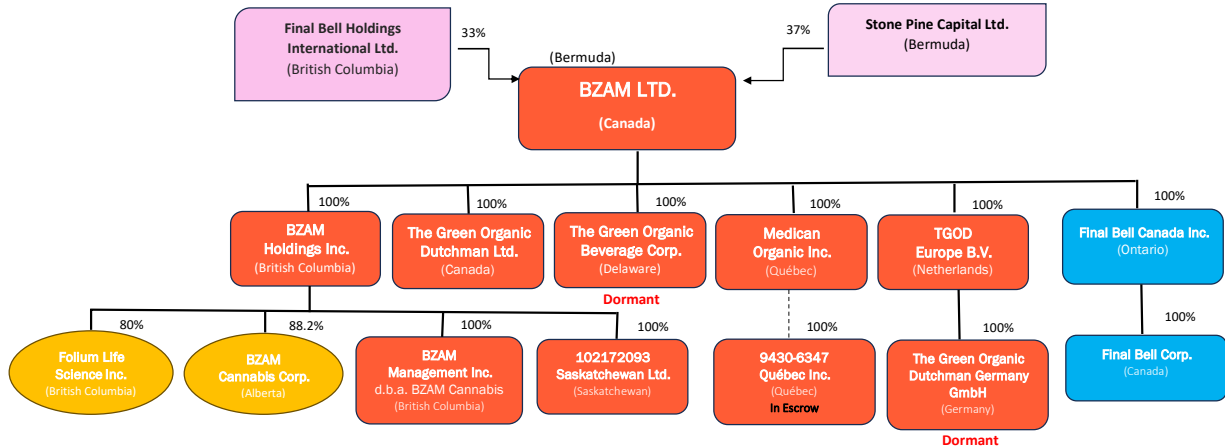
the defendants were negligent in the cultivation, production, testing, processing, manufacture, distribution, marketing and sale of the medical marijuana products affected by a recall of products produced, marketed and sold by the defendant, Mettrum Ltd. The claim is for approximately CAD \$475,000 (the "**Tambakos Litigation Matter**").

SCHEDULE "E"
ENVIRONMENTAL DISCLOSURE

Nil.

SCHEDULE "F"
CORPORATE INFORMATION

Intercorporate Relationships



The Green Organic Dutchman Ltd.

Name of Obligor:	The Green Organic Dutchman Ltd.
Prior Obligor Names:	N/A
Predecessor Corporations:	N/A
Jurisdiction of Incorporation:	Canada
Registered Office:	Suite 402 – 5520 Explorer Drive, Mississauga, ON L4W 5L1
Principal Place of Business/ Chief Executive Office:	1915 Jerseyville Road West, Jerseyville, ON L0R 1R0
Issued & Outstanding Shares:	200 common shares
List of Shareholders:	The Green Organic Dutchman Holdings Ltd. (the prior name of BZAM Ltd.) – 200 common shares

BZAM Ltd.

Name of Obligor:	BZAM Ltd.
Prior Obligor Names:	The Green Organic Dutchman Holdings Ltd.
Predecessor Corporations:	N/A
Jurisdiction of Incorporation:	Canada
Registered Office:	1570-200 Burrard Street, Vancouver, BC V6C 3L6
Principal Place of Business/ Chief Executive Office:	1570-200 Burrard Street, Vancouver, BC V6C 3L6
Issued & Outstanding Shares:	158,121,789 common shares
List of Shareholders:	N/A

Medican Organic Inc.

Name of Obligor:	Medican Organic Inc./Médican Biologique inc.
Prior Obligor Names:	N/A
Predecessor Corporations:	9371-8633 Québec Inc./9371-8633 Québec Inc.
Jurisdiction of Incorporation:	Québec
Registered Office:	311-455 Boul. Fénélon, Dorval, Québec H9S 5T8
Principal Place of Business/ Chief Executive Office:	1175 Boul. Gérard-Cadieux, Salaberry-de-Valleyfield, Québec, J6T 6M1
Issued & Outstanding Shares:	100 common shares
List of Shareholders:	The Green Organic Dutchman Holdings Ltd. (the prior name of BZAM Ltd.) – 100 common shares

BZAM Holdings Inc.

Name of Obligor:	BZAM Holdings Inc.
Prior Obligor Names:	N/A
Predecessor Corporations:	N/A
Jurisdiction of Incorporation:	British Columbia
Registered Office:	2900-550 Burrard Street, Vancouver, BC V6C 0A3
Principal Place of Business/ Chief Executive Office:	2900-550 Burrard Street, Vancouver, BC V6C 0A3
Issued & Outstanding Shares:	100 common shares
List of Shareholders:	The Green Organic Dutchman Holdings Ltd. (the prior name of BZAM Ltd.) – 100 common shares

BZAM Management Inc.

Name of Obligor:	BZAM Management Inc.
Prior Obligor Names:	N/A
Predecessor Corporations:	N/A
Jurisdiction of Incorporation:	British Columbia
Registered Office:	2900-550 Burrard Street, Vancouver, BC V6C 0A3
Principal Place of Business/ Chief Executive Office:	200 Burrard Street, Suite 1570, Vancouver, BC V6C 3L6
Issued & Outstanding Shares:	100 common shares
List of Shareholders:	BZAM Holdings Inc. – 100 common shares

BZAM Cannabis Corp.

Name of Obligor: BZAM Cannabis Corp.
 Prior Obligor Names: N/A
 Predecessor Corporations: BZAM Cannabis Corp. and Sweetgrass Inc.
 Jurisdiction of Incorporation: Alberta
 Registered Office: 3400, 350 – 7TH Avenue SW, Calgary, Alberta T2P 3N9
 Principal Place of Business/
 Chief Executive Office: 8770 24 Street NW, Edmonton, Alberta T6P 1X8
 Issued & Outstanding Shares: 884,700 Class “A” Shares
 List of Shareholders:

BZAM Holdings Inc.	780,000 Class “A” Shares
Jodi MacDonald	10,000 Class “A” Shares
Derwin Herrera	10,000 Class “A” Shares
1979073 Alberta Ltd.	10,000 Class “A” Shares
Chaucer Investments Ltd.	25,000 Class “A” Shares
2086781 Alberta Ltd.	10,000 Class “A” Shares
1237132 Alberta Ltd.	1,000 Class “A” Shares
William Rutledge	10,000 Class “A” Shares
Gail M. Burke	2,500 Class “A” Shares
Homefolio Inc.	45,000 Class “A” Shares
Ryan Murray	20,000 Class “A” Shares
All Star Ventures Ltd.	3,200 Class “A” Shares
Grant Schneider	2,150 Class “A” Shares
Patrick Leonard	500 Class “A” Shares

Folium Life Science Inc.

Name of Obligor: Folium Life Science Inc.
 Prior Obligor Names: N/A
 Predecessor Corporations: Folium Life Science Inc. and 1137773 B.C. Ltd.
 Jurisdiction of Incorporation: British Columbia
 Registered Office: 2900-550 Burrard Street, Vancouver, BC V6C 0A3
 Principal Place of Business/
 Chief Executive Office: 107/109 – 1761 Sean Heights, Saanichton, BC V8M 0A5
 Issued & Outstanding Shares: 3,600 Class “A” Shares
 List of Shareholders:

BZAM Holdings Inc.	2,880 Class "A" Shares
Fonda Betts	91.2 Class "A" Shares
Sheldon Kales	54 Class "A" Shares
1244780 B.C. Ltd.	574.8 Class "A" Shares

Final Bell Canada Inc.

Name of Obligor: Final Bell Canada Inc.
 Prior Obligor Names: N/A
 Predecessor Corporations: N/A
 Jurisdiction of Incorporation: Ontario
 Registered Office: 1100 Bennett Road North, Unit 3, Bowmanville, ON L1C 0Y7
 Principal Place of Business/
 Chief Executive Office: 1100 Bennett Road North, Unit 3, Bowmanville, ON L1C 0Y7
 Issued & Outstanding Shares: 1,000 (see breakdown among classes in chart below)
 List of Shareholders:

BZAM Ltd.	295 class A (voting) common shares
	295 class B (non-voting) common shares
	30 class C (non-voting) common shares
	100 class D (non-voting) common shares
	100 class E (non-voting) common shares
	30 class F (non-voting) common shares
	100 class G (non-voting) common shares
	20 class H (non-voting) common shares
	30 class I (non-voting) common shares

Final Bell Corp.

Name of Obligor: Final Bell Corp.
 Prior Obligor Names: Starseed Medicinal Inc. and Mettrum (Bennett North) Ltd.
 Predecessor Corporations: N/A
 Jurisdiction of Incorporation: Canada
 Registered Office: 1100 Bennett Road North, Unit 3, Bowmanville, ON L1C 0Y7
 Principal Place of Business/
 Chief Executive Office: 1100 Bennett Road North, Unit 3, Bowmanville, ON L1C 0Y7

Issued & Outstanding Shares: 100 common shares
List of Shareholders: Final Bell Canada Inc. – 100 common shares

SCHEDULE “G”

PENDING CORPORATE CHANGES

Warrants issued by The Green Organic Dutchman Holdings Ltd. (the prior name of Holdings) under the indenture dated October 23, 2020 and trading on the CSE under the symbol “BZAM.WA”.

Warrants issued by The Green Organic Dutchman Holdings Ltd. (the prior name of Holdings) under the indenture dated December 10, 2020 and trading on the CSE under the symbol “BZAM.WB”.

Warrants issued by The Green Organic Dutchman Holdings Ltd. (the prior name of Holdings) under the indenture dated June 12, 2020 and trading on the CSE under the symbol “BZAM.WR”.

Warrants issued by The Green Organic Dutchman Holdings Ltd. (the prior name of Holdings) to Maynbridge Capital Inc. in connection with its senior secured loan, repaid on June 22, 2021.

Warrants issued by The Green Organic Dutchman Holdings Ltd. (the prior name of Holdings) to Cortland Credit Lending Corporation. in connection with its senior secured loan, repaid on June 22, 2021.

Warrants issued by The Green Organic Dutchman Holdings Ltd. (the prior name of Holdings) to Canaccord Genuity Corp. in connection with its financings of The Green Organic Dutchman Holdings Ltd. (the prior name of Holdings).

Escrowed share units, contingent share units, RSUs, and incentive stock options and ESPP issued under BZAM Ltd.’s incentive compensation plans

Common shares to be issued pursuant to a non-brokered private placement announced on May 19 for the issuance of up to 22,222,223 units, consisting of one common share and one warrant to purchase one common share.

The purchase of 9430-6347 Quebec Inc. by Médican Biologique Inc., by way of Share Purchase Agreement between, among others, Médican Biologique Inc. and the Vendors (as defined therein) (the “**Medican SPA**”) dated November 11, 2022. The Medican SPA is currently held in escrow until such time as all purchase conditions are met including receipt of a municipal permit.

Amendment to the articles of incorporation for each of the FBC Obligors to remove any reference to the term “Final Bell” within the name of such entity.

SCHEDULE "H"

MATERIAL AGREEMENTS AND MATERIAL PERMITS

Material Agreements

1. Standing Offer Contract 1631 between The Green Organic Dutchman Holdings Ltd. (the prior name of Holdings) and Alberta Gaming, Liquor and Cannabis Commission dated May 20, 2019
2. Master Cannabis Supply Agreement between The Green Organic Dutchman Holdings Ltd. (the prior name of Holdings) and Ontario Cannabis Retail Corporation dated February 6, 2019
3. Data Subscription Agreement between The Green Organic Dutchman Holdings Ltd. (the prior name of Holdings) and Ontario Cannabis Retail Corporation dated February 25, 2019
4. Licensed Producer Supply Agreement for Non-Medical Cannabis between The Green Organic Dutchman Holdings Ltd. (the prior name of Holdings) and Her Majesty the Queen in Right of the Province of British Columbia, as represented by the Administrator of the Cannabis Distribution Act dated November 7, 2019
5. NLC Cannabis and Cannabis Related Product Supply Agreement between The Green Organic Dutchman Ltd. and Newfoundland and Labrador Liquor Corporation dated November 19, 2019
6. Lettre D'Intention between The Green Organic Dutchman Holdings Ltd. (the prior name of Holdings) and Societe Quebecoise du Cannabis dated March 26, 2020
7. Supplier Agreement – Cannabis Products between The Green Organic Dutchman Holdings Ltd. (the prior name of Holdings) and Loblaws Inc. dated March 3, 2020
8. Unanimous Shareholder Agreement (between BZAM LTD., Northwest Confections Canada Inc. and Wyld Glx Corp.
9. Intellectual Property Licence Agreement dated April 15, 2021 between BZAM LTD. and Wyld Glx Corp.
10. Intellectual Property Licence Agreement dated April 15, 2021 between Northwest Confections Canada Inc. and Wyld Glx Corp.
11. Amended and Restated Manufacturing and Distribution Agreement dated August 24, 2021 between BZAM Management Inc. and Wyld Glx Corp.
12. Amending Agreement dated October 18, 2021 between Northwest Confections Canada Inc. and BZAM LTD.
13. Joint Venture between Northwest Confections Canada Inc. (subsidiary of Northwest Commonwealth LLC) and BZAM LTD.
14. Amended and Restated Joint Venture Agreement dated August 24, 2021 between Northwest Confections Canada Inc. and BZAM Management Inc.
15. Contract Grow Agreement dated April 27, 2021 between BZAM Management Inc. (d/b/a BZAM Cannabis), as buyer, and Pure Sunfarms Corp., as seller

16. Purchase Agreement dated May 25, 2022 between BZAM Management Inc. (d/b/a BZAM Cannabis), as buyer, and Medisun Inc., as seller
17. Supply and Purchase Agreement dated April 28, 2023 between BZAM LTD. (d/b/a BZAM Cannabis), as seller, and 4C LABS LTD., as buyer.
18. Supply and Purchase Agreement dated January 4, 2022, between The Green Organic Dutchman LTD., as seller, and Oxygen Handel GmbH., as buyer
19. The Medican SPA
20. The Trademark License and Manufacturing Agreement dated November 2, 2021 and Amending Agreement to the Trademark License and Manufacturing Agreement dated May 5, 2022 between Final Bell Canada Inc. and Aphaea, LLC. (Sherbinskis)
21. The Trademark License and Manufacturing Agreement dated June 17, 2021 between Final Bell Canada Inc. and Little Farma Inc.
22. The Brand License and Manufacturing Agreement dated February 9, 2023 between Final Bell Corp. and Cookies Creative Consulting, LLC.
23. The License and Services Agreement dated November 16, 2023 between Dreamfields Canada Operations Inc. and Final Bell Corp. (Jeeter)
24. The Offtake Supply Agreement dated February 9, 2023 between Final Bell Corp. and Noya Cannabis Inc.
25. The Preroll Input Supply Agreement dated December 22, 2022 between Final Bell Corp. and Noya Cannabis Inc.
26. The License and Services Agreement dated July 14, 2022 between Final Bell Corp. and PAX Labs (Canada) Inc.
27. The Fourth Amended and Restated Manufacturing Services Agreement dated August 25, 2023 between Final Bell Corp. and The Peace Naturals Project Inc.
28. The Amended and Restated Manufacturing Services Agreement dated April 29, 2022 between Final Bell Corp. and Greentec Holdings Ltd.
29. The Contract Manufacturing Agreement dated August 28, 2023 between Final Bell Corp. and Tweed Inc.
30. The Manufacturing Services Agreement dated December 12, 2022 between Final Bell Corp. and Organigram Inc.
31. The Manufacturing Services Agreement dated June 26, 2023 between Atlas Global Brands and Final Bell Corp.
32. The First Amended Manufacturing Services Agreement dated October 24, 2023 between Final Bell Corp. and Bzam Management Inc.
33. The Distribution agreement dated September 26, 2023 between Final Bell Corp. and Maqabim Distributors Ltd.
34. The Distribution Agreement dated July 4 2023 between Final Bell Corp. and Valiant Distribution Canada Inc.

35. The Distribution Agreement dated January 1, 2023 between Final Bell Corp. and 10926671 Canada Ltd. (Open Fields Distribution) (Manitoba)
36. The Distribution Agreement dated January 17, 2023 between Final Bell Corp. and Open Fields Distribution (Saskatchewan)
37. The Cannabis Product Supply Agreement dated April 4, 2022 between Final Bell Corp. and 9374-2187 Qc Inc. dba Medicibis.
38. The Sales, Distribution and Marketing Agreement dated November 11, 2022 between Final Bell Corp. and Rose Lifescience Inc.
39. The Genetic Purchase and Laboratory Services Agreement dated May 5, 2022 between Final Bell Corp. and 101265496 Saskatchewan Ltd. (Mother Labs).
40. The Offtake Supply Agreement dated March 1, 2023 between Final Bell Corp. and Lyonleaf Cannabis Inc.
41. The Processing Services Agreement dated September 17, 2021 between Final Bell Corp. and Cannapiece Corp.
42. The Final Bell Data Sharing Agreement dated July 1, 2022 between Final Bell Corp. and Cannabolic Marketing Corp. (CMC)
43. The Cabanalytics Data License Agreement dated May 1, 2022 between Final Bell Corp. and High Tide Inc.
44. The Data License Agreement dated October 1, 2022 between Final Bell Corp. and TS Programs Ltd.
45. The Amending Agreement to Data License Agreement dated January 1, 2023 between Final Bell Corp. and Hifyre Inc.
46. The Data License Agreement dated May 1, 2023 between Final Bell Corp. and Nova Cannabis Analytics Limited Partnership.
47. The Business Data License Agreement dated May 5, 2023 between Final Bell Corp. and Sparq Retail Cannabis Dispensary & Delivery.
48. Licensed Producer Supply Agreement for Non-Medical Cannabis between Final Bell Corp. and Her Majesty the Queen in Right of the Province of British Columbia, as represented by the Administrator of the Cannabis Distribution Act, SBC 2018, c 28 (BCLDB) dated March 31, 2021.
49. The Master Cannabis Supply Agreement dated June 22, 2021 and Amending Agreement to Master Cannabis Supply Agreement re Insurance Requirements dated March 7, 2023 between Ontario Cannabis Retail Corporation, as purchaser, and Final Bell Corp., as supplier.
50. Cannabis Purchase and Sale Agreement dated September 27, 2022 between Final Bell Corp. and the Yukon Liquor Corporation.
51. The Term Sheet dated October 7, 2023 between Final Bell Corp. and Wagner Dimas.
52. The Leases with respect to the leased real property in Schedule "I".

53. The share purchase agreement dated March 15, 2021 among Starseed Holdings Inc., WeedMD Inc. and Final Bell Canada Inc.

Material Permits

1. Health Canada Licence No LIC-CJMMLU7IJN-2022 (cultivation, processing, sale) issued to The Green Organic Dutchman Ltd. Expiring July 20, 2027
2. Health Canada Licence No LIC-MVXNLN8UCN-2020 (Research) issued to The Green Organic Dutchman Ltd., expiring February 12, 2025
3. BZAM Management Inc. Licence LIC-JTUPWJZJ50-2022 under the Cannabis Act (Canada)
4. BZAM Management Inc. Licence LIC-G27V6VI0UJ-2022 under the Cannabis Act (Canada)
5. BZAM Management Inc. Licence LIC-HU7CU4DYAO-2020-5 under the Cannabis Act (Canada)
6. BZAM Cannabis Corp. Licence LIC-J5USTB6Z3V-2022 under the Cannabis Act (Canada)
7. Folium Life Science Inc. Licence LIC-9GRI1YRQEV-2021 under the Cannabis Act (Canada)
8. BZAM Management Inc. Research License LIC-TNCAPN24J9-2022 under the Cannabis Act (Canada)
9. The Green Organic Dutchman Ltd. EUGMP – DE_BW_01_GMP_2023_0085 For Ancaster, Jerseyville.
10. Health Canada Licence No. LIC-ZOTV09QHPG-2022 issued to Final Bell Corp., expiring October 27, 2027
11. Health Canada Licence No. LIC-E5FM5PUXBF-2020-5 (Research) issued to Final Bell Corp., expiring February 7, 2025
12. Final Bell Corp. Canada Revenue Agency Cannabis License No. 780639324 RD0001 issued under the Excise Act (Canada) on November 22, 2023
13. AGLC Cannabis Representative Registration issued to Final Bell Corp. on February 13, 2023

SCHEDULE "I"

REAL PROPERTY

1. Owned:
 - a. 1915 Jerseyville Road West, Jerseyville, ON L0R 1R0 owned by The Green Organic Dutchman Ltd.
 - b. 8770 24th Street NW, Edmonton, Alberta, T6P 1X8 owned by BZAM Cannabis Corp.
2. Leased:
 - a. 402, 5520 Explorer Drive Mississauga, ON L4W 5L1 leased by The Green Organic Dutchman Holdings Ltd. (the prior name of BZAM Ltd.)
 - b. 311-455 BOUL., Fenelon, Dorval, Quebec H9S 578 leased by Medican Organic Inc.
 - c. 19100 Airport Way, Units 518/519, Pitt Meadows, BC V3Y 0E2 leased by BZAM Management Inc.
 - d. Unit 107/109, 1759 Sean Heights, Saanichton BC, V8M 1X6 leased by BZAM Cannabis Corp.
 - e. 5000 Chemin Murphy, Vaudeuil-Dorion QC, J7V 8P2 leased by 9430-6347 Quebec Inc.¹
 - f. 1100 Bennett Road North, Units 1-3, Bowmanville, ON L1C 0Y7 subleased by Final Bell Canada Inc.
 - g. 1100 Bennett Road North, Unit 4, Bowmanville, ON L1C 0Y7 leased by Final Bell Corp.
 - h. 1100 Bennett Road North, Unit 5, Bowmanville, ON L1C 0Y7 leased by Final Bell Canada Inc.
3. Warehoused:
 - a. 250 Baseline Road, Bowmanville, ON L1C 1A4, subject to a warehouse agreement by Final Bell Canada Inc.

¹ Although the Medican SPA remains in escrow pending receipt of a municipal permit and is not yet in effect, Medican Organic Inc. is paying the rent for this leased property on behalf of 9430-6347 Quebec Inc.

SCHEDULE "J"

PERMITTED ENCUMBRANCES

1. Lien with registration number 20170906 1631 1862 3892 in favour of Alterna Savings and Credit Union Limited as against The Green Organic Dutchman Holdings Ltd. with respect to assignment of term deposits and credit balances.
2. Lien with registration number 20180410 1610 1532 1077 in favour of Bank of Montreal as against The Green Organic Dutchman Holdings Ltd. with respect to a short-term investment certificate n/o 0002-9631-033 in the principal amount of \$100,000.
3. Lien with registration number 20191025 1616 1626 1771 in favour of Alterna Savings and Credit Union Limited as against The Green Organic Dutchman Holdings Ltd. with respect to a term deposits #8 and #9 for letters of credit in the amount of \$35,000 and \$455,500, plus interest accrued on such term deposits.
4. Existing BZAM Edmonton Property Charge.

SCHEDULE "K"

ACCREDITED INVESTOR CERTIFICATE

TO: BZAM Ltd. (the "Corporation")

You (the undersigned accredited investor) represent and warrant to the Corporation that you are an "**accredited investor**" as defined in section 73.3 of the *Securities Act* (Ontario), on the basis that you fit within the category of accredited investor which you have indicated below.

You represent and warrant that you are: {please initial the applicable item, complete the relevant information and sign this certificate}

- _____ (a) a Schedule I, II or III bank, or a Canadian financial institution
- _____ (b) the Business Development Bank of Canada
- _____ (c) a subsidiary of any person referred to in paragraph (a) or (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary
- _____ (d) a person registered under the securities legislation of a jurisdiction of Canada as an adviser or dealer
- _____ (e) an individual registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in paragraph (d)
- _____ (e.1) an individual formerly registered under the securities legislation of a jurisdiction of Canada, other than an individual formerly registered solely as a representative of a limited market dealer under one or both of the *Securities Act* (Ontario) or the *Securities Act* (Newfoundland and Labrador)
- _____ (f) the Government of Canada or a jurisdiction of Canada, or any crown corporation, agency or wholly owned entity of the Government of Canada or a jurisdiction of Canada
- _____ (g) a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l'île de Montréal or an intermunicipal management board in Québec
- _____ (h) any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government
- _____ (i) a pension fund that is regulated by either the Office of the Superintendent of Financial Institutions (Canada) or a pension commission or similar regulatory authority of a jurisdiction of Canada
- _____ (j) an individual who, either alone or with a spouse, beneficially owns financial assets having an aggregate realizable value that, before taxes but net of any related liabilities, exceeds \$1,000,000

{Note: Financial assets include cash and securities, but do not include a personal residence – see the definition of "financial assets" later in this certificate. Financial assets are generally liquid or relatively easy to liquidate.

You must subtract any liabilities related to your financial assets to calculate your net financial assets—see the definition of “related liabilities”. Financial assets held in a group RRSP under which you do not have the ability to acquire the financial assets and deal with them directly are not considered to be beneficially owned by you.

_____ (j.1) an individual who beneficially owns financial assets having an aggregate realizable value that, before taxes but net of any related liabilities, exceeds \$5,000,000

{Note: The financial assets of your spouse (including financial assets in a spousal RRSP) cannot be included in the calculation of net financial assets under this paragraph (j.1).}

_____ (k) an individual whose net income before taxes exceeded \$200,000 in each of the two most recent calendar years or whose net income before taxes combined with that of a spouse exceeded \$300,000 in each of the two most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year

_____ (l) an individual who, either alone or with a spouse, has net assets of at least \$5,000,000

{Note: To calculate net assets, take the value of your total assets (which may include a personal residence) and subtract your total liabilities (which may include a mortgage). The value attributed to assets should reasonably reflect their estimated fair value. Income tax should be considered a liability if the obligation to pay it is outstanding at the time of the subscription.}

_____ (m) a person, other than an individual or investment fund, that has net assets of at least \$5,000,000 as shown on its most recently prepared financial statements

_____ (n) an investment fund that distributes or has distributed its securities only to:

- (i) a person that is or was an accredited investor at the time of the distribution;
- (ii) a person that acquires or acquired securities in the circumstances referred to in sections 2.10 (Minimum amount investment), or 2.19 (Additional investment in investment funds) of NI 45-106; or
- (iii) a person described in paragraph (i) or (ii) that acquires or acquired securities under section 2.18 (Investment fund reinvestment) of NI 45-106

_____ (o) an investment fund that distributes or has distributed securities under a prospectus in a jurisdiction of Canada for which the regulator or, in Québec, the securities regulatory authority, has issued a receipt

_____ (p) a trust company or trust corporation registered or authorized to carry on business under the *Trust and Loan Companies Act* (Canada) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction,

acting on behalf of a fully managed account managed by the trust company or trust corporation, as the case may be

- _____ (q) a person acting on behalf of a fully managed account managed by that person, if that person is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction
- _____ (r) a registered charity under the *Income Tax Act* (Canada) that, in regard to the trade, has obtained advice from an eligibility adviser or an adviser registered under the securities legislation of the jurisdiction of the registered charity to give advice on the securities being traded
- _____ (s) an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (a) to (d) or paragraph (i) in form and function
- _____ (t) a person in respect of which all of the owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by directors, are persons that are accredited investors

{Note: If you have initialed this paragraph (t), name each owner of an interest, and indicate the category of accredited investor into which that person fits (by reference to the paragraph numbers in this ●). If a person named below is a director required by law to own a voting security, and that person is not an accredited investor, indicate "director" under Category.}

Name	Category
_____	_____
_____	_____
_____	_____
_____	_____

- _____ (u) an investment fund that is advised by a person registered as an adviser or a person that is exempt from registration as an adviser
- _____ (v) a person that is recognized or designated by the securities regulatory authority or, except in Ontario and Québec, the regulator as an accredited investor
- _____ (w) a trust established by an accredited investor for the benefit of the accredited investor's family members of which a majority of the trustees are accredited investors and all of the beneficiaries are the accredited investor's spouse, a former spouse of the accredited investor or a parent, grandparent, brother, sister, child or grandchild of that accredited investor, of that accredited investor's spouse or of that accredited investor's former spouse

{Note: If you have initialed this paragraph (w), name the person who established the trust and each trustee, and indicate the category of accredited investor into which that person fits (by reference to the paragraph numbers in this ●.). If a person named below is not an accredited investor, indicate "N/A" under Category.}

	Name	Category
Person who established trust:	_____	_____
Trustee:	_____	_____
Trustee:	_____	_____
Trustee:	_____	_____

Signatures	
Name of accredited investor:	CORTLAND CREDIT LENDING CORPORATION
Signature of authorized signatory/agent on behalf of accredited investor:	
Name and official capacity or title of authorized signatory/agent:	
Date:	

As used in this certificate, the following terms have the following meanings.

“Canadian financial institution” means:

- (a) an association governed by the *Cooperative Credit Associations Act (Canada)* or a central cooperative credit society for which an order has been made under section 473(1) of that Act; and
- (b) in Ontario, also means a loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative or credit union league or federation that is authorized by a statute of Canada or Ontario to carry on business in Canada or Ontario, as the case may be; and
- (c) outside of Ontario, also means a loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada.

“eligibility adviser” means:

- (a) a person that is registered as an investment dealer and authorized to give advice with respect to the type of security being distributed; and
- (b) in Manitoba, also means a lawyer who is a practicing member in good standing with a law society of a jurisdiction of Canada or a public accountant who is a

member in good standing of an institute or association of chartered accountants, certified general accountants or certified management accountants in a jurisdiction of Canada provided that the lawyer or public accountant must not:

- (i) have a professional, business or personal relationship with the issuer, or any of its directors, executive officers, founders or control persons; and
- (ii) have acted for or been retained personally or otherwise as an employee, executive officer, director, associate or partner of a person that has acted for or been retained by the issuer or any of its directors, executive officers, founders or control persons within the previous 12 months.

“executive officer” means, for an issuer, an individual who is:

- (a) a chair, vice-chair or president;
- (b) a vice-president in charge of a principal business unit, division or function including sales, finance or production; or
- (c) performing a policy-making function in respect of the issuer.

“financial assets” means:

- (a) cash;
- (b) securities; or
- (c) a contract of insurance, a deposit or an evidence of a deposit that is not a security for the purposes of securities legislation.

“foreign jurisdiction” means a country other than Canada or a political subdivision of a country other than Canada.

“founder” means, in respect of an issuer, a person who:

- (a) acting alone, in conjunction, or in concert with one or more persons, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer; and
- (b) at the time of the distribution or trade is actively involved in the business of the issuer.

“fully managed account” means an account of a client for which a person makes the investment decisions if that person has full discretion to trade in securities for the account without requiring the client’s express consent to a transaction.

“investment fund” has the same meaning as in National Instrument 81-106 — Investment Fund Continuous Disclosure and means a mutual fund or a non-redeemable investment fund.

“jurisdiction of Canada” means a province or territory of Canada.

“non-redeemable investment fund” means an issuer:

- (a) whose primary purpose is to invest money provided by its securityholders;
- (b) that does not invest:

- (i) for the purpose of exercising or seeking to exercise control of an issuer, other than an issuer that is a mutual fund or a non-redeemable investment fund; or
 - (ii) for the purpose of being actively involved in the management of any issuer in which it invests, other than an issuer that is a mutual fund or a non-redeemable investment fund; and
- (c) that is not a mutual fund.

“person” includes:

- (a) an individual;
- (b) a corporation;
- (c) a partnership, trust, fund and an association, syndicate, organization or other organized group of persons, whether incorporated or not; and
- (d) an individual or other person in that person’s capacity as a trustee, executor, administrator or personal or other legal representative.

“related liabilities” means:

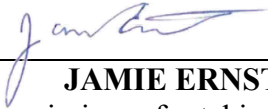
- (a) liabilities incurred or assumed for the purpose of financing the acquisition or ownership of financial assets; or
- (b) liabilities that are secured by financial assets.

“spouse” means an individual who:

- (a) is married to another individual and is not living separate and apart within the meaning of the *Divorce Act* (Canada), from the other individual;
- (b) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender; or
- (c) in Alberta, is an individual referred to in paragraph (a) or (b), or is an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta).

“subsidiary” means an issuer that is controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary.

THIS IS **EXHIBIT "AA"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.



JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)

TO: CORTLAND CREDIT LENDING CORPORATION, in its capacity as administrative agent (the "**Agent**")

DATE: January 8, 2024

GUARANTEE AND SECURITY CONFIRMATION AGREEMENT

WHEREAS The Green Organic Dutchman Ltd. (the "**Borrower**"), BZAM Ltd., Medican Organic Inc., BZAM Holdings Inc., BZAM Management Inc., BZAM Cannabis Corp., and Folium Life Science Inc. (collectively, the "**Existing Guarantors**") and the Agent are party to an amended and restated credit agreement dated September 29, 2021, as amended by a first amendment dated November 30, 2021, a second amendment dated March 9, 2022, a third amendment dated April 29, 2022, a fourth amendment dated November 3, 2022, a fifth amendment dated June 30, 2023, and a sixth amendment dated August 30, 2023 (collectively, the "**Original Credit Agreement**");

AND WHEREAS each of the Existing Guarantors previously delivered certain guarantees to the Agent guaranteeing the present and future indebtedness, liabilities and obligations owing under or pursuant to the Original Credit Agreement (collectively, the "**Existing Guarantees**");

AND WHEREAS the Borrower and each of the Existing Guarantors (collectively, the "**Obligors**") previously delivered certain security documents in favour of the Agent as security for the direct and indirect, present and future indebtedness, liabilities and obligations owing to the Agent under or in respect of the Original Credit Agreement and the Existing Guarantees, as applicable (collectively, the "**Existing Security**");

AND WHEREAS the Borrower, and the Agent, among others, have entered into a second amended and restated credit agreement dated on or about the date hereof (as it be amended, amended and restated, restated, modified, renewed, or replaced from time to time, collectively, the "**Credit Agreement**") to, among other things, add Final Bell Corp. and Final Bell Corp. as obligors thereunder and make certain amendments to the Original Credit Agreement, on the condition that, among other things, this Guarantee and Security Confirmation Agreement (this "**Confirmation**") be executed and delivered by the Obligors.

NOW THEREFORE FOR VALUABLE CONSIDERATION, each Obligor hereby agrees with the Agent and the Lenders as follows:

1. Capitalized terms used herein, including the recitals hereto, shall have the meanings ascribed to them in the Credit Agreement unless otherwise defined or specified herein.
2. Each of the Obligors acknowledges that the recitals set out above are true and correct in fact and substance.
3. Each of the Existing Guarantors hereby confirms to the Agent and the Lenders and agrees that it continues to be bound by the provisions of the Existing Guarantees to which it is a party (as the Existing Guarantees may be amended, restated, revised, renewed, replaced, supplemented or otherwise modified from time to time) and that the Existing Guarantees remain in full force and effect as a continuing guarantee of all present and future, direct and indirect, absolute or contingent, indebtedness, liabilities and obligations owing by the Borrower to the Agent and the Lenders from time to time (including, without limitation, any additional indebtedness, liability or

obligations arising under or as a result of the Credit Agreement), enforceable against such Existing Guarantor in accordance with its terms.

4. Each of the Obligors hereby confirms to the Agent and the Lenders and agrees that it continues to be bound by the provisions of the Existing Security to which it is a party (as the Existing Security may be amended, restated, revised, renewed, replaced, supplemented or otherwise modified from time to time) and that the Existing Security remains in full force and effect and secures payment of all present and future, direct and indirect, absolute or contingent, indebtedness, liabilities and obligations owing by each of the Obligors to the Agent and the Lenders from time to time including, without limitation, under or pursuant to the Credit Agreement, and the Existing Guarantees (collectively, the "**Obligations**"), enforceable against such Obligor in accordance with its terms.
5. Each of the Obligors hereby acknowledges and confirms that the Existing Security to which it is a party and all other assignments, guarantees, agreements, filings and registrations with respect to the Existing Security to which it is a party and all other interests granted by it in favour of the Agent, in each case as same may have been amended, restated, modified, renewed or replaced from time to time, shall remain in place and continue to be binding and effective as against it and shall without limitation, stand as continuing security for the performance of the Obligations.
6. Each of the Obligors further confirms to the Agent that the representations, warranties and covenants contained in the Existing Guarantees and the Existing Security are true and correct as of the date hereof.
7. All filings and registrations with respect to the Existing Security and all security and other interests granted pursuant to the Existing Security remain in place and continues to be binding and effective against each of the Obligors, as applicable.
8. Each of the Obligors agrees to execute and deliver all such further documents and assurances from time to time as the Agent may reasonably require in connection with the foregoing.
9. This Confirmation shall be construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. For the purpose of legal proceedings, this Confirmation shall be deemed to have been made in the said province and to be performed there and the courts of that province shall have jurisdiction over all disputes which may arise under this Confirmation.
10. This Confirmation shall be binding on each of the Obligors and their respective successors and permitted assigns and shall enure to the benefit of the Agent and its successors and assigns.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF the undersigned has duly executed this Confirmation as of the date first written above.

BORROWER:

THE GREEN ORGANIC DUTCHMAN LTD.

Per: Sean Bovingdon
Name: Sean Bovingdon
Title: CFO

Per: _____
Name:
Title:

I/We have the authority to bind the Borrower.

OTHER OBLIGORS:

BZAM LTD.

Per: 
Name: Matt Milich
Title: CEO

Per: _____
Name:
Title:

I/We have the authority to bind the Obligor.

MEDICAN ORGANIC INC.

Per: Sean Bovingdon
Name: Sean Bovingdon
Title: CFO

Per: _____
Name:
Title:

I/We have the authority to bind the Obligor.

BZAM HOLDINGS INC.

Per: 

Name: Matt Milich
Title: President

Per: _____
Name:
Title:

I/We have the authority to bind the Obligor.

FOLIUM LIFE SCIENCE INC.

Per: 

Name: Matt Milich
Title: President

Per: _____
Name:
Title:

I/We have the authority to bind the Obligor.

BZAM MANAGEMENT INC.

Per: 

Name: Matt Milich
Title: CEO

Per: _____
Name:
Title:

I/We have the authority to bind the Obligor.

BZAM CANNABIS CORP.

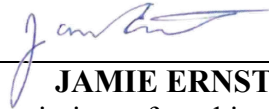
Per: 

Name: Matt Milich
Title: President

Per: _____
Name:
Title:

I/We have the authority to bind the Obligor.

THIS IS **EXHIBIT "BB"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.



JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)

GENERAL SECURITY AGREEMENT

This Agreement is made this 8 day of January, 2024

BETWEEN:

FINAL BELL CORP.
(the "Debtor")

- and -

CORTLAND CREDIT LENDING CORPORATION, as Administrative Agent
(the "Agent")

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Debtor hereby agrees with the Agent as follows:

1. Interpretation

Reference is made to the second amended and restated credit agreement among The Green Organic Dutchman Ltd. (the "Borrower"), the Agent and the lenders from time to time party thereto dated on or about the date hereof (as it may be amended, amended and restated, supplemented or otherwise modified from time to time, collectively, the "Credit Agreement"). Terms used herein as defined terms shall have the respective meanings ascribed in the Credit Agreement, unless otherwise defined herein. In addition, the following terms shall have the respective meanings set forth below:

"**Acceleration Date**" means the delivery by the Agent to an Obligor of a written notice that the Obligations (as hereinafter defined) are immediately due and payable, following the occurrence and during the continuation of an Event of Default.

"**Collateral**" means the present and after-acquired real and personal property of the Debtor and all Inventory, Equipment, Accounts, Intangibles, Documents of Title, Chattel Paper, Instruments, Money, Securities, Documents, Undertaking and Proceeds (as such terms are defined herein), subject to any exceptions identified in Section 6 of this Agreement. Any reference in this Agreement to Collateral shall mean Collateral or any part thereof, unless the context otherwise requires.

"**PPSA**" means the *Personal Property Security Act* (Ontario), including the regulations thereto and related Minister's Orders, provided that if perfection or the effect of or non-perfection or the priority of any Lien created hereunder or under any other Security Agreement on the Collateral is governed by the personal property security legislation or other applicable legislation with respect to personal property security in effect in any applicable jurisdiction in Canada, "**PPSA**" means the *Personal Property Security Act* or such other applicable legislation (including, the Civil Code of Quebec) in effect from time to time in such other jurisdiction in Canada for purposes of the provisions hereof relating to such perfection, effect of perfection or non-perfection or priority.

"**Security Interest**" means the grants, mortgages, charges, transfers, assignments and security interests herein created.

2. **Creation of Security Interest; Obligations Secured**

The Debtor hereby grants to and in favour of the Agent, as continuing security for the payment and performance of (i) all present and future, direct and indirect, contingent and absolute obligations and liabilities of the Debtor to the Agent and the Lenders arising under or in connection with the Credit Agreement and all Guarantees provided by the Debtor from time to time in respect of the indebtedness and liabilities of the Borrower thereunder, and (ii) all obligations of the Debtor to the Agent and the Lenders arising under this Agreement (collectively, the "**Obligations**"), a security interest in, and hereby mortgages, charges and assigns to and in favour of the Agent, all present and after-acquired real and personal property of the Debtor, including the following:

Equipment

- (a) all present and after-acquired equipment of the Debtor, including all machinery, fixtures, plant, tools, furniture, vehicles of any kind or description, all spare parts, accessories installed in or affixed or attached to any of the foregoing, and all drawings, specifications, plans and manuals relating thereto (collectively, "**Equipment**");

Inventory

- (b) all present and after-acquired inventory of the Debtor, including all raw materials, materials used or consumed in the business of the Debtor, work-in-progress, finished goods, goods used for packing, materials used in the business of the Debtor not intended for sale, and goods acquired or held for sale or furnished or to be furnished under contracts of rental or service (collectively, "**Inventory**");

Accounts

- (c) all present and after-acquired debts, demands and amounts due or accruing due to the Debtor whether or not earned by performance, including without limitation its book debts, accounts receivable, and claims under policies of insurance; and all contracts, security interests and other rights and benefits in respect thereof and all other present and after-acquired accounts receivable and amounts due or accruing due to the Debtor evidenced by any deposit receipts, term deposits, guaranteed investment certificates or other evidence of debt obligations issued by a bank, trust company or other financial institution, and all replacements, renewals and substitutions therefor (collectively, "**Accounts**");

Intangibles

- (d) all present and future intangible personal property of the Debtor, including all contract rights, goodwill, and Intellectual Property (as hereinafter defined), and all other choses in action of the Debtor of every kind, whether due at the present time or hereafter to become due or owing, that are not "goods" (as such term is defined in the PPSA) (collectively, "**Goods**"), Chattel Paper (as hereinafter defined), Documents of Title (as

hereinafter defined), Instruments (as hereinafter defined), Money (as hereinafter defined) or Investment Property (as hereinafter defined) (collectively, "**Intangibles**"); as used herein, "**Intellectual Property**" means all of the Debtor's present and future intellectual property including without limitation, (i) copyrights, (ii) patents, (iii) trade-marks, trade names, business names, trade styles, logos and all other forms of business identifiers, and (iv) trade secrets and other confidential information and data in any form or format, including without limitation, all know-how obtained, developed or used in or contemplated at any time for use in the business, affairs, undertaking and operations of the Debtor now or hereafter owned generated or acquired, including in each instance all related additions, improvements and accessories thereto and replacements thereof (whether registered or unregistered) including without limitation, the intellectual property described in Schedule B attached hereto;

Documents of Title

- (e) all present and after-acquired "documents of title" (as such term is defined in the PPSA) of the Debtor, whether negotiable or otherwise including all warehouse receipts and bills of lading (collectively, "**Documents of Title**");

Chattel Paper

- (f) all present and after-acquired agreements made between the Debtor as secured party and others which evidence both a monetary obligation and a security interest in or a lease of specific Goods (collectively, "**Chattel Paper**");

Instruments

- (g) all present and after-acquired bills, notes and cheques (as such are defined pursuant to the *Bills of Exchange Act* (Canada)), and all other writings that evidence a right to the payment of money and are of a type that in the ordinary course of business are transferred by delivery without any necessary endorsement or assignment (collectively, "**Instruments**");

Money

- (h) all present and after-acquired "money" (as such term is defined in the PPSA) of the Debtor, whether authorized or adopted by the Parliament of Canada as part of its currency or any foreign government as part of its currency (collectively, "**Money**");

Securities

- (i) all present and after-acquired securities held by the Debtor, including shares, options, rights, warrants, joint venture interests, interests in limited partnerships, bonds, debentures, "financial assets" (as such term is defined in the *Securities Transfer Act, 2006* (Ontario)) and "investment property" (as such term is defined in the PPSA) (collectively, "**Investment Property**") and all other documents which constitute evidence of a share, participation or other interest of the Debtor in property or in an enterprise or which constitute evidence of an obligation of the issuer; and all substitutions therefor and dividends and income derived therefrom (collectively,

"Securities"); and for greater certainty, specifically including, without limitation, the Securities listed in Schedule "A" attached hereto or otherwise acknowledged in writing by the Debtor as comprising part of the Collateral;

Documents

- (j) all books, accounts, invoices, letters, papers, documents and other records in any form evidencing or relating to collateral subject to the Security Interest (collectively, "**Documents**");

Undertaking

- (k) all present and after-acquired real and personal property, business, and undertaking of the Debtor not being Inventory, Equipment, Accounts, Intangibles, Documents of Title, Chattel Paper, Instruments, Money, Securities or Documents (collectively, "**Undertaking**"); and

Proceeds

- (l) all personal property in any form derived directly or indirectly from any dealing with collateral subject to the Security Interest or the proceeds therefrom, including insurance proceeds and any other payment representing indemnity or compensation for loss of or damage thereto or the proceeds therefrom (collectively, "**Proceeds**").

3. Further Description of Collateral

Without limiting the generality of the description of Collateral as set out in Section 2, for greater certainty the Collateral shall include all present and after-acquired real and personal property in which the Debtor may have an interest which may be specifically described in any schedule which may be attached hereto. The Debtor agrees to execute and deliver at its own expense from time to time amendments to this Agreement or additional security agreements as may be reasonably required by the Agent in order that the Security Interest shall attach to such real and personal property.

4. Attachment

The Debtor acknowledges that value has been given, the parties have not agreed to postpone the time for attachment of the Security Interest and the Debtor has rights in the Collateral which exists as at the date of this Agreement. In respect of Collateral in which the Debtor obtains an interest after the execution and delivery of this Agreement, the Security Interest shall attach thereto immediately upon the Debtor obtaining such rights.

5. Dealings with Collateral

The Debtor may sell Inventory and collect Accounts in the ordinary course of its business until on or after the Acceleration Date. After the Acceleration Date, the Debtor's entitlement to sell Inventory and collect Accounts shall cease, and any Accounts thereafter collected by the Debtor shall be held by in trust for the Agent and shall be paid to the Agent immediately upon receipt.

6. Exception re Leasehold Interests, Contractual Rights and Consumer Goods

(a) The last day of the term of any lease or sublease of any real property or agreement therefor is specifically excluded from the Collateral and the related Security Interest, but the Debtor agrees to stand possessed of such last day in trust for any Person acquiring such interest of the Debtor.

(b) To the extent that the granting of the Security Interest in respect of any agreement, right, licence or permit to which the Debtor is a party would constitute a breach thereof, cause the acceleration thereof, cause the automatic termination thereof or would be terminable at the option of the other party, the Debtor hereby agrees to use commercially reasonable efforts to obtain from the parties to any such lease, agreement, right, licence or permit (except as otherwise provided in the Credit Agreement) any necessary consents (to the extent requested by the Agent) to the charging and assignment thereof in favour of the Agent, and the attachment of the Security Interest thereto shall be postponed until such consent is provided. Upon the provision of such consent, the Security Interest shall immediately attach thereto. Until such attachment, the Debtor shall hold its interest therein in trust for the Agent, unless the holding of such interest by the Debtor in trust for the Agent would constitute a breach thereof, cause the acceleration thereof or result in any of the other aforementioned effects.

(c) "Consumer goods" (as such term is defined in the PPSA) ("**Consumer Goods**") are specifically excluded from the Collateral and the related Security Interest.

7. Additional Provisions re Securities

The Debtor shall duly endorse for transfer all certificates evidencing the Securities, or execute in blank any stock transfer powers of attorney in respect thereof, in either case with signatures guaranteed if so requested by the Agent, acting reasonably. From and after the Acceleration Date, the Debtor shall cause any or all of the Securities to be registered in the name of the Agent or its nominee, and the Agent is hereby appointed the irrevocable attorney of the Debtor with full power of substitution to cause any or all of the Securities to be registered in the name of the Agent or its nominee. Until on or after the Acceleration Date:

- (a) the Debtor shall be entitled to exercise all voting rights attached to the Securities and give consents, waivers and ratifications in respect thereof; provided, however, that no vote shall be cast or consent, waiver or ratification given or action taken which would impose any restriction on the transferability of the Securities or otherwise adversely affect the Security Interest or impair the value of the Securities; and
- (b) the Debtor shall not exercise its voting rights attached to the Securities in connection with any matter which would result in a contravention of the Credit Agreement.

All such rights of the Debtor to vote and give consents, waivers and ratifications shall cease immediately on the Acceleration Date.

8. Representations and Warranties

The Debtor hereby represents and warrants as follows to the Agent and the Lenders, and acknowledges that the Agent and the Lenders are relying thereon:

- (a) the Debtor has the capacity and authority to create the Security Interest and perform its obligations under this Agreement;

- (b) the execution and delivery of this Agreement and the performance by the Debtor of its obligations hereunder has been duly authorized by all necessary proceedings;
- (c) the Collateral is owned by the Debtor free from all Liens except for Permitted Encumbrances;
- (d) the chief executive office of the Debtor is set out in Schedule "F" to the Credit Agreement;
- (e) the Collateral does not include any Consumer Goods; and
- (f) the Securities do not include any certificated securities (other than those set out in Schedule A hereto) and shall not hereafter become certificated without the prior written consent of the Agent. Without limiting the foregoing, all certificates, agreements or instruments representing or evidencing the Securities in existence on the date hereof have been delivered to the Agent in suitable form for transfer by delivery or accompanied by duly executed instruments of transfer or assignment in blank.

9. Covenants

The Debtor covenants and agrees as follows:

- (a) not to grant or suffer to exist any Lien in respect of any of its property, except Permitted Encumbrances;
- (b) to prevent the Collateral from becoming an accession to any personal property not subject to this Agreement, or becoming affixed to any real property other than real property which is subject to a first-ranking Security Interest in favour of the Agent or a landlord agreement in favour of the Agent;
- (c) to deliver to the Agent from time to time upon request of the Agent all items of Collateral comprising Chattel Paper, Instruments, Securities and those Documents of Title which are negotiable;
- (d) to do, make, execute and deliver such further and other assignments, transfers, deeds, security agreements and other documents as may be reasonably required by the Agent to establish in favour of the Agent the Security Interest intended to be created hereby and to accomplish the intention of this Agreement; and
- (e) to pay all reasonable expenses, including reasonable solicitors' and receivers' fees and disbursements, incurred by the Agent or its agents (including any Receiver, as hereinafter defined) in connection with the preparation, perfection, preservation, and enforcement of this Agreement; including all reasonable expenses incurred by the Agent or such agents in dealing with other creditors of the Debtor in connection with the establishment and confirmation of the priority of the Security Interest; all of which expenses shall be payable promptly upon demand and shall form part of the Obligations.

10. Enforcement

On or after the Acceleration Date, in addition to exercising any other remedies available at law or equity or contained in any other agreement between the Debtor and the Agent, all of which remedies shall be independent and cumulative, the Agent may:

- (a) enter any premises where Collateral may be located;
- (b) take possession of Collateral by any method permitted by law;
- (c) occupy and use any premises occupied by the Debtor and use all or any of such premises and the Equipment and other Collateral located thereon;
- (d) take such steps and expend such monies as it considers necessary or desirable in its sole discretion to maintain, preserve and protect the Collateral, including payments on account of other security interests affecting the Collateral; provided that the Agent shall have no obligation to take any such actions or make any such expenditures; but any such amounts paid by the Agent shall comprise part of the Obligations and shall be secured hereby;
- (e) sell, lease, license or otherwise dispose of Collateral;
- (f) collect, sell or otherwise deal with Accounts, including notifying any person obligated to the Debtor in respect of an Account, Chattel Paper or an Instrument to make payment to the Agent of all such present and future amounts due thereon;
- (g) collect any rents, income, and profits received in connection with the business of the Debtor or the Collateral, without carrying on such business;
- (h) exercise all voting rights attached to the Securities (whether or not registered in the name of the Agent or its nominee) and give or withhold all consents, waivers and ratifications in respect thereof and otherwise act with respect thereto as though it were the absolute owner thereof;
- (i) exercise any and all rights of conversion, exchange, subscription or any other rights, privileges or options pertaining to any of the Securities as if it were the absolute owner thereof including, without limitation, the right to exchange at its discretion any and all of the Securities upon the merger, consolidation, reorganization, recapitalization or other readjustment of any issuer thereof, or upon the exercise by any issuer of any right, privilege or option pertaining to any of the Securities, and in connection therewith, to deposit and deliver any of the Securities with any committee, depository, transfer agent, registrar or other designated agency upon such terms and conditions as it may determine, all without liability except to account for property actually received by it;
- (j) comply with any limitation or restriction in connection with any proposed sale or other disposition of the Securities as may be necessary in order to comply with applicable laws and regulations, and policies imposed by any stock exchange, securities commission or other Governmental Authority, and the Debtor further agrees that such compliance shall not result in such sale being considered or deemed not to have been made in a commercially reasonable manner, nor shall the Agent be liable or accountable to the

Debtor for any discount in the sale price of the Securities which may be given by reason of the fact that such Securities are sold in compliance with any such limitation or restriction;

- (k) carry on the business of the Debtor or any portion thereof;
- (l) demand, commence, continue or defend any judicial or administrative proceedings for the purpose of protecting, seizing, collecting, realizing or obtaining possession or payment of the Collateral, and give valid and effectual receipts and discharges therefor and to compromise or give time for the payment or performance of all or any part of the Accounts or any other obligation of any third party to the Debtor;
- (m) borrow money for the maintenance, preservation or protection of the Collateral or for the carrying on of the business of the Debtor, and charge and grant further security interests in the Collateral in priority to the Security Interest, as security for the money so borrowed;
- (n) apply to any court of competent jurisdiction for the appointment of a receiver or a receiver and manager in respect of the Debtor and/or the Collateral or any portion thereof;
- (o) appoint a receiver or a receiver and manager by private appointment (each of which together is herein called a “Receiver”) in respect of the Debtor and/or the Collateral or any portion thereof;
- (p) accept the Collateral in satisfaction of the Obligations; and
- (q) file proofs of claim and other documents in order to have the claims of the Agent and the Lenders lodged in any bankruptcy, winding-up, or other judicial proceeding relating to the Debtor or the Collateral.

11. Receiver

Any Receiver appointed by the Agent may be any person or persons, and the Agent may remove any Receiver so appointed and appoint another or others instead. The Receiver may exercise all powers of the Agent as provided in this Agreement. The Receiver shall act as agent for the Agent for the purposes of taking possession of the Collateral, and (except as provided below) as agent for the Debtor for all other purposes, including without limitation the occupation of any premises of the Debtor and in carrying on the Debtor's business. For the purposes of realizing upon the Security Interest, the Receiver may sell, lease, or otherwise dispose of Collateral as agent for the Debtor or as agent for the Agent as it may determine in its discretion, acting reasonably. The Debtor agrees to ratify and confirm all actions of the Receiver acting as agent for the Debtor, and to release and indemnify the Receiver in respect of all such actions, except that such ratification, confirmation, release and indemnity shall not apply to any gross negligence or wilful misconduct on the part of the Receiver.

12. Standards of Sale

The Debtor agrees that it shall be commercially reasonable for the Agent to dispose of Collateral by private sale or public sale, in the Agent's reasonable discretion. If Collateral is disposed of by public

sale, the sale may be held following one advertisement in a newspaper having general circulation in the location of the Collateral to be sold at least seven days prior to such sale, and the Agent may establish a reserve bid in respect of all or any portion of the Collateral. Collateral may be disposed of in whole or in part, for cash or credit, or part cash and part credit. The purchaser or lessee of such Collateral may be a customer of the Agent or any Lender. No purchaser shall be bound to enquire into the legality, regularity or propriety of any sale or be affected by notice of any irregularity or impropriety and no lack of default or want of notice or other requirement or any irregularity or impropriety of any kind shall invalidate any sale hereunder. The Agent may sell any Collateral without entering into or taking actual possession of any part thereof, and while in possession the Agent shall only be accountable for monies actually received by it. The Agent may commence and continue any sale proceedings notwithstanding that other sale proceedings by other persons have been taken or are then pending.

13. Failure of Agent to Exercise Remedies

The Agent shall not be liable for any delay or failure to enforce any remedies available to it or to institute any proceedings for such purposes.

14. Application of Payments

From and after the Acceleration Date, all payments made in respect of the Obligations and all monies received by the Agent or any Receiver appointed by the Agent in respect of the enforcement of the Security Interest (including the receipt of any Money) may be held as security for the Obligations or applied in such manner as may be determined in the discretion of the Agent or the Receiver, as the case may be, and the Agent may at any time apply or change any such appropriation of such payments or monies to such part or parts of the Obligations as the Agent may determine in its discretion. The Debtor shall remain liable to the Agent for any deficiency; and any surplus funds realized after the satisfaction of all Obligations shall be paid in accordance with applicable law.

15. Dealings by Agent

Until the Obligations have been satisfied in full, the Agent may grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges, and otherwise deal with the Collateral, the Debtor, debtors of the Debtor, sureties of the Debtor, and others as the Agent may see fit, acting reasonably, without prejudice to the Obligations and the rights of the Agent to hold and realize upon the Security Interest. The Agent has no obligation to keep Collateral identifiable, or to preserve rights against prior secured creditors in respect of any Collateral which includes Chattel Paper or Instruments.

16. Payment of Liens

The Agent may pay and satisfy the whole or any part of any Liens now or hereafter existing in respect of any of the Collateral, and such payments together with all reasonable and documented costs, charges and expenses which may be incurred in connection with making such payments shall form part of the Obligations. In the event of the Agent satisfying any such Lien, it shall be entitled to all the equities and securities of the Person or Persons so paid and is hereby authorized to obtain any discharge thereof and hold such discharge without registration for so long as it may deem advisable to do so, acting reasonably.

17. Notice

Without prejudice to any other method of giving notice, any notice by the Agent to the Debtor pursuant to this Agreement shall be effective if made in writing and given to the Debtor at the address of the Debtor and in the manner set out in the Guarantee.

18. Separate Security

This Agreement and the Security Interest are in addition to and not in substitution for any other security now or hereafter held by the Agent or the Lenders in respect of the Debtor, the Obligations or the Collateral.

19. Lenders Not Obligated to Extend Credit

Nothing in this Agreement shall obligate the Lenders to make any loan or other extension of credit to the Borrower, or extend the time for payment or satisfaction of any Obligations.

20. Severability

If any provision of this Agreement shall be deemed by any court of competent jurisdiction to be invalid or void, the remaining provisions shall remain in full force and effect.

21. Time of Essence

Time shall be of the essence of this Agreement.

22. Inconsistencies with Credit Agreement

To the extent that there is any inconsistency between a provision of this Agreement and a provision of the Credit Agreement, the said provision in the Credit Agreement shall govern.

23. Entire Agreement

Except as aforesaid, this Agreement and any other documents or instruments contemplated hereby shall constitute the entire agreement and understanding between the Debtor and the Agent relating to the subject-matter hereof. No provision of this Agreement, or any other document or instrument in existence among the parties may be modified, waived or terminated except by an instrument in writing executed by the party against whom such modification, waiver or termination is sought to be enforced. There are no representations, warranties or collateral agreements in effect between the Debtor and the Agent relating to the subject-matter hereof; and possession of an executed copy of this Agreement by the Agent constitutes conclusive evidence that it was executed and delivered by the Debtor free of all conditions.

24. Grammatical Changes

This Agreement is to be read as if all changes in grammar, number and gender rendered necessary by the context had been made, specifically including a reference to a person as a corporation and vice-versa.

25. Governing Law; Submission to Jurisdiction

This Agreement shall be interpreted in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. Without prejudice to the ability of the Agent to enforce this Agreement in any other proper jurisdiction, the Debtor hereby irrevocably submits and attorns to the jurisdiction of the courts of the Province of Ontario.

26. Power of Attorney

The Debtor hereby constitutes and appoints the Agent or any officer thereof, at any time and from time to time on or after the Acceleration Date, as its true, lawful and irrevocable attorney, with full power of substitution, to execute all documents and take all actions as may be necessary or desirable to perform any obligations of the Debtor arising pursuant to this Agreement, and in executing such documents and taking such actions, to use the name of the Debtor whenever and wherever it may be considered necessary or expedient. The foregoing power of attorney is coupled with an interest and is irrevocable.

27. Successors and Assigns

This Agreement is binding upon the parties hereto, and their respective successors and permitted assigns.

28. Amalgamation of Debtor

If the Debtor amalgamates with any other corporation or corporations, it is the intention of the parties that this Agreement shall continue in full force and effect and shall be binding upon the amalgamated corporation, and for greater certainty, that:

- (a) the Security Interest shall: (i) continue to secure the Obligations; (ii) secure all obligations of each other amalgamating corporation to the Agent and the Lenders (which obligations shall constitute Obligations of the amalgamated corporation); and (iii) secure all obligations of the amalgamated corporation to the Agent and the Lenders arising after the amalgamation; and the term "Obligations" shall include all such obligations of the Debtor, the other amalgamating corporations and the amalgamated corporation;
- (b) the Security Interest shall: (i) continue to attach to all property and assets of the Debtor; (ii) attach to all property and assets of each other amalgamating corporation (which property and assets shall be the property and assets of the amalgamated corporation); and (iii) attach to all property and assets of the amalgamated corporation acquired after the amalgamation; and the term "Collateral" shall include all such property and assets of the Debtor, the other amalgamating corporations and the amalgamated corporation;
- (c) all defined terms and other provisions of this Agreement shall be deemed to have been amended to reflect such amalgamation, to the extent required by the context; and
- (d) the amalgamated corporation shall execute and deliver all such further documents and assurances as may be necessary or desirable in connection with the foregoing.

29. Execution by Facsimile or PDF; Execution in Counterparts

This Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement. This Agreement may be executed by facsimile or electronic transmission of a printable image in 'pdf' or other file format of a signature or signatures applied to this Agreement, and any such signature or signatures shall be treated as original for all purposes.

30. Acknowledgment and Waiver

The Debtor:

- (a) acknowledges receipt of an executed copy of this Agreement; and
- (b) waives all rights to receive from the Lender a copy of any financing statement, financing change statement or verification statement filed or issued, as the case may be, at any time in respect of this Agreement or any amendments hereto.

[The remainder of this page is intentionally blank. Signature page follows.]

IN WITNESS WHEREOF, the Debtor has executed this Agreement effective as of the day and year first above written.

FINAL BELL CORP.

By: 
Name: Greg Boone
Title: CEO

By: _____
Name:
Title:

I/we have authority to bind the corporation.

IN WITNESS WHEREOF, the Debtor has executed this Agreement effective as of the day and year first above written.

FINAL BELL CORP.

By: _____

Name:

Title:

DocuSigned by:

Jennifer Maccarone

By: _____

Name: Jennifer Maccarone

Title: COO

I/we have authority to bind the corporation.

SCHEDULE "A"
PLEDGED SECURITIES

N/A

SCHEDULE "B"

INTELLECTUAL PROPERTY

Owned Intellectual Property

N/A

Licensed Intellectual Property

N/A

GENERAL SECURITY AGREEMENT

This Agreement is made this 8 day of January, 2024

BETWEEN:

FINAL BELL CANADA INC.
(the "Debtor")

- and -

CORTLAND CREDIT LENDING CORPORATION, as Administrative Agent
(the "Agent")

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Debtor hereby agrees with the Agent as follows:

1. Interpretation

Reference is made to the second amended and restated credit agreement among The Green Organic Dutchman Ltd. (the "Borrower"), the Agent and the lenders from time to time party thereto dated on or about the date hereof (as it may be amended, amended and restated, supplemented or otherwise modified from time to time, collectively, the "Credit Agreement"). Terms used herein as defined terms shall have the respective meanings ascribed in the Credit Agreement, unless otherwise defined herein. In addition, the following terms shall have the respective meanings set forth below:

"**Acceleration Date**" means the delivery by the Agent to an Obligor of a written notice that the Obligations (as hereinafter defined) are immediately due and payable, following the occurrence and during the continuation of an Event of Default.

"**Collateral**" means the present and after-acquired real and personal property of the Debtor and all Inventory, Equipment, Accounts, Intangibles, Documents of Title, Chattel Paper, Instruments, Money, Securities, Documents, Undertaking and Proceeds (as such terms are defined herein), subject to any exceptions identified in Section 6 of this Agreement. Any reference in this Agreement to Collateral shall mean Collateral or any part thereof, unless the context otherwise requires.

"**PPSA**" means the *Personal Property Security Act* (Ontario), including the regulations thereto and related Minister's Orders, provided that if perfection or the effect of or non-perfection or the priority of any Lien created hereunder or under any other Security Agreement on the Collateral is governed by the personal property security legislation or other applicable legislation with respect to personal property security in effect in any applicable jurisdiction in Canada, "**PPSA**" means the *Personal Property Security Act* or such other applicable legislation (including, the Civil Code of Quebec) in effect from time to time in such other jurisdiction in Canada for purposes of the provisions hereof relating to such perfection, effect of perfection or non-perfection or priority.

"**Security Interest**" means the grants, mortgages, charges, transfers, assignments and security interests herein created.

2. **Creation of Security Interest; Obligations Secured**

The Debtor hereby grants to and in favour of the Agent, as continuing security for the payment and performance of (i) all present and future, direct and indirect, contingent and absolute obligations and liabilities of the Debtor to the Agent and the Lenders arising under or in connection with the Credit Agreement and all Guarantees provided by the Debtor from time to time in respect of the indebtedness and liabilities of the Borrower thereunder, and (ii) all obligations of the Debtor to the Agent and the Lenders arising under this Agreement (collectively, the "**Obligations**"), a security interest in, and hereby mortgages, charges and assigns to and in favour of the Agent, all present and after-acquired real and personal property of the Debtor, including the following:

Equipment

- (a) all present and after-acquired equipment of the Debtor, including all machinery, fixtures, plant, tools, furniture, vehicles of any kind or description, all spare parts, accessories installed in or affixed or attached to any of the foregoing, and all drawings, specifications, plans and manuals relating thereto (collectively, "**Equipment**");

Inventory

- (b) all present and after-acquired inventory of the Debtor, including all raw materials, materials used or consumed in the business of the Debtor, work-in-progress, finished goods, goods used for packing, materials used in the business of the Debtor not intended for sale, and goods acquired or held for sale or furnished or to be furnished under contracts of rental or service (collectively, "**Inventory**");

Accounts

- (c) all present and after-acquired debts, demands and amounts due or accruing due to the Debtor whether or not earned by performance, including without limitation its book debts, accounts receivable, and claims under policies of insurance; and all contracts, security interests and other rights and benefits in respect thereof and all other present and after-acquired accounts receivable and amounts due or accruing due to the Debtor evidenced by any deposit receipts, term deposits, guaranteed investment certificates or other evidence of debt obligations issued by a bank, trust company or other financial institution, and all replacements, renewals and substitutions therefor (collectively, "**Accounts**");

Intangibles

- (d) all present and future intangible personal property of the Debtor, including all contract rights, goodwill, and Intellectual Property (as hereinafter defined), and all other choses in action of the Debtor of every kind, whether due at the present time or hereafter to become due or owing, that are not "goods" (as such term is defined in the PPSA) (collectively, "**Goods**"), Chattel Paper (as hereinafter defined), Documents of Title (as

hereinafter defined), Instruments (as hereinafter defined), Money (as hereinafter defined) or Investment Property (as hereinafter defined) (collectively, "**Intangibles**"); as used herein, "**Intellectual Property**" means all of the Debtor's present and future intellectual property including without limitation, (i) copyrights, (ii) patents, (iii) trade-marks, trade names, business names, trade styles, logos and all other forms of business identifiers, and (iv) trade secrets and other confidential information and data in any form or format, including without limitation, all know-how obtained, developed or used in or contemplated at any time for use in the business, affairs, undertaking and operations of the Debtor now or hereafter owned generated or acquired, including in each instance all related additions, improvements and accessories thereto and replacements thereof (whether registered or unregistered) including without limitation, the intellectual property described in Schedule B attached hereto;

Documents of Title

- (e) all present and after-acquired "documents of title" (as such term is defined in the PPSA) of the Debtor, whether negotiable or otherwise including all warehouse receipts and bills of lading (collectively, "**Documents of Title**");

Chattel Paper

- (f) all present and after-acquired agreements made between the Debtor as secured party and others which evidence both a monetary obligation and a security interest in or a lease of specific Goods (collectively, "**Chattel Paper**");

Instruments

- (g) all present and after-acquired bills, notes and cheques (as such are defined pursuant to the *Bills of Exchange Act* (Canada)), and all other writings that evidence a right to the payment of money and are of a type that in the ordinary course of business are transferred by delivery without any necessary endorsement or assignment (collectively, "**Instruments**");

Money

- (h) all present and after-acquired "money" (as such term is defined in the PPSA) of the Debtor, whether authorized or adopted by the Parliament of Canada as part of its currency or any foreign government as part of its currency (collectively, "**Money**");

Securities

- (i) all present and after-acquired securities held by the Debtor, including shares, options, rights, warrants, joint venture interests, interests in limited partnerships, bonds, debentures, "financial assets" (as such term is defined in the *Securities Transfer Act, 2006* (Ontario)) and "investment property" (as such term is defined in the PPSA) (collectively, "**Investment Property**") and all other documents which constitute evidence of a share, participation or other interest of the Debtor in property or in an enterprise or which constitute evidence of an obligation of the issuer; and all substitutions therefor and dividends and income derived therefrom (collectively,

"Securities"); and for greater certainty, specifically including, without limitation, the Securities listed in Schedule "A" attached hereto or otherwise acknowledged in writing by the Debtor as comprising part of the Collateral;

Documents

- (j) all books, accounts, invoices, letters, papers, documents and other records in any form evidencing or relating to collateral subject to the Security Interest (collectively, "**Documents**");

Undertaking

- (k) all present and after-acquired real and personal property, business, and undertaking of the Debtor not being Inventory, Equipment, Accounts, Intangibles, Documents of Title, Chattel Paper, Instruments, Money, Securities or Documents (collectively, "**Undertaking**"); and

Proceeds

- (l) all personal property in any form derived directly or indirectly from any dealing with collateral subject to the Security Interest or the proceeds therefrom, including insurance proceeds and any other payment representing indemnity or compensation for loss of or damage thereto or the proceeds therefrom (collectively, "**Proceeds**").

3. Further Description of Collateral

Without limiting the generality of the description of Collateral as set out in Section 2, for greater certainty the Collateral shall include all present and after-acquired real and personal property in which the Debtor may have an interest which may be specifically described in any schedule which may be attached hereto. The Debtor agrees to execute and deliver at its own expense from time to time amendments to this Agreement or additional security agreements as may be reasonably required by the Agent in order that the Security Interest shall attach to such real and personal property.

4. Attachment

The Debtor acknowledges that value has been given, the parties have not agreed to postpone the time for attachment of the Security Interest and the Debtor has rights in the Collateral which exists as at the date of this Agreement. In respect of Collateral in which the Debtor obtains an interest after the execution and delivery of this Agreement, the Security Interest shall attach thereto immediately upon the Debtor obtaining such rights.

5. Dealings with Collateral

The Debtor may sell Inventory and collect Accounts in the ordinary course of its business until on or after the Acceleration Date. After the Acceleration Date, the Debtor's entitlement to sell Inventory and collect Accounts shall cease, and any Accounts thereafter collected by the Debtor shall be held by in trust for the Agent and shall be paid to the Agent immediately upon receipt.

6. Exception re Leasehold Interests, Contractual Rights and Consumer Goods

(a) The last day of the term of any lease or sublease of any real property or agreement therefor is specifically excluded from the Collateral and the related Security Interest, but the Debtor agrees to stand possessed of such last day in trust for any Person acquiring such interest of the Debtor.

(b) To the extent that the granting of the Security Interest in respect of any agreement, right, licence or permit to which the Debtor is a party would constitute a breach thereof, cause the acceleration thereof, cause the automatic termination thereof or would be terminable at the option of the other party, the Debtor hereby agrees to use commercially reasonable efforts to obtain from the parties to any such lease, agreement, right, licence or permit (except as otherwise provided in the Credit Agreement) any necessary consents (to the extent requested by the Agent) to the charging and assignment thereof in favour of the Agent, and the attachment of the Security Interest thereto shall be postponed until such consent is provided. Upon the provision of such consent, the Security Interest shall immediately attach thereto. Until such attachment, the Debtor shall hold its interest therein in trust for the Agent, unless the holding of such interest by the Debtor in trust for the Agent would constitute a breach thereof, cause the acceleration thereof or result in any of the other aforementioned effects.

(c) "Consumer goods" (as such term is defined in the PPSA) ("**Consumer Goods**") are specifically excluded from the Collateral and the related Security Interest.

7. Additional Provisions re Securities

The Debtor shall duly endorse for transfer all certificates evidencing the Securities, or execute in blank any stock transfer powers of attorney in respect thereof, in either case with signatures guaranteed if so requested by the Agent, acting reasonably. From and after the Acceleration Date, the Debtor shall cause any or all of the Securities to be registered in the name of the Agent or its nominee, and the Agent is hereby appointed the irrevocable attorney of the Debtor with full power of substitution to cause any or all of the Securities to be registered in the name of the Agent or its nominee. Until on or after the Acceleration Date:

- (a) the Debtor shall be entitled to exercise all voting rights attached to the Securities and give consents, waivers and ratifications in respect thereof; provided, however, that no vote shall be cast or consent, waiver or ratification given or action taken which would impose any restriction on the transferability of the Securities or otherwise adversely affect the Security Interest or impair the value of the Securities; and
- (b) the Debtor shall not exercise its voting rights attached to the Securities in connection with any matter which would result in a contravention of the Credit Agreement.

All such rights of the Debtor to vote and give consents, waivers and ratifications shall cease immediately on the Acceleration Date.

8. Representations and Warranties

The Debtor hereby represents and warrants as follows to the Agent and the Lenders, and acknowledges that the Agent and the Lenders are relying thereon:

- (a) the Debtor has the capacity and authority to create the Security Interest and perform its obligations under this Agreement;

- (b) the execution and delivery of this Agreement and the performance by the Debtor of its obligations hereunder has been duly authorized by all necessary proceedings;
- (c) the Collateral is owned by the Debtor free from all Liens except for Permitted Encumbrances;
- (d) the chief executive office of the Debtor is set out in Schedule "F" to the Credit Agreement;
- (e) the Collateral does not include any Consumer Goods; and
- (f) the Securities do not include any certificated securities (other than those set out in Schedule A hereto) and shall not hereafter become certificated without the prior written consent of the Agent. Without limiting the foregoing, all certificates, agreements or instruments representing or evidencing the Securities in existence on the date hereof have been delivered to the Agent in suitable form for transfer by delivery or accompanied by duly executed instruments of transfer or assignment in blank.

9. Covenants

The Debtor covenants and agrees as follows:

- (a) not to grant or suffer to exist any Lien in respect of any of its property, except Permitted Encumbrances;
- (b) to prevent the Collateral from becoming an accession to any personal property not subject to this Agreement, or becoming affixed to any real property other than real property which is subject to a first-ranking Security Interest in favour of the Agent or a landlord agreement in favour of the Agent;
- (c) to deliver to the Agent from time to time upon request of the Agent all items of Collateral comprising Chattel Paper, Instruments, Securities and those Documents of Title which are negotiable;
- (d) to do, make, execute and deliver such further and other assignments, transfers, deeds, security agreements and other documents as may be reasonably required by the Agent to establish in favour of the Agent the Security Interest intended to be created hereby and to accomplish the intention of this Agreement; and
- (e) to pay all reasonable expenses, including reasonable solicitors' and receivers' fees and disbursements, incurred by the Agent or its agents (including any Receiver, as hereinafter defined) in connection with the preparation, perfection, preservation, and enforcement of this Agreement; including all reasonable expenses incurred by the Agent or such agents in dealing with other creditors of the Debtor in connection with the establishment and confirmation of the priority of the Security Interest; all of which expenses shall be payable promptly upon demand and shall form part of the Obligations.

10. Enforcement

On or after the Acceleration Date, in addition to exercising any other remedies available at law or equity or contained in any other agreement between the Debtor and the Agent, all of which remedies shall be independent and cumulative, the Agent may:

- (a) enter any premises where Collateral may be located;
- (b) take possession of Collateral by any method permitted by law;
- (c) occupy and use any premises occupied by the Debtor and use all or any of such premises and the Equipment and other Collateral located thereon;
- (d) take such steps and expend such monies as it considers necessary or desirable in its sole discretion to maintain, preserve and protect the Collateral, including payments on account of other security interests affecting the Collateral; provided that the Agent shall have no obligation to take any such actions or make any such expenditures; but any such amounts paid by the Agent shall comprise part of the Obligations and shall be secured hereby;
- (e) sell, lease, license or otherwise dispose of Collateral;
- (f) collect, sell or otherwise deal with Accounts, including notifying any person obligated to the Debtor in respect of an Account, Chattel Paper or an Instrument to make payment to the Agent of all such present and future amounts due thereon;
- (g) collect any rents, income, and profits received in connection with the business of the Debtor or the Collateral, without carrying on such business;
- (h) exercise all voting rights attached to the Securities (whether or not registered in the name of the Agent or its nominee) and give or withhold all consents, waivers and ratifications in respect thereof and otherwise act with respect thereto as though it were the absolute owner thereof;
- (i) exercise any and all rights of conversion, exchange, subscription or any other rights, privileges or options pertaining to any of the Securities as if it were the absolute owner thereof including, without limitation, the right to exchange at its discretion any and all of the Securities upon the merger, consolidation, reorganization, recapitalization or other readjustment of any issuer thereof, or upon the exercise by any issuer of any right, privilege or option pertaining to any of the Securities, and in connection therewith, to deposit and deliver any of the Securities with any committee, depository, transfer agent, registrar or other designated agency upon such terms and conditions as it may determine, all without liability except to account for property actually received by it;
- (j) comply with any limitation or restriction in connection with any proposed sale or other disposition of the Securities as may be necessary in order to comply with applicable laws and regulations, and policies imposed by any stock exchange, securities commission or other Governmental Authority, and the Debtor further agrees that such compliance shall not result in such sale being considered or deemed not to have been made in a commercially reasonable manner, nor shall the Agent be liable or accountable to the

Debtor for any discount in the sale price of the Securities which may be given by reason of the fact that such Securities are sold in compliance with any such limitation or restriction;

- (k) carry on the business of the Debtor or any portion thereof;
- (l) demand, commence, continue or defend any judicial or administrative proceedings for the purpose of protecting, seizing, collecting, realizing or obtaining possession or payment of the Collateral, and give valid and effectual receipts and discharges therefor and to compromise or give time for the payment or performance of all or any part of the Accounts or any other obligation of any third party to the Debtor;
- (m) borrow money for the maintenance, preservation or protection of the Collateral or for the carrying on of the business of the Debtor, and charge and grant further security interests in the Collateral in priority to the Security Interest, as security for the money so borrowed;
- (n) apply to any court of competent jurisdiction for the appointment of a receiver or a receiver and manager in respect of the Debtor and/or the Collateral or any portion thereof;
- (o) appoint a receiver or a receiver and manager by private appointment (each of which together is herein called a **"Receiver"**) in respect of the Debtor and/or the Collateral or any portion thereof;
- (p) accept the Collateral in satisfaction of the Obligations; and
- (q) file proofs of claim and other documents in order to have the claims of the Agent and the Lenders lodged in any bankruptcy, winding-up, or other judicial proceeding relating to the Debtor or the Collateral.

11. Receiver

Any Receiver appointed by the Agent may be any person or persons, and the Agent may remove any Receiver so appointed and appoint another or others instead. The Receiver may exercise all powers of the Agent as provided in this Agreement. The Receiver shall act as agent for the Agent for the purposes of taking possession of the Collateral, and (except as provided below) as agent for the Debtor for all other purposes, including without limitation the occupation of any premises of the Debtor and in carrying on the Debtor's business. For the purposes of realizing upon the Security Interest, the Receiver may sell, lease, or otherwise dispose of Collateral as agent for the Debtor or as agent for the Agent as it may determine in its discretion, acting reasonably. The Debtor agrees to ratify and confirm all actions of the Receiver acting as agent for the Debtor, and to release and indemnify the Receiver in respect of all such actions, except that such ratification, confirmation, release and indemnity shall not apply to any gross negligence or wilful misconduct on the part of the Receiver.

12. Standards of Sale

The Debtor agrees that it shall be commercially reasonable for the Agent to dispose of Collateral by private sale or public sale, in the Agent's reasonable discretion. If Collateral is disposed of by public

sale, the sale may be held following one advertisement in a newspaper having general circulation in the location of the Collateral to be sold at least seven days prior to such sale, and the Agent may establish a reserve bid in respect of all or any portion of the Collateral. Collateral may be disposed of in whole or in part, for cash or credit, or part cash and part credit. The purchaser or lessee of such Collateral may be a customer of the Agent or any Lender. No purchaser shall be bound to enquire into the legality, regularity or propriety of any sale or be affected by notice of any irregularity or impropriety and no lack of default or want of notice or other requirement or any irregularity or impropriety of any kind shall invalidate any sale hereunder. The Agent may sell any Collateral without entering into or taking actual possession of any part thereof, and while in possession the Agent shall only be accountable for monies actually received by it. The Agent may commence and continue any sale proceedings notwithstanding that other sale proceedings by other persons have been taken or are then pending.

13. Failure of Agent to Exercise Remedies

The Agent shall not be liable for any delay or failure to enforce any remedies available to it or to institute any proceedings for such purposes.

14. Application of Payments

From and after the Acceleration Date, all payments made in respect of the Obligations and all monies received by the Agent or any Receiver appointed by the Agent in respect of the enforcement of the Security Interest (including the receipt of any Money) may be held as security for the Obligations or applied in such manner as may be determined in the discretion of the Agent or the Receiver, as the case may be, and the Agent may at any time apply or change any such appropriation of such payments or monies to such part or parts of the Obligations as the Agent may determine in its discretion. The Debtor shall remain liable to the Agent for any deficiency; and any surplus funds realized after the satisfaction of all Obligations shall be paid in accordance with applicable law.

15. Dealings by Agent

Until the Obligations have been satisfied in full, the Agent may grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges, and otherwise deal with the Collateral, the Debtor, debtors of the Debtor, sureties of the Debtor, and others as the Agent may see fit, acting reasonably, without prejudice to the Obligations and the rights of the Agent to hold and realize upon the Security Interest. The Agent has no obligation to keep Collateral identifiable, or to preserve rights against prior secured creditors in respect of any Collateral which includes Chattel Paper or Instruments.

16. Payment of Liens

The Agent may pay and satisfy the whole or any part of any Liens now or hereafter existing in respect of any of the Collateral, and such payments together with all reasonable and documented costs, charges and expenses which may be incurred in connection with making such payments shall form part of the Obligations. In the event of the Agent satisfying any such Lien, it shall be entitled to all the equities and securities of the Person or Persons so paid and is hereby authorized to obtain any discharge thereof and hold such discharge without registration for so long as it may deem advisable to do so, acting reasonably.

17. Notice

Without prejudice to any other method of giving notice, any notice by the Agent to the Debtor pursuant to this Agreement shall be effective if made in writing and given to the Debtor at the address of the Debtor and in the manner set out in the Guarantee.

18. Separate Security

This Agreement and the Security Interest are in addition to and not in substitution for any other security now or hereafter held by the Agent or the Lenders in respect of the Debtor, the Obligations or the Collateral.

19. Lenders Not Obligated to Extend Credit

Nothing in this Agreement shall obligate the Lenders to make any loan or other extension of credit to the Borrower, or extend the time for payment or satisfaction of any Obligations.

20. Severability

If any provision of this Agreement shall be deemed by any court of competent jurisdiction to be invalid or void, the remaining provisions shall remain in full force and effect.

21. Time of Essence

Time shall be of the essence of this Agreement.

22. Inconsistencies with Credit Agreement

To the extent that there is any inconsistency between a provision of this Agreement and a provision of the Credit Agreement, the said provision in the Credit Agreement shall govern.

23. Entire Agreement

Except as aforesaid, this Agreement and any other documents or instruments contemplated hereby shall constitute the entire agreement and understanding between the Debtor and the Agent relating to the subject-matter hereof. No provision of this Agreement, or any other document or instrument in existence among the parties may be modified, waived or terminated except by an instrument in writing executed by the party against whom such modification, waiver or termination is sought to be enforced. There are no representations, warranties or collateral agreements in effect between the Debtor and the Agent relating to the subject-matter hereof; and possession of an executed copy of this Agreement by the Agent constitutes conclusive evidence that it was executed and delivered by the Debtor free of all conditions.

24. Grammatical Changes

This Agreement is to be read as if all changes in grammar, number and gender rendered necessary by the context had been made, specifically including a reference to a person as a corporation and vice-versa.

25. Governing Law; Submission to Jurisdiction

This Agreement shall be interpreted in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. Without prejudice to the ability of the Agent to enforce this Agreement in any other proper jurisdiction, the Debtor hereby irrevocably submits and attorns to the jurisdiction of the courts of the Province of Ontario.

26. Power of Attorney

The Debtor hereby constitutes and appoints the Agent or any officer thereof, at any time and from time to time on or after the Acceleration Date, as its true, lawful and irrevocable attorney, with full power of substitution, to execute all documents and take all actions as may be necessary or desirable to perform any obligations of the Debtor arising pursuant to this Agreement, and in executing such documents and taking such actions, to use the name of the Debtor whenever and wherever it may be considered necessary or expedient. The foregoing power of attorney is coupled with an interest and is irrevocable.

27. Successors and Assigns

This Agreement is binding upon the parties hereto, and their respective successors and permitted assigns.

28. Amalgamation of Debtor

If the Debtor amalgamates with any other corporation or corporations, it is the intention of the parties that this Agreement shall continue in full force and effect and shall be binding upon the amalgamated corporation, and for greater certainty, that:

- (a) the Security Interest shall: (i) continue to secure the Obligations; (ii) secure all obligations of each other amalgamating corporation to the Agent and the Lenders (which obligations shall constitute Obligations of the amalgamated corporation); and (iii) secure all obligations of the amalgamated corporation to the Agent and the Lenders arising after the amalgamation; and the term "Obligations" shall include all such obligations of the Debtor, the other amalgamating corporations and the amalgamated corporation;
- (b) the Security Interest shall: (i) continue to attach to all property and assets of the Debtor; (ii) attach to all property and assets of each other amalgamating corporation (which property and assets shall be the property and assets of the amalgamated corporation); and (iii) attach to all property and assets of the amalgamated corporation acquired after the amalgamation; and the term "Collateral" shall include all such property and assets of the Debtor, the other amalgamating corporations and the amalgamated corporation;
- (c) all defined terms and other provisions of this Agreement shall be deemed to have been amended to reflect such amalgamation, to the extent required by the context; and
- (d) the amalgamated corporation shall execute and deliver all such further documents and assurances as may be necessary or desirable in connection with the foregoing.

29. Execution by Facsimile or PDF; Execution in Counterparts

This Agreement may be executed in several counterparts, each of which, when so executed, shall be deemed to be an original and which counterparts together shall constitute one and the same agreement. This Agreement may be executed by facsimile or electronic transmission of a printable image in 'pdf' or other file format of a signature or signatures applied to this Agreement, and any such signature or signatures shall be treated as original for all purposes.

30. Acknowledgment and Waiver


The Debtor:

- (a) acknowledges receipt of an executed copy of this Agreement; and
- (b) waives all rights to receive from the Lender a copy of any financing statement, financing change statement or verification statement filed or issued, as the case may be, at any time in respect of this Agreement or any amendments hereto.

[The remainder of this page is intentionally blank. Signature page follows.]

IN WITNESS WHEREOF, the Debtor has executed this Agreement effective as of the day and year first above written.

FINAL BELL CANADA INC.

By: 
Name: Greg Boone
Title: President

By: _____
Name:
Title:

I/we have authority to bind the corporation.

IN WITNESS WHEREOF, the Debtor has executed this Agreement effective as of the day and year first above written.

FINAL BELL CANADA INC.

By: _____

Name:

Title:

DocuSigned by:

Jennifer Maccarone

By: _____

Name: Jennifer Maccarone

Title: COO

I/we have authority to bind the corporation.

SCHEDULE "A"
PLEDGED SECURITIES

<u>Issuer</u>	<u>Certificate Number</u>	<u>Number and Class of Shares</u>
Final Bell Corp.	No. C-4	100 common shares

SCHEDULE "B"

INTELLECTUAL PROPERTY

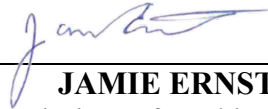
Owned Intellectual Property

N/A

Licensed Intellectual Property

Mark	Registration / Application #	Jurisdictions	Owner
SHERBINSKIS	1987175	Canada	APHAEA, LLC
MOCHI	1868158	Canada	APHAEA, LLC
COOKIES	1881704	Canada	Cookies Creative Consulting & Promotions, LLC
COOKIES DESIGN	1881708	Canada	Cookies Creative Consulting & Promotions, LLC
C. BITE DESIGN	1881714	Canada	Cookies Creative Consulting & Promotions, LLC
BEURRE BLANC	2098405	Canada	Final Bell Holdings, LLC
FINAL BELL	2098408	Canada	Final Bell Holdings, LLC
PAX	1937404	Canada	Pax Labs, Inc.
PAX DESIGN	2142108	Canada	Pax Labs, Inc.
ERA PRO	1989692	Canada	Pax Labs, Inc.
ANIMAL	N/A	Canada	Final Bell Holdings International
SEV7N	1977922	Canada	Seven Leaf Canada
SOVEREIGN		Canada	Seven Leaf Canada

THIS IS **EXHIBIT "CC"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.



JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)

SECURED DEMAND PROMISSORY NOTE

VANCOUVER, BRITISH COLUMBIA

Cdn. \$2,500,000.00

March 3, 2023

FOR VALUE RECEIVED, and subject to the terms and conditions set forth in this note (this "**Note**"), BZAM Ltd. (the "**Borrower**"), hereby unconditionally promises to pay to the order of Stone Pine Capital Ltd. (the "**Lender**"), in immediately available funds, at Suite 1507, 200 Burrard Street, Vancouver, British Columbia, V6C 3L6 or such other location as the Lender shall designate in writing, two million and five hundred thousand dollars (\$2,500,000.00) to be advanced by the Lender to the Borrower on March 1, 2023 (the amount advanced under this Note being the "**Principal Amount**"), and to pay interest on the unpaid Principal Amount hereof at the rates and as specified below. Repayment shall be made in lawful currency of Canada.

The aggregate advanced and unpaid Principal Amount of this Note, together with all accrued and unpaid interest thereon, shall be due and payable on demand; *provided that*, the Lender agrees and acknowledges that the Lender shall not be permitted to make demand hereunder until at least June 3, 2023.

The Borrower agrees to pay interest to the Lender on the advanced and unpaid Principal Amount of this Note from the date of advance at a rate per annum equal to 10% per annum, such interest to be calculated monthly and payable on the last day of each calendar month. The advanced and unpaid Principal Amount, together with all interest accrued and unpaid thereon are hereinafter referred to as the "**Indebtedness**". For greater certainty, no payments on account of the Principal Amount shall be required to be made by the Borrower until demand by the Lender for payment in full of the Indebtedness hereunder.

The Borrower may prepay the Principal Amount of this Note in whole or in part at any time or from time to time without premium or penalty by giving three (3) Business Days' notice to the Lender; *provided that* each prepayment shall be accompanied by payment of all accrued and unpaid interest to the date of such prepayment. For this Note, "**Business Day**" means a day other than a Saturday, a Sunday, or any other day on which the principal chartered banks located in Vancouver, British Columbia are not open for business.

The Indebtedness hereunder is secured by a security interest in the collateral specified in the security agreement dated on or about the date hereof by and between the Borrower and Lender (the "**Security Agreement**"). The Security Agreement and Indebtedness are hereby postponed and subordinated in right of payment to the prior payment in full of any and all Senior Indebtedness, except and to the extent as may be expressly permitted by the terms of such Senior Indebtedness. For the purposes of this Note, "**Senior Indebtedness**" shall mean all amounts due in connection with indebtedness of The Green Organic Dutchman Ltd. to Cortland Credit Lending Corporation, as agent and lender, and the other lenders parties thereto, under the amended and restated credit agreement dated September 29, 2021 (as amended), including

without limitation, the obligations of the Borrower to Cortland Credit Lending Corporation thereunder and pursuant to the documents delivered in connection therewith.

If the Borrower fails to pay on demand any amounts due and payable hereunder, and such default remains uncured for five (5) Business Days from written notice of such default, all outstanding obligations payable by the Company under this Note shall begin to accrue interest at a rate of 18% per annum (which interest, for clarity, shall constitute Indebtedness) and shall be immediately due and payable, and the Lender may exercise any right, power or remedy granted to the Lender pursuant to this Note, the Security Agreement, or otherwise available to it by law, either by suit in equity or by action at law, or both.

The books and records of the Lender shall constitute *prima facie* evidence of the amount of principal and interest outstanding under this Note from time to time.

The Borrower hereby waives demand and presentment for payment, notice of non-payment, protest and notice of protest of this Note. No failure on the part of the Lender to exercise, and no delay in exercising, any right, power or privilege hereunder shall operate as a waiver thereof or a consent thereto; nor shall a single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege. All payments under this Note shall be made without offset, counterclaim or deduction of any kind.

The Borrower may not assign this Note or any of its respective rights or obligations under this Note without the prior written consent of the other Lender, which consent may be withheld in the sole discretion of such party. The Lender may assign this Note or any rights and obligations under this Note at its sole discretion. Any such assignment of this Note must be made in accordance with applicable securities laws.

The Borrower acknowledges that the security granted pursuant to the Security Agreement secures all Indebtedness evidenced by this Note.

This Note shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

This Note and any amendments, waivers, consents, acknowledgements or supplements may be executed in number of counterparts and by different parties hereto in separate counterparts, each of which, when so executed and delivered, shall be deemed an original, but all of which counterparts together shall constitute but one agreement. Counterparts may be executed in original or facsimile form or similar method of electronic transmission. Upon the request of the Lender, the Borrower shall deliver, or cause to be delivered, a manually executed, original counterpart of any electronic signature to this Note or any other documents reasonably requested by the Lender in connection herewith.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the undersigned has executed this Note as of the date first written above.

BZAM LTD.

By:  _____

Name: Matt Milich

Title: CEO

AGREED TO AND ACCEPTED as of the above original issue date of this Note.

STONE PINE CAPITAL LTD.

By: _____

Name: Bassam Alghanim

Title: Director

IN WITNESS WHEREOF, the undersigned has executed this Note as of the date first written above.

BZAM LTD.

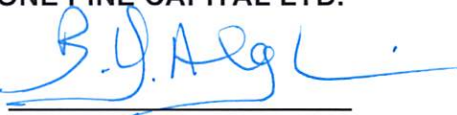
By: _____

Name: Matt Milich

Title: CEO

AGREED TO AND ACCEPTED as of the above original issue date of this Note.

STONE PINE CAPITAL LTD.

By:  _____

Name: Bassam Alghanim

Title: Director

SECURED DEMAND PROMISSORY NOTE

VANCOUVER, BRITISH COLUMBIA

Cdn. \$1,325,000.00

August ____, 2023

FOR VALUE RECEIVED, and subject to the terms and conditions set forth in this note (this "**Note**"), BZAM Ltd. (the "**Borrower**"), hereby unconditionally promises to pay to the order of Stone Pine Capital Ltd. (the "**Lender**"), in immediately available funds, at Suite 1507, 200 Burrard Street, Vancouver, British Columbia, V6C 3L6 or such other location as the Lender shall designate in writing, one million and three hundred twenty five thousand dollars (\$1,325,000.00) to be advanced by the Lender to the Borrower on the date hereof (the amount advanced under this Note being the "**Principal Amount**"), and to pay interest on the unpaid Principal Amount hereof at the rates and as specified below. Repayment shall be made in lawful currency of Canada.

The aggregate advanced and unpaid Principal Amount of this Note, together with all accrued and unpaid interest thereon, shall be due and payable on demand; *provided that*, the Lender agrees and acknowledges that the Lender shall not be permitted to make demand hereunder until at least March 31, 2024, provided that, subsequent to the Edmonton Sale (as defined in the Consent Agreement, as hereinafter defined), the Lender may request that the Borrower repay such amount of net proceeds (if any) that may be remaining after repayment is made to Cortland Credit Lending Corporation ("**CCLC**") in accordance with Section 3(b) of the consent agreement between, among others, CCLC and BZAM dated on or about the date hereof (the "**Consent Agreement**") in each case, subject to the terms of the postponement and subordination agreement dated on or about the date hereof between CCLC and the Lender.

The Borrower agrees to pay interest to the Lender on the advanced and unpaid Principal Amount of this Note from the date of advance at a rate per annum equal to 10% per annum, such interest to be calculated monthly and payable on the last day of each calendar month. The advanced and unpaid Principal Amount, together with all interest accrued and unpaid thereon are hereinafter referred to as the "**Indebtedness**". For greater certainty, no payments on account of the Principal Amount shall be required to be made by the Borrower until demand by the Lender for payment in full of the Indebtedness hereunder.

The Borrower may prepay the Principal Amount of this Note in whole or in part at any time or from time to time without premium or penalty by giving three (3) Business Days' notice to the Lender; *provided that* each prepayment shall be accompanied by payment of all accrued and unpaid interest to the date of such prepayment. For this Note, "**Business Day**" means a day other than a Saturday, a Sunday, or any other day on which the principal chartered banks located in Vancouver, British Columbia are not open for business.

The Indebtedness hereunder is secured by a security interest in the collateral specified in the security agreement dated on or about the date hereof by and between the Borrower and Lender (the "**Security Agreement**"). The Security Agreement and Indebtedness are hereby postponed and subordinated in right of payment to the prior payment in full of any and all Senior

Indebtedness, except and to the extent as may be expressly permitted by the terms of such Senior Indebtedness. For the purposes of this Note, “**Senior Indebtedness**” shall mean all amounts due in connection with indebtedness of The Green Organic Dutchman Ltd. to CCLC, as agent and lender, and the other lenders parties thereto, under the amended and restated credit agreement dated September 29, 2021 (as amended), including, without limitation, the obligations of the Borrower to CCLC thereunder and pursuant to the documents delivered in connection therewith.

If the Borrower fails to pay on demand any amounts due and payable hereunder, and such default remains uncured for five (5) Business Days from written notice of such default, all outstanding obligations payable by the Company under this Note shall begin to accrue interest at a rate of 18% per annum (which interest, for clarity, shall constitute Indebtedness) and shall be immediately due and payable, and the Lender may exercise any right, power or remedy granted to the Lender pursuant to this Note, the Security Agreement, or otherwise available to it by law, either by suit in equity or by action at law, or both.

The books and records of the Lender shall constitute *prima facie* evidence of the amount of principal and interest outstanding under this Note from time to time.

The Borrower hereby waives demand and presentment for payment, notice of non-payment, protest and notice of protest of this Note. No failure on the part of the Lender to exercise, and no delay in exercising, any right, power or privilege hereunder shall operate as a waiver thereof or a consent thereto; nor shall a single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege. All payments under this Note shall be made without offset, counterclaim or deduction of any kind.

The Borrower may not assign this Note or any of its respective rights or obligations under this Note without the prior written consent of the other Lender, which consent may be withheld in the sole discretion of such party. The Lender may assign this Note or any rights and obligations under this Note at its sole discretion. Any such assignment of this Note must be made in accordance with applicable securities laws.

The Borrower acknowledges that the security granted pursuant to the Security Agreement secures all Indebtedness evidenced by this Note.

This Note shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

This Note and any amendments, waivers, consents, acknowledgements or supplements may be executed in number of counterparts and by different parties hereto in separate counterparts, each of which, when so executed and delivered, shall be deemed an original, but all of which counterparts together shall constitute but one agreement. Counterparts may be executed in original or facsimile form or similar method of electronic transmission. Upon the request of the Lender, the Borrower shall deliver, or cause to be delivered, a manually executed, original

counterpart of any electronic signature to this Note or any other documents reasonably requested by the Lender in connection herewith.

IN WITNESS WHEREOF, the undersigned has executed this Note as of the date first written above.

BZAM LTD.

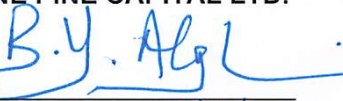
By: 

Name: Matthew Milich

Title: CEO

AGREED TO AND ACCEPTED as of the above original issue date of this Note.

STONE PINE CAPITAL LTD.

By: 

Name: Bassem Abkari

Title: Director

SECURED DEMAND PROMISSORY NOTE

VANCOUVER, BRITISH COLUMBIA

Cdn. \$1,190,000.00

October 27, 2023

FOR VALUE RECEIVED, and subject to the terms and conditions set forth in this note (this "**Note**"), BZAM Ltd. (the "**Borrower**"), hereby unconditionally promises to pay to the order of Stone Pine Capital Ltd. (the "**Lender**"), in immediately available funds, at Suite 1507, 200 Burrard Street, Vancouver, British Columbia, V6C 3L6 or such other location as the Lender shall designate in writing, one million and one hundred ninety thousand dollars (\$1,190,000.00) to be advanced by the Lender to the Borrower on October 27, 2023 (the amount advanced under this Note being the "**Principal Amount**"), and to pay interest on the unpaid Principal Amount hereof at the rates and as specified below. Repayment shall be made in lawful currency of Canada.

The aggregate advanced and unpaid Principal Amount of this Note, together with all accrued and unpaid interest thereon, shall be due and payable on demand; *provided that*, the Lender agrees and acknowledges that the Lender shall not be permitted to make demand hereunder until the later of: (i) the Maturity Date (as such term is defined in the Cortland Credit Agreement (as hereinafter defined)); and (ii) January 31, 2025.

The Borrower agrees to pay interest to the Lender on the advanced and unpaid Principal Amount of this Note from the date of advance at a rate per annum equal to the Prime Rate (as hereinafter defined) plus 8% per annum, such interest to be calculated monthly and accruing on the last day of each calendar month (collectively, the "**Interest**"). The advanced and unpaid Principal Amount, together with all Interest accrued and unpaid thereon are hereinafter referred to as the "**Indebtedness**". For greater certainty, no payments on account of the Principal Amount or Interest shall be required to be made by the Borrower until demand by the Lender for payment in full of the Indebtedness hereunder. For the purposes of this Note, "**Prime Rate**" means the floating annual rate of interest established from time to time by The Toronto-Dominion Bank as the reference rate it will use to determine rates of interest payable to The Toronto-Dominion Bank by commercial borrowers from it of Canadian dollar loans in Canada and designated by it as its "prime rate".

The Borrower may prepay the Principal Amount of this Note in whole or in part at any time or from time to time without premium or penalty by giving three (3) Business Days' notice to the Lender; *provided that* each prepayment shall be accompanied by payment of all accrued and unpaid interest to the date of such prepayment. For this Note, "**Business Day**" means a day other than a Saturday, a Sunday, or any other day on which the principal chartered banks located in Vancouver, British Columbia are not open for business.

The Indebtedness hereunder is secured by a security interest in the collateral specified in the security agreement dated on or about the date hereof by and between the Borrower and Lender (the "**Security Agreement**"). The Security Agreement and Indebtedness are hereby postponed and subordinated in right of payment to the prior payment in full of any and all Senior

Indebtedness, except and to the extent as may be expressly permitted by the terms of such Senior Indebtedness. For the purposes of this Note, “**Senior Indebtedness**” shall mean all amounts due in connection with indebtedness of The Green Organic Dutchman Ltd. to CCLC, as agent and lender, and the other lenders parties thereto, under the amended and restated credit agreement dated September 29, 2021 (as subsequently amended and as it may be further amended, amended and restated, extended, modified or replaced from time to time, the “**Cortland Credit Agreement**”).

If the Borrower fails to pay on demand any amounts due and payable hereunder, and such default remains uncured for five (5) Business Days from written notice of such default, all outstanding obligations payable by the Company under this Note shall begin to accrue interest at a rate of the Prime Rate plus 10% per annum (which interest, for clarity, shall constitute Indebtedness) and shall be immediately due and payable, and the Lender may exercise any right, power or remedy granted to the Lender pursuant to this Note, the Security Agreement, or otherwise available to it by law, either by suit in equity or by action at law, or both.

The books and records of the Lender shall constitute *prima facie* evidence of the amount of principal and interest outstanding under this Note from time to time.

The Borrower hereby waives demand and presentment for payment, notice of non-payment, protest and notice of protest of this Note. No failure on the part of the Lender to exercise, and no delay in exercising, any right, power or privilege hereunder shall operate as a waiver thereof or a consent thereto; nor shall a single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege. All payments under this Note shall be made without offset, counterclaim or deduction of any kind.

The Borrower may not assign this Note or any of its respective rights or obligations under this Note without the prior written consent of the other Lender, which consent may be withheld in the sole discretion of such party. The Lender may assign this Note or any rights and obligations under this Note at its sole discretion. Any such assignment of this Note must be made in accordance with applicable securities laws.

The Borrower acknowledges that the security granted pursuant to the Security Agreement secures all Indebtedness evidenced by this Note.

This Note shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

This Note and any amendments, waivers, consents, acknowledgements or supplements may be executed in number of counterparts and by different parties hereto in separate counterparts, each of which, when so executed and delivered, shall be deemed an original, but all of which counterparts together shall constitute but one agreement. Counterparts may be executed in original or facsimile form or similar method of electronic transmission. Upon the request of the Lender, the Borrower shall deliver, or cause to be delivered, a manually executed, original

counterpart of any electronic signature to this Note or any other documents reasonably requested by the Lender in connection herewith.

IN WITNESS WHEREOF, the undersigned has executed this Note as of the date first written above.

BZAM LTD.

By:  _____

Name: Matt Milich

Title: CEO

AGREED TO AND ACCEPTED as of the above original issue date of this Note.

STONE PINE CAPITAL LTD.

By: _____

Name: Bassam Alghanim

Title: Director

IN WITNESS WHEREOF, the undersigned has executed this Note as of the date first written above.

BZAM LTD.

By: _____

Name: Matt Milich

Title: CEO

AGREED TO AND ACCEPTED as of the above original issue date of this Note.

STONE PINE CAPITAL LTD.

By:  _____

Name: Bassam Alghanim

Title: Director

SECURED DEMAND PROMISSORY NOTE

VANCOUVER, BRITISH COLUMBIA

Cdn. \$600,000.00

November 8, 2023

FOR VALUE RECEIVED, and subject to the terms and conditions set forth in this note (this "**Note**"), BZAM Ltd. (the "**Borrower**"), hereby unconditionally promises to pay to the order of Stone Pine Capital Ltd. (the "**Lender**"), in immediately available funds, at Suite 1507, 200 Burrard Street, Vancouver, British Columbia, V6C 3L6 or such other location as the Lender shall designate in writing, six hundred thousand dollars (\$600,000.00) to be advanced by the Lender to the Borrower on November 8, 2023 (the amount advanced under this Note being the "**Principal Amount**"), and to pay interest on the unpaid Principal Amount hereof at the rates and as specified below. Repayment shall be made in lawful currency of Canada.

The aggregate advanced and unpaid Principal Amount of this Note, together with all accrued and unpaid interest thereon, shall be due and payable on demand; *provided that*, the Lender agrees and acknowledges that the Lender shall not be permitted to make demand hereunder until the later of: (i) the Maturity Date (as such term is defined in the Cortland Credit Agreement (as hereinafter defined)); and (ii) January 31, 2025.

The Borrower agrees to pay interest to the Lender on the advanced and unpaid Principal Amount of this Note from the date of advance at a rate per annum equal to the Prime Rate (as hereinafter defined) plus 8% per annum, such interest to be calculated monthly and accruing on the last day of each calendar month (collectively, the "**Interest**"). The advanced and unpaid Principal Amount, together with all Interest accrued and unpaid thereon are hereinafter referred to as the "**Indebtedness**". For greater certainty, no payments on account of the Principal Amount or Interest shall be required to be made by the Borrower until demand by the Lender for payment in full of the Indebtedness hereunder. For the purposes of this Note, "**Prime Rate**" means the floating annual rate of interest established from time to time by The Toronto-Dominion Bank as the reference rate it will use to determine rates of interest payable to The Toronto-Dominion Bank by commercial borrowers from it of Canadian dollar loans in Canada and designated by it as its "prime rate".

The Borrower may prepay the Principal Amount of this Note in whole or in part at any time or from time to time without premium or penalty by giving three (3) Business Days' notice to the Lender; *provided that* each prepayment shall be accompanied by payment of all accrued and unpaid interest to the date of such prepayment. For this Note, "**Business Day**" means a day other than a Saturday, a Sunday, or any other day on which the principal chartered banks located in Vancouver, British Columbia are not open for business.

The Indebtedness hereunder is secured by a security interest in the collateral specified in the security agreement dated on or about the date hereof by and between the Borrower and Lender (the "**Security Agreement**"). The Security Agreement and Indebtedness are hereby postponed and subordinated in right of payment to the prior payment in full of any and all Senior

Indebtedness, except and to the extent as may be expressly permitted by the terms of such Senior Indebtedness. For the purposes of this Note, “**Senior Indebtedness**” shall mean all amounts due in connection with indebtedness of The Green Organic Dutchman Ltd. to CCLC, as agent and lender, and the other lenders parties thereto, under the amended and restated credit agreement dated September 29, 2021 (as subsequently amended and as it may be further amended, amended and restated, extended, modified or replaced from time to time, the “**Cortland Credit Agreement**”).

If the Borrower fails to pay on demand any amounts due and payable hereunder, and such default remains uncured for five (5) Business Days from written notice of such default, all outstanding obligations payable by the Company under this Note shall begin to accrue interest at a rate of the Prime Rate plus 10% per annum (which interest, for clarity, shall constitute Indebtedness) and shall be immediately due and payable, and the Lender may exercise any right, power or remedy granted to the Lender pursuant to this Note, the Security Agreement, or otherwise available to it by law, either by suit in equity or by action at law, or both.

The books and records of the Lender shall constitute *prima facie* evidence of the amount of principal and interest outstanding under this Note from time to time.

The Borrower hereby waives demand and presentment for payment, notice of non-payment, protest and notice of protest of this Note. No failure on the part of the Lender to exercise, and no delay in exercising, any right, power or privilege hereunder shall operate as a waiver thereof or a consent thereto; nor shall a single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege. All payments under this Note shall be made without offset, counterclaim or deduction of any kind.

The Borrower may not assign this Note or any of its respective rights or obligations under this Note without the prior written consent of the other Lender, which consent may be withheld in the sole discretion of such party. The Lender may assign this Note or any rights and obligations under this Note at its sole discretion. Any such assignment of this Note must be made in accordance with applicable securities laws.

The Borrower acknowledges that the security granted pursuant to the Security Agreement secures all Indebtedness evidenced by this Note.

This Note shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

This Note and any amendments, waivers, consents, acknowledgements or supplements may be executed in number of counterparts and by different parties hereto in separate counterparts, each of which, when so executed and delivered, shall be deemed an original, but all of which counterparts together shall constitute but one agreement. Counterparts may be executed in original or facsimile form or similar method of electronic transmission. Upon the request of the Lender, the Borrower shall deliver, or cause to be delivered, a manually executed, original

counterpart of any electronic signature to this Note or any other documents reasonably requested by the Lender in connection herewith.

IN WITNESS WHEREOF, the undersigned has executed this Note as of the date first written above.

BZAM LTD.

By:  _____

Name: Matt Milich

Title: CEO

AGREED TO AND ACCEPTED as of the above original issue date of this Note.

STONE PINE CAPITAL LTD.

By: _____

Name:

Title:

IN WITNESS WHEREOF, the undersigned has executed this Note as of the date first written above.

BZAM LTD.

By: _____

Name:

Title:

AGREED TO AND ACCEPTED as of the above original issue date of this Note.

STONE PINE CAPITAL LTD.

By: B. Y. Alghamdi

Name: Baroun Y. Alghamdi

Title: Director

SECURED DEMAND PROMISSORY NOTE

VANCOUVER, BRITISH COLUMBIA

Cdn. \$2,000,000.00

November 30, 2023

FOR VALUE RECEIVED, and subject to the terms and conditions set forth in this note (this "**Note**"), BZAM Ltd. (the "**Borrower**"), hereby unconditionally promises to pay to the order of Stone Pine Capital Ltd. (the "**Lender**"), in immediately available funds, at Suite 1507, 200 Burrard Street, Vancouver, British Columbia, V6C 3L6 or such other location as the Lender shall designate in writing, two million dollars (\$2,000,000.00) to be advanced by the Lender to the Borrower on November 30, 2023 (the amount advanced under this Note being the "**Principal Amount**"), and to pay interest on the unpaid Principal Amount hereof at the rates and as specified below. Repayment shall be made in lawful currency of Canada.

The aggregate advanced and unpaid Principal Amount of this Note, together with all accrued and unpaid interest thereon, shall be due and payable on demand; *provided that*, the Lender agrees and acknowledges that the Lender shall not be permitted to make demand hereunder until the later of: (i) the Maturity Date (as such term is defined in the Cortland Credit Agreement (as hereinafter defined)); and (ii) January 31, 2025.

The Borrower agrees to pay interest to the Lender on the advanced and unpaid Principal Amount of this Note from the date of advance at a rate per annum equal to the Prime Rate (as hereinafter defined) plus 8% per annum, such interest to be calculated monthly and accruing on the last day of each calendar month (collectively, the "**Interest**"). The advanced and unpaid Principal Amount, together with all Interest accrued and unpaid thereon are hereinafter referred to as the "**Indebtedness**". For greater certainty, no payments on account of the Principal Amount or Interest shall be required to be made by the Borrower until demand by the Lender for payment in full of the Indebtedness hereunder. For the purposes of this Note, "**Prime Rate**" means the floating annual rate of interest established from time to time by The Toronto-Dominion Bank as the reference rate it will use to determine rates of interest payable to The Toronto-Dominion Bank by commercial borrowers from it of Canadian dollar loans in Canada and designated by it as its "prime rate".

The Borrower may prepay the Principal Amount of this Note in whole or in part at any time or from time to time without premium or penalty by giving three (3) Business Days' notice to the Lender; *provided that* each prepayment shall be accompanied by payment of all accrued and unpaid interest to the date of such prepayment. For this Note, "**Business Day**" means a day other than a Saturday, a Sunday, or any other day on which the principal chartered banks located in Vancouver, British Columbia are not open for business.

The Indebtedness hereunder is secured by a security interest in the collateral specified in the security agreement dated on or about the date hereof by and between the Borrower and Lender (the "**Security Agreement**"). The Security Agreement and Indebtedness are hereby postponed

and subordinated in right of payment to the prior payment in full of any and all Senior Indebtedness, except and to the extent as may be expressly permitted by the terms of such Senior Indebtedness. For the purposes of this Note, “**Senior Indebtedness**” shall mean all amounts due in connection with indebtedness of The Green Organic Dutchman Ltd. to CCLC, as agent and lender, and the other lenders parties thereto, under the amended and restated credit agreement dated September 29, 2021 (as subsequently amended and as it may be further amended, amended and restated, extended, modified or replaced from time to time, the “**Cortland Credit Agreement**”).

If the Borrower fails to pay on demand any amounts due and payable hereunder, and such default remains uncured for five (5) Business Days from written notice of such default, all outstanding obligations payable by the Company under this Note shall begin to accrue interest at a rate of the Prime Rate plus 10% per annum (which interest, for clarity, shall constitute Indebtedness) and shall be immediately due and payable, and the Lender may exercise any right, power or remedy granted to the Lender pursuant to this Note, the Security Agreement, or otherwise available to it by law, either by suit in equity or by action at law, or both.

The books and records of the Lender shall constitute *prima facie* evidence of the amount of principal and interest outstanding under this Note from time to time.

The Borrower hereby waives demand and presentment for payment, notice of non-payment, protest and notice of protest of this Note. No failure on the part of the Lender to exercise, and no delay in exercising, any right, power or privilege hereunder shall operate as a waiver thereof or a consent thereto; nor shall a single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege. All payments under this Note shall be made without offset, counterclaim or deduction of any kind.

The Borrower may not assign this Note or any of its respective rights or obligations under this Note without the prior written consent of the other Lender, which consent may be withheld in the sole discretion of such party. The Lender may assign this Note or any rights and obligations under this Note at its sole discretion. Any such assignment of this Note must be made in accordance with applicable securities laws.

The Borrower acknowledges that the security granted pursuant to the Security Agreement secures all Indebtedness evidenced by this Note.

This Note shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

This Note and any amendments, waivers, consents, acknowledgements or supplements may be executed in number of counterparts and by different parties hereto in separate counterparts, each of which, when so executed and delivered, shall be deemed an original, but all of which counterparts together shall constitute but one agreement. Counterparts may be executed in

original or facsimile form or similar method of electronic transmission. Upon the request of the Lender, the Borrower shall deliver, or cause to be delivered, a manually executed, original counterpart of any electronic signature to this Note or any other documents reasonably requested by the Lender in connection herewith.

IN WITNESS WHEREOF, the undersigned has executed this Note as of the date first written above.

BZAM LTD.

By:  _____

Name: Matt Milich

Title: CEO

AGREED TO AND ACCEPTED as of the above original issue date of this Note.

STONE PINE CAPITAL LTD.

By: _____

Name:

Title:

IN WITNESS WHEREOF, the undersigned has executed this Note as of the date first written above.

BZAM LTD.

By: _____

Name:

Title:

AGREED TO AND ACCEPTED as of the above original issue date of this Note.

STONE PINE CAPITAL LTD.

By: B.Y. Alghal

Name: BRIAN Y. ALGHAL

Title: Director

SECURED DEMAND PROMISSORY NOTE

VANCOUVER, BRITISH COLUMBIA

Cdn. \$900,000.00

December 4, 2023

FOR VALUE RECEIVED, and subject to the terms and conditions set forth in this note (this "**Note**"), BZAM Ltd. (the "**Borrower**"), hereby unconditionally promises to pay to the order of Stone Pine Capital Ltd. (the "**Lender**"), in immediately available funds, at Suite 1507, 200 Burrard Street, Vancouver, British Columbia, V6C 3L6 or such other location as the Lender shall designate in writing, nine hundred thousand dollars (\$900,000.00) to be advanced by the Lender to the Borrower on December 4, 2023 (the amount advanced under this Note being the "**Principal Amount**"), and to pay interest on the unpaid Principal Amount hereof at the rates and as specified below. Repayment shall be made in lawful currency of Canada.

The aggregate advanced and unpaid Principal Amount of this Note, together with all accrued and unpaid interest thereon, shall be due and payable on demand; *provided that*, the Lender agrees and acknowledges that the Lender shall not be permitted to make demand hereunder until the later of: (i) the Maturity Date (as such term is defined in the Cortland Credit Agreement (as hereinafter defined)); and (ii) January 31, 2025.

The Borrower agrees to pay interest to the Lender on the advanced and unpaid Principal Amount of this Note from the date of advance at a rate per annum equal to the Prime Rate (as hereinafter defined) plus 8% per annum, such interest to be calculated monthly and accruing on the last day of each calendar month (collectively, the "**Interest**"). The advanced and unpaid Principal Amount, together with all Interest accrued and unpaid thereon are hereinafter referred to as the "**Indebtedness**". For greater certainty, no payments on account of the Principal Amount or Interest shall be required to be made by the Borrower until demand by the Lender for payment in full of the Indebtedness hereunder. For the purposes of this Note, "**Prime Rate**" means the floating annual rate of interest established from time to time by The Toronto-Dominion Bank as the reference rate it will use to determine rates of interest payable to The Toronto-Dominion Bank by commercial borrowers from it of Canadian dollar loans in Canada and designated by it as its "prime rate".

The Borrower may prepay the Principal Amount of this Note in whole or in part at any time or from time to time without premium or penalty by giving three (3) Business Days' notice to the Lender; *provided that* each prepayment shall be accompanied by payment of all accrued and unpaid interest to the date of such prepayment. For this Note, "**Business Day**" means a day other than a Saturday, a Sunday, or any other day on which the principal chartered banks located in Vancouver, British Columbia are not open for business.

The Indebtedness hereunder is secured by a security interest in the collateral specified in the security agreement dated on or about the date hereof by and between the Borrower and Lender (the "**Security Agreement**"). The Security Agreement and Indebtedness are hereby postponed

and subordinated in right of payment to the prior payment in full of any and all Senior Indebtedness, except and to the extent as may be expressly permitted by the terms of such Senior Indebtedness. For the purposes of this Note, “**Senior Indebtedness**” shall mean all amounts due in connection with indebtedness of The Green Organic Dutchman Ltd. to CCLC, as agent and lender, and the other lenders parties thereto, under the amended and restated credit agreement dated September 29, 2021 (as subsequently amended and as it may be further amended, amended and restated, extended, modified or replaced from time to time, the “**Cortland Credit Agreement**”).

If the Borrower fails to pay on demand any amounts due and payable hereunder, and such default remains uncured for five (5) Business Days from written notice of such default, all outstanding obligations payable by the Company under this Note shall begin to accrue interest at a rate of the Prime Rate plus 10% per annum (which interest, for clarity, shall constitute Indebtedness) and shall be immediately due and payable, and the Lender may exercise any right, power or remedy granted to the Lender pursuant to this Note, the Security Agreement, or otherwise available to it by law, either by suit in equity or by action at law, or both.

The books and records of the Lender shall constitute *prima facie* evidence of the amount of principal and interest outstanding under this Note from time to time.

The Borrower hereby waives demand and presentment for payment, notice of non-payment, protest and notice of protest of this Note. No failure on the part of the Lender to exercise, and no delay in exercising, any right, power or privilege hereunder shall operate as a waiver thereof or a consent thereto; nor shall a single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege. All payments under this Note shall be made without offset, counterclaim or deduction of any kind.

The Borrower may not assign this Note or any of its respective rights or obligations under this Note without the prior written consent of the other Lender, which consent may be withheld in the sole discretion of such party. The Lender may assign this Note or any rights and obligations under this Note at its sole discretion. Any such assignment of this Note must be made in accordance with applicable securities laws.

The Borrower acknowledges that the security granted pursuant to the Security Agreement secures all Indebtedness evidenced by this Note.

This Note shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

This Note and any amendments, waivers, consents, acknowledgements or supplements may be executed in number of counterparts and by different parties hereto in separate counterparts, each of which, when so executed and delivered, shall be deemed an original, but all of which counterparts together shall constitute but one agreement. Counterparts may be executed in

original or facsimile form or similar method of electronic transmission. Upon the request of the Lender, the Borrower shall deliver, or cause to be delivered, a manually executed, original counterpart of any electronic signature to this Note or any other documents reasonably requested by the Lender in connection herewith.

IN WITNESS WHEREOF, the undersigned has executed this Note as of the date first written above.

BZAM LTD.

By:  _____

Name: Matt Milich

Title: CEO

AGREED TO AND ACCEPTED as of the above original issue date of this Note.

STONE PINE CAPITAL LTD.

By: _____

Name:

Title:

IN WITNESS WHEREOF, the undersigned has executed this Note as of the date first written above.

BZAM LTD.

By: _____

Name:

Title:

AGREED TO AND ACCEPTED as of the above original issue date of this Note.

STONE PINE CAPITAL LTD.

By: B. Y. Algl

Name: BASAM Y. ALGHANIM

Title: DIRECTOR

THIS IS **EXHIBIT "DD"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.

A handwritten signature in blue ink, appearing to read "Jamie Ernst", is positioned above a horizontal line.

JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)

Amendment Agreement

This Amendment Agreement is made as of January 4, 2024.

Between:

BZAM LTD.

(the "Borrower")

And:

STONE PINE CAPITAL LTD.

(the "Lender")

(each of the Borrower and Lender Being a "Party" and collectively, the "Parties")

WHEREAS the Parties entered into the Secured Demand Promissory Notes (collectively, the "Notes") as of the dates and in the amounts set out below:

Date	Amount
March 3, 2023	CAD \$2,500,000
August 30, 2023	CAD \$1,325,000
October 27, 2023	CAD \$1,190,000
November 8, 2023	CAD \$600,000
November 30, 2023	CAD \$2,000,000
December 4, 2023	CAD \$900,000

AND WHEREAS the Parties wish to amend the Notes as set forth herein;

NOW THEREFORE, in consideration of the mutual promises hereinafter made by the Parties and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. The second paragraph in each of the Notes shall be deleted and replaced with:

"The aggregate advanced and unpaid Principal Amount of this Note, together with all accrued and unpaid interest thereon, shall be due and payable on demand; *provided that*, the Lender agrees and acknowledges that the Lender shall not be permitted to make demand hereunder until the later of: (i) the Maturity Date (as such term is defined in the Cortland Credit Agreement (as hereinafter defined)); and (ii) March 31, 2025."

[Signatures to follow on next page.]

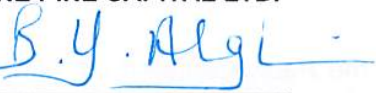
IN WITNESS WHEREOF, the undersigned has executed this Amentment Agreement as of the date first written above.

BZAM LTD.

By: 
Name: Matthew Milich
Title: CEO

AGREED TO AND ACCEPTED as of the above original issue date of this Note.

STONE PINE CAPITAL LTD.

By: 
Name: Bassam Alghanim
Title: Director

THIS IS **EXHIBIT "EE"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.



JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)

GENERAL SECURITY AGREEMENT

This GENERAL SECURITY AGREEMENT, dated as of March 3, 2023 (as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time in accordance with the provisions hereof, this "**Agreement**"), is made by **BZAM LTD.** (the "**Borrower**") in favour of **STONE PINE CAPITAL LTD.** (the "**Lender**").

WHEREAS the Borrower has executed and delivered, or intends to execute and deliver, a certain secured demand promissory note dated on or about the date hereof (as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time, the "**Secured Note**") in favour of the Lender whereby the Lender will establish certain loans or extensions of credit in favour of the Borrower (the "**Loans**").

AND WHEREAS to secure the payment and performance of the Secured Obligations (this term, and other capitalized terms used in this Agreement have the meanings set forth in Section 1.01 below), the Borrower has agreed to grant to the Lender security interests over the Collateral in accordance with the terms of this Agreement.

NOW THEREFORE BE IT RESOLVED THAT in consideration of the Lender entering into the Secured Note and agreeing to make the Loans available to the Borrower, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Borrower agrees as follows:

ARTICLE I DEFINITIONS

Section 1.01 Definitions.

In this Agreement, the following words and phrases will have the meanings set out below unless the parties or the context otherwise require(s).

- (a) "**Act**" means the *Personal Property Security Act* of British Columbia and the regulations thereunder, as amended, restated or replaced by successor legislation of comparable effect.
- (b) "**Business Day**" means "Business Day" as defined in the Secured Note.
- (c) "**Change of Control**" means the occurrence of any transaction or related series of transactions (a) by which any Person, by means of takeover bid, tender offer, amalgamation, purchase of assets or otherwise (i) acquires the business or substantially all of the assets of the Borrower or (ii) acquires control of equity interests in the Borrower representing more than 50% of the ordinary voting power for the election of directors or other governing positions as manage the business affairs of the Borrower, or (b) that would have the effect of bringing about a change in the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of the Borrower, whether through the ability to exercise voting power, by contract or otherwise.
- (d) "**Collateral**" is defined in Section 2.01.
- (e) "**Debt**" means "Indebtedness" as defined in the Secured Note.
- (f) "**Equity Interests**" means, with respect to any Person, all of the securities, investment property, units, trust units, partnership, membership and other equity interests,

participations, investment certificates, notes (or other ownership or profit interests in) in or of such Person (collectively, "**ownership interests**"), all of the warrants, options or other rights for the purchase or acquisition from such Person of ownership interests in such Person, all of the securities convertible into or exchangeable for ownership interests in such Person or warrants, rights or options for the purchase or acquisition from such Person of ownership interests, and all of the other ownership or profit interests in such Person (including, without limitation, partnership, member or trust interests therein), whether voting or non-voting, and whether or not such ownership interests are outstanding on any date of determination.

- (g) "**Event of Default**" means any material breach of any obligation, representation or agreement in a Loan Document, or any event of default under or described in a Loan Document.
- (h) "**Excluded Asset**" is defined in Section 2.03(a).
- (i) "**Intellectual Property**" means any and all intellectual property, including licences, copyrights, copyright licences, patents, patent licences, patent applications, service marks, trademarks, trademark licences, trademark applications, trade styles, trade names, technology, know-how and processes, trade secrets, inventions, industrial designs, all rights therein, and all rights to sue at law or in equity for any past, present, or future infringement, violation, misuse, misappropriation or other impairment thereof, whether arising under the laws of Canada, the laws of any Canadian province or territory or foreign laws or otherwise, including the right to receive injunctive relief and all proceeds and damages therefrom.
- (j) "**Lien**" means any mortgage, pledge, lien, assignment by way of security, charge, security interest, trust arrangement in the nature of a security interest, conditional sale or other title retention agreement, equipment trusts, lease financings including by way of sale and lease-back, hypothec, levy, execution, seizure, attachment, garnishment, any option, preferential right or adverse claim constituting an interest in such property, or any other encumbrance in respect of such property.
- (k) "**Loan Document**" means, collectively, the Secured Note, this Agreement, and any other agreement, note, certificate, or agreement from time to time entered into between the Borrower and the Lender in connection with the transactions set out in the Secured Note and this Agreement.
- (l) "**Permitted Debt**" means Debt of the Borrower consented to in writing by Lender, which the Lender may, in its sole discretion, require to be postponed and subordinated to the Secured Obligations on terms acceptable to the Lender.
- (m) "**Permitted Liens**" means:
 - (i) Liens for taxes, assessments, governmental charges or other statutory Liens or security interests not at such date due or delinquent, or the validity of which the Borrower is contesting in good faith and in respect of which, or where the failure to pay or discharge same could not reasonably be expected to impede the ability of the Borrower to pay the Secured Obligations;

- (ii) Liens in connection with any judgment rendered, or claim filed, against the Borrower where the payment of any amount to satisfy such judgement or claim could not reasonably be expected to impede the ability of the Borrower to pay the Secured Obligations;
 - (iii) any Lien or trust or deposit arising in connection with workers' compensation, employment insurance, pension and employment laws or regulations, so long as the existence of such Lien, trust or deposit could not reasonably be expected to impede the ability of the Borrower to pay the Secured Obligations;
 - (iv) Liens in favour of the Lender pursuant to the Loan Documents;
 - (v) Liens created in connection Permitted Debt; and
 - (vi) All other Liens consented to in writing by the Lender, acting reasonably.
- (n) **"Pledged Securities"** means all of the issued and outstanding Equity Interests of each issuer described in Schedule A hereto that are now or from time to time hereafter held by the Borrower.
 - (o) **"Persons"** or **"Person"** means and includes any individual, sole proprietorship, corporation, partnership, bank, joint venture, trust, unincorporated association, association, institution, entity, party or government (whether national, federal, provincial, state, municipal, city, county or otherwise and including any instrumentality, division, agency, body or department thereof).
 - (p) **"Proceeds"** means "proceeds" as such term is defined in section 1(1) of the Act and, in any event, shall include, without limitation, all dividends or other income from the Collateral, collections thereon or distributions with respect thereto.
 - (q) **"Receiver"** is defined in Section 12.03(i).
 - (r) **"Secured Obligations"** means all present and future debts, liabilities and obligations of the of any and every kind, nature and description (whether direct or indirect, joint or several, absolute or contingent, matured or unmatured) of the Borrower to the Lender under, in connection with or with respect to the Loan Documents.
 - (s) **"STA"** means the *Securities Transfer Act*, as in effect from time to time in the Province of British Columbia.

Section 1.02 Application of Act

Words used in this Agreement that are defined in the Act will have the respective meanings ascribed to them in the Act, unless otherwise defined herein.

Section 1.03 Interpretation.

- (a) Unless otherwise specified herein, all references to Sections and Schedules herein are to Sections and Schedules of this Agreement.
- (b) For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

- (i) the words "herein", "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular article, section or other subdivision of this Agreement;
- (ii) the word "including", when following any general statement, term or matter, is not to be construed to limit such general statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not non-limiting language (such as "without limitation" or "but not limited to" or words of similar import) is used with reference thereto but rather refers to all other items or matters that could reasonably fall within the broadest possible scope of such general statement, term or matter;
- (iii) any definition of or reference to any agreement, instrument or other document herein (including this Agreement) shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented, restated or otherwise modified (subject to any restrictions on such amendments, supplements, restatements or modifications set forth herein); and
- (iv) a reference to a statute or a section of a statute shall include and shall be deemed to be a reference to such statute or section and to the regulations made pursuant thereto, with all amendments made thereto and in force at the relevant time, and to any statute, section of a statute or regulation that may be passed which has the effect of supplementing or superseding the statute or section so referred to or the regulations made pursuant thereto.

ARTICLE II GRANT OF SECURITY INTEREST

Section 2.01 Grant of Security Interest. As security for the payment and performance of the Secured Obligations, the Borrower hereby grants, assigns, transfers, sets over, mortgages, charges, and pledges to the Lender, and hereby creates a general and continuing security interest in favour of the Lender in and to all of the Borrower's right, title and interest in and to the following, wherever located, whether now existing or hereafter from time to time arising or acquired (collectively, the "**Collateral**"):

- (a) all present and after-acquired property, assets and undertaking of the Borrower of every kind and nature whatsoever, including all Accounts, Goods (including Inventory, Equipment and motor vehicles, but excluding Consumer Goods), Intangibles, Intellectual Property, Chattel Paper, Documents of Title, Instruments, Securities and all other Investment Property (including the Pledged Securities and the securities accounts), Money, and any other contract rights or rights to the payment of money;
- (b) all Proceeds and products of each of the foregoing, including any and all Proceeds of any insurance, indemnity, compensation for loss or damage, warranty or guarantee payable to the Borrower from time to time with respect to any of the foregoing;
- (c) all books and records relating to the foregoing, including in any form or medium;
- (d) all supporting obligations relating to the foregoing;
- (e) all additions, accessions to, substitutions and replacements for, and rents, profits and products of, each of the foregoing; and

- (f) the last day of the term of any lease, verbal or written, or any agreement to lease, now held or hereafter acquired by the Borrower is hereby excepted out of the security interests hereby created, but should the Lender need to enforce against the Collateral, the Borrower shall hold the last date in trust for the Lender and shall assign it to any person acquiring the term or that part of the term that is charged in the course of any enforcement or realization of the Collateral.

For greater certainty, the Collateral does not include any Consumer Goods.

Section 2.02 Attachment of Security Interest. The Borrower acknowledges that value has been given, that the Borrower has rights in the Collateral, and that the parties have agreed not to postpone the time for attachment of any security interest in this Agreement. The Borrower acknowledges that any security interest created by this Agreement shall attach to existing Collateral upon the execution of this Agreement and to each item of after-acquired Collateral at the time that the Borrower acquires rights in such after-acquired Collateral.

Section 2.03 Limitation on Grant of Security Interest.

- (a) To the extent the grant of the security interest in respect of any contract, permit, lease, licence, instrument, document or other agreement entered into by the Borrower would result in the breach or termination of or cause a default under such contract, permit, lease, licence, instrument, or other agreement (each an "**Excluded Asset**"), each such Excluded Asset shall not be subject to the security interest created hereby while such restriction applies but shall be held in trust by the Borrower in favour of the Lender, but only for so long as such prohibition or requirement for consent is not terminated, rendered unenforceable or otherwise deemed ineffective by the Act or any other applicable law; provided however that Excluded Assets shall not include any Proceeds, products, substitutions or replacements of any Excluded Asset (unless such Proceeds, products, substitutions, or replacements would themselves otherwise constitute Excluded Assets) and provided further that if any Excluded Asset would have otherwise constituted Collateral, when such asset shall cease to be an Excluded Asset, such asset shall be deemed at all times from and after the date hereof to constitute Collateral subject to the security interest created hereby. The Borrower will use all commercially reasonable efforts to obtain the consent of each other party to any and all Excluded Assets to the assignment of such Excluded Assets to the Lender in accordance with this Agreement. The Borrower will also use all commercially reasonable efforts to ensure that no material agreement entered into on or after the date of this Agreement shall expressly prohibit assignment of the benefits of such agreement as collateral security to the Lender.
- (b) The security interest with respect to trademarks constitutes a security interest in, and a charge, hypothecation and pledge of, such Collateral in favour of the Lender, but does not constitute an assignment of such Collateral to the Lender.

ARTICLE III
PERFECTION OF SECURITY INTEREST AND FURTHER ASSURANCES

Section 3.01 Perfection. The Borrower shall, from time to time, and at its expense, take all actions as may be requested by the Lender to perfect the security interest of the Lender in the Collateral.

Section 3.02 Intellectual Property. The Borrower hereby further authorizes the Lender to file with the *Canadian Intellectual Property Office* this Agreement and other required documents for the purpose of recording, perfecting, confirming, continuing, enforcing or protecting the security interests in Intellectual Property granted by the Borrower hereunder.

Section 3.03 Tangible Chattel Paper, Documents of Title, Instruments. If the Borrower shall at any time hold or acquire any promissory notes, tangible chattel paper, negotiable documents of title or warehouse receipts relating to the Collateral, the Borrower shall immediately endorse, assign and deliver possession of the same to the Lender, accompanied by such instruments of transfer or assignment duly executed in blank as the Lender may from time to time specify.

Section 3.04 Control.

- (a) **Certificates.** The Borrower shall promptly, at the request of the Lender and in a manner satisfactory to the Lender: (i) cause a security certificate to be issued for any Investment Property that is in the form of an uncertificated security to the extent that such request can be accommodated by the issuer thereof; (ii) duly endorse all share certificates at any time held or acquired by it relating to the Collateral in blank for transfer or execute stock powers of attorney in blank in form and substance satisfactory to the Lender; (iii) deliver such share certificates and stock powers to the Lender; and (iv) take all other steps to give exclusive control over such certificated securities to the Lender.
- (b) **Electronic Chattel Paper.** Where Collateral includes electronic chattel paper, the Borrower shall take all commercially reasonable efforts to cause the record comprising such chattel paper to be created, stored and transferred in a manner satisfactory to the Lender and which will provide the Lender with control of the electronic chattel paper.

Section 3.05 Copy of Verification Statement. To the extent permitted by law, the Borrower hereby waives its right to receive a copy of any financing statement, financing change statement or verification statement filed or received by or on behalf of the Lender in connection with the Lender's interest in the Collateral.

Section 3.06 Further Assurances. The Borrower agrees that, at any time and from time to time, at the expense of the Borrower, the Borrower will promptly execute and deliver all further instruments and documents, obtain such agreements from third parties, and take all further action, that may be necessary or desirable, or that the Lender may reasonably request to create and maintain the validity, perfection or priority of and protect any security interest granted or purported to be granted hereby (including, without limitation, providing the Lender with a fixed and specific mortgage) or to enable the Lender to exercise and enforce their rights and remedies hereunder or under any other Loan Document with respect to any Collateral.

**ARTICLE IV
REPRESENTATIONS AND WARRANTIES**

Section 4.01 Representations and Warranties. The Borrower represents and warrants as follows:

- (a) **Borrower Information.** All information set out in **Schedule A** is accurate and complete.
- (b) **Ownership and Title.** The Borrower is the sole, direct, legal and beneficial owner of, and has good marketable title to, all existing Collateral and shall be the sole, direct, legal and beneficial owner of, and have good marketable title to, each item of after-acquired Collateral free and clear of any mortgages, charges, hypothecs, pledges, trusts, liens, security interests and other claims except for the security interests created by this Agreement and Permitted Liens.
- (c) **Existence and Capacity.** The Borrower has been duly incorporated, amalgamated or formed and validly exists under the laws of its jurisdiction of incorporation, amalgamation, or formation and has full power, capacity, authority and legal right to borrow, grant a security interest in the Collateral, execute and deliver this Agreement and perform its obligations under this Agreement.
- (d) **Binding Obligation.** Each of this Agreement and the other Loan Documents to which the Borrower is a party have been duly authorized, executed and delivered by the Borrower and constitutes a legal, valid and binding obligation of the Borrower enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium, arrangement, or other similar laws affecting creditors' rights generally and subject to equitable principles (regardless of whether enforcement is sought in equity or at law).
- (e) **No Governmental or Regulatory Approvals.** No authorization, approval, or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the borrowing of the Loans and the pledge by the Borrower of the Collateral under this Agreement or for the execution and delivery of the other Loan Documents by the Borrower or the performance by the Borrower of its obligations thereunder.
- (f) **Compliance with Laws.** The Borrower is in compliance with, and operates its business in compliance with, all applicable laws and regulations (including environmental, labour and employment, tax, health and safety, anti-money laundering, sanctions, and Canadian trade laws and regulations).
- (g) **Litigation.** There is no material litigation, investigation, claim or proceeding pending, or to the knowledge of the Borrower, threatened, by or against it or its assets.
- (h) **Insurance.** The Borrower has in full force and effect policies of insurance with sound and reputable insurance companies in such amounts, with such deductibles, and covering such risks as are customarily carried by companies engaged in similar businesses. All premiums with respect to such policies that are due and payable have been paid.
- (i) **No Violation of Laws, Constatng Documents, Agreements.** The execution and delivery of the Loan Documents by the Borrower and the performance by the Borrower of its obligations thereunder, will not violate any provision of any applicable laws or any order, judgment, writ, award or decree of any court, arbitrator or governmental authority,

domestic or foreign, applicable to the Borrower or any of its property, or the constating or governing documents of the Borrower or any agreement or instrument to which the Borrower is party or by which it or its property is bound.

- (j) **Pledged Securities Validly Issued.** The Pledged Securities and other Equity Interests have been duly authorized and validly issued and are fully paid and non-assessable and subject to no options to purchase or similar rights. No person (other than the Borrower) has any right to acquire or cause to be issued to them any of the Collateral.
- (k) **Certificated Securities.** The Collateral does not include any Investment Property that have not been certificated. The Collateral does not include any certificated securities that the Borrower has not delivered to the Lender.
- (l) **Perfection by Control.** The Borrower has taken all action required on its part for control to have been obtained by the Lender over all Collateral with respect to which such control may be obtained pursuant to the Act and the STA. No person other than the Lender has control or possession of all or any part of the Collateral.

ARTICLE V VOTING AND RECEIVABLES

Section 5.01 Voting. Unless a Default or an Event of Default shall have occurred and be continuing, the Borrower may, to the extent the Borrower has such right as a holder of the Collateral consisting of Investment Property, other Equity Interests or indebtedness owed by any obligor, vote and give consents, ratifications and waivers with respect thereto, except to the extent that any such vote, consent, ratification or waiver could detract from the value thereof as Collateral or which would be inconsistent with or result in any violation of any provision of the Secured Note or this Agreement.

Section 5.02 Receivables. If a Default or an Event of Default has occurred and is continuing, the Lender may, or at the request and option of the Lender, the Borrower shall: (i) notify account Borrowers of the Lender's security interests in any account, chattel paper, intangible, instrument or other Collateral; and (ii) direct that payment thereof is to be made directly to the Lender.

ARTICLE VI COVENANTS

Section 6.01 Covenants. The Borrower covenants as follows:

- (a) **Consent re: Change of Legal Name and Place of Business.** The Borrower will not, except with the prior written consent of the Lender, change its legal name, jurisdiction of incorporation, corporate structure, or the province or territory in which its registered office, chief executive office or its principal place of business is located. The Borrower will, prior to any change described in the preceding sentence, take all actions requested by the Lender to maintain the perfection and priority of the Lender's security interest in the Collateral.
- (b) **Consent re: Change of Location of Collateral.** The Collateral, to the extent not delivered to the Lender under ARTICLE III, will be kept at those locations listed in Schedule A and, except for Inventory sold or leased in the ordinary course of business, the Borrower will not remove the Collateral from such locations except as permitted in with Lender's prior written consent. The Borrower will, before any change described in the preceding sentence,

take all actions required by the Lender to maintain the perfection and priority of the Lender's security interest in the Collateral.

- (c) **Dealing with Collateral: No Sale or Encumbrances.** The Borrower will not sell, dispose of, lease, assign or otherwise transfer any of the Collateral except in the ordinary course of business, or with the prior written consent of the Lender.
- (d) **Maintenance and Protection of Collateral.** The Borrower will keep the Collateral in good order, condition and repair so as to protect and preserve the Collateral and will not permit the Collateral to be affixed to real or personal property so as to become a fixture or accession without the prior written consent of the Lender. The Borrower will not use the Collateral in violation of this Agreement, or any other agreement relating to the Collateral or any policy of insurance thereon, or any applicable law. The Borrower will keep all licences, permits, agreements, registrations and applications relating to intellectual property used by Borrower in good standing. The Borrower shall register all existing and future trademarks, patents, copyrights and industrial designs. The Borrower shall, at its own cost and expense, defend title to the Collateral and the security interests of the Lender therein against the claim or demand of any person claiming against or through the Borrower and shall maintain and preserve such perfected security interests for so long as this Agreement shall remain in effect.
- (e) **Compliance with Laws.** The Borrower will comply with all applicable laws, regulations, permits and approvals (including, without limitation, environmental, health and safety, labour and employment, anti-money laundering, sanctions, and Canadian trade laws and regulations).
- (f) **Performance of Obligations.** The Borrower will pay promptly when due all taxes, assessments, governmental charges, and levies upon the Collateral or incurred in connection with the use or operation of the Collateral or incurred in connection with this Agreement. The Borrower shall perform all of its obligations under material agreements, leases, licences, arrangements to obtain and preserve its rights, powers, licences, privileges and goodwill thereunder and comply with all applicable law, by-laws, rules and regulations so as to preserve and protect the Collateral and the Borrower's business.
- (g) **Access to Collateral, Inspection.** The Borrower will permit the Lender, and its representatives, agents, consultants and advisors, to inspect the Collateral from time to time and to examine and take extracts of its books and records (electronic or hard copy), at any reasonable time and on reasonable notice, wherever located. The Borrower shall, upon request by the Lender, provide the Lender with any information concerning the Collateral, the Borrower and its business, as the Lender may reasonably request, including financial statements or other financial information and access to the Borrower's senior executives, accountants and auditors to discuss any information concerning the Collateral, the Borrower or its business and affairs.
- (h) **Debt.** The Borrower will not create, incur, assume, permit to exist or make any payments with respect to any Debt other than Permitted Debt.
- (i) **Liens.** The Borrower will not grant, create, permit or suffer to exist any Liens or other restriction or limitation of any nature whatsoever on the Collateral except for Permitted Liens. The Borrower shall ensure that the Liens created pursuant to this Agreement are at all times first ranking Liens.

- (j) **Corporate, Business Changes.** The Borrower will not, without the prior written consent of the Lender:
 - (i) permit any Change of Control;
 - (ii) amalgamate or merge, consolidate, reorganize or restructure, continue in another jurisdiction, enter into a joint venture or partnership, liquidate, dissolve, wind-up, become bankrupt, initiate insolvency proceedings, or engage in other fundamental changes;
 - (iii) issue any Equity Interest in the Borrower to any person other than owner of any Equity Interests in the Borrower as of the date of this Agreement; or
 - (iv) engage in any business other than the businesses of the type conducted by on the date hereof and businesses reasonably related thereto.
- (k) **Insurance.** The Borrower shall maintain adequate insurance with respect to its business and the Collateral in such amounts and covering such risks as are acceptable to the Lender, with the Lender noted as loss payee on property insurance policies and additional insured on liability insurance policies, and provide the Lender with not less than 30 days' prior written notice of any cancellation or change in insurance.
- (l) **Intellectual Property.** The Borrower will make and maintain all filings, registrations and recordings necessary to maintain its rights in the patents, trademarks, copyrights and industrial designs included in the Intellectual Property.
- (m) **Notification.** The Borrower shall notify the Lender within five Business Days of: (i) the details of any material acquisition of Collateral; (ii) the details of any material litigation in connection with the Borrower, the Collateral or the Borrower's business; (iii) any loss or damage to the Collateral or the value of the Collateral; (iv) any default by any account Borrower in the payment or performance of its obligations; (v) any material adverse change in the financial condition, business, operations or assets, property and undertaking of the Borrower; and (vi) if any representation, warranty or statement made or deemed to be made by the Borrower under or in connection with the Loan Documents is or becomes incorrect or misleading.

ARTICLE VII

SURVIVAL OF REPRESENTATIONS AND WARRANTIES AND COVENANTS

Section 7.01 Survival of Representations and Warranties and Covenants. All representations, warranties and covenants made by the Borrower shall survive the execution and delivery of this Agreement and remain in full force and effect until the payment in full of the Secured Obligations.

ARTICLE VIII

LENDER POWER OF ATTORNEY

Section 8.01 Lender Power of Attorney. The Borrower hereby irrevocably constitutes and appoints the Lender and any officer or employee of the Lender as the Borrower's true and lawful attorney, with full power of substitution and with full authority in the place and stead of the Borrower and in the name of the Borrower or otherwise, from time to time, during the continuance of an Event of Default, in the Lender's discretion to take any action and to execute any instrument which the Lender may deem necessary or

advisable to accomplish the purposes of this Agreement, including, without limitation, to receive, endorse and collect all instruments made payable to the Borrower representing any dividend, interest payment or other distribution in respect of the Collateral or any part thereof and to give full discharge for the same, to transfer, endorse, negotiate and sign on behalf of the Borrower any of the Equity Interests, to complete the blanks in any transfers of shares, bonds or debentures, any power of attorney or other documents delivered to it, to provide instructions or entitlement orders to any securities intermediary which maintains any securities account in which any Collateral is maintained, and to delegate its powers and for any delegate to sub-delegate the same (but the Lender shall not be obligated to and shall have no liability to the Borrower or any third party for failure to do so or take any action). Such appointment, being coupled with an interest, shall be irrevocable until the full and final discharge of the security interests created by this Agreement. The Borrower hereby ratifies all acts that such attorneys shall lawfully do or cause to be done by virtue hereof.

ARTICLE IX EXPENSES AND INDEMNITY

Section 9.01 Expenses and Indemnity.

- (a) The Borrower hereby agrees to indemnify and hold harmless the Lender and each officer, director, employee, contractor and advisor of the Lender (each such person being called an "**Indemnified Party**") from any losses, damages, liabilities, claims and related expenses (including the fees and expenses of legal counsel) incurred by the Indemnified Party or asserted against any Indemnified Party by any person (including the Borrower) other than such Indemnified Party and its officers, directors, employees, contractors and advisors arising out of, in connection with or resulting from this Agreement and other Loan Documents (including, without limitation, enforcement of this Agreement or any other Loan Document) or any failure of any Secured Obligations to be the legal, valid and binding obligations of the Borrower enforceable against the Borrower in accordance with their terms, whether brought by a third party or by the Borrower, and regardless of whether any Indemnified Party is a party thereto.
- (b) To the fullest extent permitted by applicable law, the Borrower hereby agrees not to assert, and hereby waives, any claim against any Indemnified Party, on any theory of liability, for special, indirect, consequential, exemplary or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document, or any agreement, transaction or instrument contemplated hereby or thereby.
- (c) The Borrower agrees to pay or reimburse the Lender for all its costs and expenses incurred in collecting the Secured Obligations or otherwise protecting, enforcing or preserving any rights or remedies under this Agreement and the other Loan Documents, including the fees and other charges of counsel to the Lender.
- (d) All amounts due under this Section shall be payable promptly after demand therefor and shall constitute Secured Obligations.
- (e) Without prejudice to the survival of any other agreement of the Borrower under this Agreement or any other Loan Documents, the agreements and obligations of the Borrower contained in this Section shall survive termination of the Loan Documents and payment in full of the Secured Obligations and all other amounts payable under this Agreement and the Loan Documents.

**ARTICLE X
LENDER MAY PERFORM**

Section 10.01 Lender May Perform. If the Borrower fails to perform any obligation contained in this Agreement, the Lender may itself perform, or cause performance of, such obligation, and the costs and expenses of the Lender incurred in connection therewith shall be payable by the Borrower; provided that the Lender shall not be required to perform or discharge any obligation of the Borrower and the performance by the Lender shall not waive the rights of the Lender to enforce this Agreement.

**ARTICLE XI
SET-OFF**

Section 11.01 Set-Off. Upon the occurrence of an Event of Default, the Lender may, without notice to the Borrower or any other person, any notice being expressly waived, set-off and apply all amounts standing to or for the credit of the Borrower from the Lender or any of the Lender's affiliates, in any currency, against and on account of all or any part of the Secured Obligations, all as the Lender may see fit (in its sole discretion), whether or not the Secured Obligations are due and payable. The Lender's records are proof of such recording absent manifest error. When applying a deposit or other obligation in a different currency than the Secured Obligations to the Secured Obligations, the Lender will convert the deposit or other obligation to the currency of the Secured Obligations using the rate of exchange for the conversion of such currency as determined by the Lender.

**ARTICLE XII
REMEDIES UPON DEFAULT**

Section 12.01 Right to Accelerate Payment. Upon the occurrence of an Event of Default that is continuing, the Lender may, by notice, declare any or all of the Secured Obligations to be immediately due and payable, whereupon, all of the Secured Obligations shall become and be immediately due and payable without presentment, demand, protest or further notice, all of which are hereby expressly waived by the Borrower.

Section 12.02 Enforcement of Security Interest. Upon the occurrence of an Event of Default that is continuing, the Lender may proceed to realize upon the Collateral and immediately enforce its rights and remedies.

Section 12.03 Remedies upon Default. Upon the occurrence of an Event of Default that is continuing, the Lender may exercise, without any other notice to or demand upon the Borrower, in addition to the other rights and remedies provided herein or in any other Loan Document or otherwise available to it, the following rights and remedies (which rights and remedies may be exercised independently or in combination):

- (a) the Lender may assert all rights and remedies of a Lender under the Act or other applicable law;
- (b) the Lender may take such steps as it considers desirable to maintain, preserve or protect the Collateral or its value;
- (c) the Lender may take possession of the Collateral by requiring the Borrower to assemble the Collateral or any part thereof and deliver the Collateral, or make the Collateral available, to the Lender at a place and time to be designated by the Lender;

- (d) the Lender may take possession of the Collateral by carrying on all or any part of the business of the Borrower, and may to the exclusion of all others, including the Borrower, enter upon, occupy and use any of the premises; buildings, plant and undertaking owned, occupied or used by the Borrower and may use any of the tools, machinery, equipment and intangibles (including Intellectual Property) of the Borrower for such time as the Lender sees fit, free of charge and without liability, in order to carry on the business of the Borrower or to manufacture or complete the manufacture of Inventory and to pack and ship finished products;
- (e) the Lender may enter upon and occupy any land and premises owned, leased or occupied by the Borrower where the Collateral or any part thereof is assembled or located in order to effectuate its rights and remedies hereunder or under law, without obligation whatsoever to the Borrower;
- (f) the Lender may borrow money required for the maintenance, preservation or protection of the Collateral or any part thereof, or to carry on the business, and may further charge the Collateral in priority to the security constituted by this Security Agreement;
- (g) the Lender may exercise and enforce all rights and remedies of the Borrower with respect to the Collateral, including collecting or compromising all or any of the Borrower's Accounts;
- (h) the Lender may sell, lease, license, or otherwise dispose of all or any part of the Collateral by private sale or public sale or otherwise, and upon such other terms and conditions (including as to credit, upset or reserve bid or price) as the Lender may deem commercially reasonable;
- (i) the Lender may appoint, by instrument in writing, any person or persons (whether an officer or employee of the Lender or not) to be a receiver, manager, interim receiver, or receiver and manager (collectively, "**Receiver**"), of the Collateral or any part of the Collateral and remove or replace any person so appointed. Any Receiver so appointed shall have, in addition to any other powers afforded by the law, the same powers and authorities afforded to the Lender under this ARTICLE XII;
- (j) the Lender may apply to a court of competent jurisdiction for the appointment of a Receiver of the Collateral or any part of the Collateral. Any Receiver so appointed shall have, in addition to any other powers afforded by the law, the same powers and authorities afforded to the Lender under this ARTICLE XII;
- (k) all rights of the Borrower to: (i) exercise the voting and other consensual rights it would otherwise be entitled to exercise pursuant to Section 5.01; and (ii) receive the dividends and other distributions which it would otherwise be entitled to receive and retain pursuant to this Agreement, shall immediately cease, and all such rights shall thereupon become vested in the Lender, which shall have the sole right to exercise such voting and other consensual rights and receive and hold such dividends and other distributions as Collateral; and
- (l) the Lender may retain the Collateral in satisfaction of the Secured Obligations.

Section 12.04 Receiver Agent of Borrower. In exercising any powers, any such Receiver so appointed shall act as agent of the Borrower and not the Lender and the Lender shall not in any way be responsible

for any of the actions of the Receiver, its employees, agents and contractors. The Lender may from time to time remove and appoint replacements for, any Receiver, and appoint another or others in their stead from time to time.

Section 12.05 Distribution of Proceeds. Any cash held by the Lender as Collateral and all cash Proceeds received by the Lender in respect of any sale of, collection from, or other realization upon all or any part of the Collateral shall be applied in whole or in part by the Lender to the payment of expenses incurred by the Lender in connection with the foregoing or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of the Lender hereunder, including reasonable legal and Receivers' fees, and the balance of such proceeds shall be applied or set-off against all or any part of the Secured Obligations in such order as the Lender shall elect, in its sole discretion. Any surplus of such cash or cash Proceeds held by the Lender and remaining after payment in full of all the Secured Obligations shall be paid over to the Borrower or to whomsoever may be lawfully entitled to receive such surplus. The Borrower shall remain liable for any deficiency if such cash and the cash Proceeds of any sale or other realization of the Collateral are insufficient to pay the Secured Obligations and the fees and other charges of any solicitor employed by the Lender to collect such deficiency.

Section 12.06 Borrower Pays Expenses. The Borrower agrees to pay all reasonable expenses incurred by the Lender or any Receiver in the preparation, perfection and enforcement of this Agreement, whether directly incurred or for services rendered, including legal and auditor's fees and expenses and remuneration of any Receiver.

ARTICLE XIII MISCELLANEOUS

Section 13.01 No Waiver and Cumulative Remedies. The Lender shall not by any act, delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Event of Default. All rights and remedies herein provided are cumulative and are not exclusive of any rights or remedies provided by law.

Section 13.02 Amendments. None of the terms or provisions of this Agreement may be amended, modified, supplemented, terminated or waived, and no consent to any departure by the Borrower therefrom shall be effective unless the same shall be in writing and signed by the Lender and the Borrower, and then such amendment, modification, supplement, waiver or consent shall be effective only in the specific instance and for the specific purpose for which made or given.

Section 13.03 Notices. All notices, consents, claims, demands, waivers and other communications hereunder shall be in writing and addressed to the parties at the addresses set forth in the Secured Note and shall be given in the manner and become effective as set forth in the Secured Note.

Section 13.04 Continuing Security Interest; Further Actions. This Agreement shall create a general and continuing security interest in the Collateral and shall (a) subject to Section 13.06, remain in full force and effect until payment and performance in full of the Secured Obligations, (b) be binding upon the Borrower, its successors and permitted assigns, and (c) enure to the benefit of the Lender and its successors, transferees and assigns; provided that the Borrower may not assign or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of the Lender. Without limiting the generality of the foregoing clause (c), any assignee of the Lender's interest in any agreement or document which includes all or any of the Secured Obligations shall become vested with all the benefits granted to the Lender herein with respect to such Secured Obligations.

Section 13.05 Assignment. The Lender may assign or transfer any of its rights under this Agreement without the consent of the Borrower. The Borrower may not assign its obligations under this Agreement without the prior written consent of the Lender.

Section 13.06 Termination; Release. On the date on which all Secured Obligations have been paid and performed in full (as determined by the Lender in its sole discretion), the Lender will, at the request and sole expense of the Borrower (a) duly assign, transfer and deliver to or at the direction of the Borrower (without recourse and without any representation or warranty) such of the Collateral as may then remain in the possession of the Lender, together with any monies at the time held by the Lender hereunder, and (b) execute and deliver to the Borrower a proper instrument or instruments acknowledging the satisfaction and termination of this Agreement.

Section 13.07 Acknowledgement. The Borrower acknowledges receipt of a fully executed copy of this Agreement.

Section 13.08 Amalgamation. The Borrower acknowledges that, if it amalgamates with another person, the term Borrower, when used in this Agreement, shall apply to each of the amalgamating corporations and to the amalgamated corporation, such that the security interests created hereby shall extend to the Collateral in which any amalgamating corporation has any rights at the time of the amalgamation and to any collateral in which the amalgamated corporation thereafter has any rights to secure the Secured Obligations of each of the amalgamating corporations and the amalgamated corporation to the Lender at the time of the amalgamation and any Secured Obligations of the amalgamated corporation to the Lender thereafter arising.

Section 13.09 Governing Law. All matters arising out of or relating to this Agreement shall be governed by, and construed in accordance with the laws of the Province of British Columbia, and the federal laws of Canada applicable therein.


Section 13.10 Counterparts and Electronic Transmission. This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

Section 13.11 Conflict with Secured Note. To the extent of any conflict or inconsistency between the terms of this Agreement and the terms of the Secured Note, the terms of the Secured Note shall govern to the extent necessary to remove the conflict or inconsistency.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Borrower has executed this Agreement as of the date first written above.

BZAM LTD.

By  _____

Name: Matt Milich

Title: CEO

SCHEDULE A

Full legal name: BZAM Ltd.

Prior names: The Green Organic Dutchman Holdings Ltd.

Predecessor companies: N/A

Address of chief executive office: 200 Burrard St, Suite 1570, Vancouver, BC, V6C 3L6

Address of all places where business is carried on or where tangible personal property is kept:

1. 200 Burrard St, Suite 1570, Vancouver, BC, V6C 3L6
2. 402-5520 Explorer Drive. Mississauga, ON, L4W 5L1
3. 518 - 19100 Airport Way. Pitt Meadows, BC, Canada, V3Y 0E2
4. 13325 Cedar Way. Maple Ridge, BC, Canada, V4R 2T4
5. 2775 Myers Creek Road E. Midway, BC, Canada, V0H 1M0
6. 8770 24th Street Sherwood Park, AB, Canada, T6P 1X8
7. #107 - 109, 1761 Sean Heights Saanichton, BC, Canada, V8M 0A5
8. 780 Concession 8 W, Puslinch, ON N0B 2J0
9. 1915 Jerseyville Rd. W. Jerseyville, ON, L0R 1R0
10. 875 Corydon Ave #3, Winnipeg, MB R3M 0W7
11. 40 Great Plains Rd. Edenwold (RM) SK S4L 1B6
12. 5000 Chemin Murphy, Vaudeuil-Dorion QC, J7V 8P2
13. 6082 Russ Baker Way, Richmond BC V7B 1B4
14. 150 Mohawk St, Brantford, ON N3S 7G5

Addresses of all owned real property:

1. 1915 Jerseyville Road West, Jerseyville, ON L0R 1R0, owned by the Green Organic Dutchman Ltd.
2. 13325 Cedar Way. Maple Ridge, BC, Canada, V4R 2T4
3. 2775 Myers Creek Road E. Midway, BC, Canada, V0H 1M0
4. 8770 24th Street Sherwood Park, AB, Canada, T6P 1X8

Addresses of all lease real property:

1. 200 Burrard St, Suite 1570, Vancouver, BC, V6C 3L6
2. 402-5520 Explorer Drive. Mississauga, ON, L4W 5L1
3. 518 - 19100 Airport Way. Pitt Meadows, BC, Canada, V3Y 0E2
4. 311-455 Boul. Fenelon, Dorval, QC H9S 5T8, leased by Medican Organic Inc.
5. 40 Great Plains Rd. Edenwold (RM) SK S4L 1B6
6. 780 Concession 8 W, Puslinch, ON N0B 2J0.
7. 875 Corydon Ave #3, Winnipeg, MB R3M 0W7
8. #107 - 109, 1761 Sean Heights Saanichton, BC, Canada, V8M 0A5

Description of all 'serial numbered goods' (i.e. motor vehicle, manufactured home, boat, outboard motor, trailer or aircraft):

All owned equipment.

List of all material permits:

1. Health Canada Licence No LIC-CJMMLU7IJN-2019-1 (cultivation, processing, sale) issued to The Green Organic Dutchman Ltd. expiring July 20, 2027
2. Health Canada Licence No LIC-MVXNLN8UCN-2020 (Research) issued to The Green Organic Dutchman Ltd., expiring February 12, 2025
3. Health Canada Licence No LIC-JTUPWJZJ50-2022 issued to BZAM Management Inc.
4. Health Canada Licence No LIC-G27V6VI0UJ-2022 issued to BZAM Management Inc.
5. Health Canada Licence No LIC- HU7CU4DYAO-2020-5 issued to BZAM Management Inc.
6. Health Canada Licence No LIC- J5USTB6Z3V-2022 issued to BZAM Management Inc.
7. Health Canada Licence No LIC- 9GRI1YRQEV-2021 issued to BZAM Management Inc.
8. Health Canada Licence No LIC- LIC-TNCAPN24J9-2022 issued to BZAM Management Inc.
9. The Green Organic Dutchman Ltd. No. 83013 4847 RD0001 under the Excise Act, 2001 (Canada)
10. Galaxie Brands Corporation Cannabis Licence No. 82993 7846 RD0001 under the Excise Act, 2001 (Canada)
11. Galaxie Brands Corporation Licence No. LIC-DOAXL5IINX-2020-10 under the Cannabis Act (Canada)

12. Galaxie Brands Corporation Licence No. 9JHRW8LW under the Safe Food For Canadians Act (Canada)

13. The Green Organic Dutchman Ltd. Licence No. 3PFXVKNM under the Safe Food For Canadians Act (Canada)

List of subsidiaries for BZAM Ltd:

Name	Jurisdiction of Formation	Beneficial Equity/ Voting Ownership
The Green Organic Dutchman Ltd.	Canada	100%
*TGOD Europe B.V.	Netherlands	100%
Medican Organic Inc.	Quebec	100%
Galaxie Brands Corporation.	Ontario	100%
14274261 Canada Inc.	Canada	100%
The Green Organic Beverage Corp.	Delaware	100%
*BZAM Holdings Inc.	British Columbia	100%

***List of subsidiaries for BZAM Holdings Inc.:**

Name	Jurisdiction of Formation	Beneficial Equity/ Voting Ownership
BZAM Management Inc.	British Columbia	100%
1005099 Manitoba Ltd.	Manitoba	100%
Folium Life Science Inc.	British Columbia	80%
BZAM Cannabis Corp.	Alberta	58%

***List of subsidiaries for TGOD Europe B.V.**

Name	Jurisdiction of Formation	Beneficial Equity/ Voting Ownership
The Green Organic Dutchman Germany GmbH.	Germany	100%

PLEGGED SECURITIES

Issuer	Class/Type of Security	Certificate Number (if certified)	Number of Securities
Nil.	N/A	N/A	N/A

GENERAL SECURITY AGREEMENT

This GENERAL SECURITY AGREEMENT, dated as of August ___, 2023 (as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time in accordance with the provisions hereof, this "**Agreement**"), is made by **BZAM LTD.** (the "**Borrower**") in favour of **STONE PINE CAPITAL LTD.** (the "**Lender**").

WHEREAS the Borrower has executed and delivered, or intends to execute and deliver, a certain secured demand promissory note dated on or about the date hereof (as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time, the "**Secured Note**") in favour of the Lender whereby the Lender will establish certain loans or extensions of credit in favour of the Borrower (the "**Loans**").

AND WHEREAS to secure the payment and performance of the Secured Obligations (this term, and other capitalized terms used in this Agreement have the meanings set forth in Section 1.01 below), the Borrower has agreed to grant to the Lender security interests over the Collateral in accordance with the terms of this Agreement.

NOW THEREFORE BE IT RESOLVED THAT in consideration of the Lender entering into the Secured Note and agreeing to make the Loans available to the Borrower, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Borrower agrees as follows:

ARTICLE I DEFINITIONS

Section 1.01 Definitions.

In this Agreement, the following words and phrases will have the meanings set out below unless the parties or the context otherwise require(s).

- (a) "**Act**" means the *Personal Property Security Act* of British Columbia and the regulations thereunder, as amended, restated or replaced by successor legislation of comparable effect.
- (b) "**Business Day**" means "Business Day" as defined in the Secured Note.
- (c) "**Change of Control**" means the occurrence of any transaction or related series of transactions (a) by which any Person, by means of takeover bid, tender offer, amalgamation, purchase of assets or otherwise (i) acquires the business or substantially all of the assets of the Borrower or (ii) acquires control of equity interests in the Borrower representing more than 50% of the ordinary voting power for the election of directors or other governing positions as manage the business affairs of the Borrower, or (b) that would have the effect of bringing about a change in the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of the Borrower, whether through the ability to exercise voting power, by contract or otherwise.
- (d) "**Collateral**" is defined in Section 2.01.
- (e) "**Debt**" means "Indebtedness" as defined in the Secured Note.
- (f) "**Equity Interests**" means, with respect to any Person, all of the securities, investment property, units, trust units, partnership, membership and other equity interests,

participations, investment certificates, notes (or other ownership or profit interests in) in or of such Person (collectively, "**ownership interests**"), all of the warrants, options or other rights for the purchase or acquisition from such Person of ownership interests in such Person, all of the securities convertible into or exchangeable for ownership interests in such Person or warrants, rights or options for the purchase or acquisition from such Person of ownership interests, and all of the other ownership or profit interests in such Person (including, without limitation, partnership, member or trust interests therein), whether voting or non-voting, and whether or not such ownership interests are outstanding on any date of determination.

- (g) "**Event of Default**" means any material breach of any obligation, representation or agreement in a Loan Document, or any event of default under or described in a Loan Document.
- (h) "**Excluded Asset**" is defined in Section 2.03(a).
- (i) "**Intellectual Property**" means any and all intellectual property, including licences, copyrights, copyright licences, patents, patent licences, patent applications, service marks, trademarks, trademark licences, trademark applications, trade styles, trade names, technology, know-how and processes, trade secrets, inventions, industrial designs, all rights therein, and all rights to sue at law or in equity for any past, present, or future infringement, violation, misuse, misappropriation or other impairment thereof, whether arising under the laws of Canada, the laws of any Canadian province or territory or foreign laws or otherwise, including the right to receive injunctive relief and all proceeds and damages therefrom.
- (j) "**Lien**" means any mortgage, pledge, lien, assignment by way of security, charge, security interest, trust arrangement in the nature of a security interest, conditional sale or other title retention agreement, equipment trusts, lease financings including by way of sale and lease-back, hypothec, levy, execution, seizure, attachment, garnishment, any option, preferential right or adverse claim constituting an interest in such property, or any other encumbrance in respect of such property.
- (k) "**Loan Document**" means, collectively, the Secured Note, this Agreement, and any other agreement, note, certificate, or agreement from time to time entered into between the Borrower and the Lender in connection with the transactions set out in the Secured Note and this Agreement.
- (l) "**Permitted Debt**" means Debt of the Borrower consented to in writing by Lender, which the Lender may, in its sole discretion, require to be postponed and subordinated to the Secured Obligations on terms acceptable to the Lender.
- (m) "**Permitted Liens**" means:
 - (i) Liens for taxes, assessments, governmental charges or other statutory Liens or security interests not at such date due or delinquent, or the validity of which the Borrower is contesting in good faith and in respect of which, or where the failure to pay or discharge same could not reasonably be expected to impede the ability of the Borrower to pay the Secured Obligations;

- (ii) Liens in connection with any judgment rendered, or claim filed, against the Borrower where the payment of any amount to satisfy such judgement or claim could not reasonably be expected to impede the ability of the Borrower to pay the Secured Obligations;
 - (iii) any Lien or trust or deposit arising in connection with workers' compensation, employment insurance, pension and employment laws or regulations, so long as the existence of such Lien, trust or deposit could not reasonably be expected to impede the ability of the Borrower to pay the Secured Obligations;
 - (iv) Liens in favour of the Lender pursuant to the Loan Documents;
 - (v) Liens created in connection Permitted Debt; and
 - (vi) All other Liens consented to in writing by the Lender, acting reasonably.
- (n) **"Pledged Securities"** means all of the issued and outstanding Equity Interests of each issuer described in Schedule A hereto that are now or from time to time hereafter held by the Borrower.
- (o) **"Persons"** or **"Person"** means and includes any individual, sole proprietorship, corporation, partnership, bank, joint venture, trust, unincorporated association, association, institution, entity, party or government (whether national, federal, provincial, state, municipal, city, county or otherwise and including any instrumentality, division, agency, body or department thereof).
- (p) **"Proceeds"** means "proceeds" as such term is defined in section 1(1) of the Act and, in any event, shall include, without limitation, all dividends or other income from the Collateral, collections thereon or distributions with respect thereto.
- (q) **"Receiver"** is defined in Section 12.03(i).
- (r) **"Secured Obligations"** means all present and future debts, liabilities and obligations of the of any and every kind, nature and description (whether direct or indirect, joint or several, absolute or contingent, matured or unmatured) of the Borrower to the Lender under, in connection with or with respect to the Loan Documents.
- (s) **"STA"** means the *Securities Transfer Act*, as in effect from time to time in the Province of British Columbia.

Section 1.02 Application of Act

Words used in this Agreement that are defined in the Act will have the respective meanings ascribed to them in the Act, unless otherwise defined herein.

Section 1.03 Interpretation.

- (a) Unless otherwise specified herein, all references to Sections and Schedules herein are to Sections and Schedules of this Agreement.
- (b) For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

- (i) the words "herein", "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular article, section or other subdivision of this Agreement;
- (ii) the word "including", when following any general statement, term or matter, is not to be construed to limit such general statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not non-limiting language (such as "without limitation" or "but not limited to" or words of similar import) is used with reference thereto but rather refers to all other items or matters that could reasonably fall within the broadest possible scope of such general statement, term or matter;
- (iii) any definition of or reference to any agreement, instrument or other document herein (including this Agreement) shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented, restated or otherwise modified (subject to any restrictions on such amendments, supplements, restatements or modifications set forth herein); and
- (iv) a reference to a statute or a section of a statute shall include and shall be deemed to be a reference to such statute or section and to the regulations made pursuant thereto, with all amendments made thereto and in force at the relevant time, and to any statute, section of a statute or regulation that may be passed which has the effect of supplementing or superseding the statute or section so referred to or the regulations made pursuant thereto.

ARTICLE II GRANT OF SECURITY INTEREST

Section 2.01 Grant of Security Interest. As security for the payment and performance of the Secured Obligations, the Borrower hereby grants, assigns, transfers, sets over, mortgages, charges, and pledges to the Lender, and hereby creates a general and continuing security interest in favour of the Lender in and to all of the Borrower's right, title and interest in and to the following, wherever located, whether now existing or hereafter from time to time arising or acquired (collectively, the "**Collateral**"):

- (a) all present and after-acquired property, assets and undertaking of the Borrower of every kind and nature whatsoever, including all Accounts, Goods (including Inventory, Equipment and motor vehicles, but excluding Consumer Goods), Intangibles, Intellectual Property, Chattel Paper, Documents of Title, Instruments, Securities and all other Investment Property (including the Pledged Securities and the securities accounts), Money, and any other contract rights or rights to the payment of money;
- (b) all Proceeds and products of each of the foregoing, including any and all Proceeds of any insurance, indemnity, compensation for loss or damage, warranty or guarantee payable to the Borrower from time to time with respect to any of the foregoing;
- (c) all books and records relating to the foregoing, including in any form or medium;
- (d) all supporting obligations relating to the foregoing;
- (e) all additions, accessions to, substitutions and replacements for, and rents, profits and products of, each of the foregoing; and

- (f) the last day of the term of any lease, verbal or written, or any agreement to lease, now held or hereafter acquired by the Borrower is hereby excepted out of the security interests hereby created, but should the Lender need to enforce against the Collateral, the Borrower shall hold the last date in trust for the Lender and shall assign it to any person acquiring the term or that part of the term that is charged in the course of any enforcement or realization of the Collateral.

For greater certainty, the Collateral does not include any Consumer Goods.

Section 2.02 Attachment of Security Interest. The Borrower acknowledges that value has been given, that the Borrower has rights in the Collateral, and that the parties have agreed not to postpone the time for attachment of any security interest in this Agreement. The Borrower acknowledges that any security interest created by this Agreement shall attach to existing Collateral upon the execution of this Agreement and to each item of after-acquired Collateral at the time that the Borrower acquires rights in such after-acquired Collateral.

Section 2.03 Limitation on Grant of Security Interest.

- (a) To the extent the grant of the security interest in respect of any contract, permit, lease, licence, instrument, document or other agreement entered into by the Borrower would result in the breach or termination of or cause a default under such contract, permit, lease, licence, instrument, or other agreement (each an "**Excluded Asset**"), each such Excluded Asset shall not be subject to the security interest created hereby while such restriction applies but shall be held in trust by the Borrower in favour of the Lender, but only for so long as such prohibition or requirement for consent is not terminated, rendered unenforceable or otherwise deemed ineffective by the Act or any other applicable law; provided however that Excluded Assets shall not include any Proceeds, products, substitutions or replacements of any Excluded Asset (unless such Proceeds, products, substitutions, or replacements would themselves otherwise constitute Excluded Assets) and provided further that if any Excluded Asset would have otherwise constituted Collateral, when such asset shall cease to be an Excluded Asset, such asset shall be deemed at all times from and after the date hereof to constitute Collateral subject to the security interest created hereby. The Borrower will use all commercially reasonable efforts to obtain the consent of each other party to any and all Excluded Assets to the assignment of such Excluded Assets to the Lender in accordance with this Agreement. The Borrower will also use all commercially reasonable efforts to ensure that no material agreement entered into on or after the date of this Agreement shall expressly prohibit assignment of the benefits of such agreement as collateral security to the Lender.
- (b) The security interest with respect to trademarks constitutes a security interest in, and a charge, hypothecation and pledge of, such Collateral in favour of the Lender, but does not constitute an assignment of such Collateral to the Lender.

**ARTICLE III
PERFECTION OF SECURITY INTEREST AND FURTHER ASSURANCES**

Section 3.01 Perfection. The Borrower shall, from time to time, and at its expense, take all actions as may be requested by the Lender to perfect the security interest of the Lender in the Collateral.

Section 3.02 Intellectual Property. The Borrower hereby further authorizes the Lender to file with the *Canadian Intellectual Property Office* this Agreement and other required documents for the purpose of recording, perfecting, confirming, continuing, enforcing or protecting the security interests in Intellectual Property granted by the Borrower hereunder.

Section 3.03 Tangible Chattel Paper, Documents of Title, Instruments. If the Borrower shall at any time hold or acquire any promissory notes, tangible chattel paper, negotiable documents of title or warehouse receipts relating to the Collateral, the Borrower shall immediately endorse, assign and deliver possession of the same to the Lender, accompanied by such instruments of transfer or assignment duly executed in blank as the Lender may from time to time specify.

Section 3.04 Control.

- (a) **Certificates.** The Borrower shall promptly, at the request of the Lender and in a manner satisfactory to the Lender: (i) cause a security certificate to be issued for any Investment Property that is in the form of an uncertificated security to the extent that such request can be accommodated by the issuer thereof; (ii) duly endorse all share certificates at any time held or acquired by it relating to the Collateral in blank for transfer or execute stock powers of attorney in blank in form and substance satisfactory to the Lender; (iii) deliver such share certificates and stock powers to the Lender; and (iv) take all other steps to give exclusive control over such certificated securities to the Lender.
- (b) **Electronic Chattel Paper.** Where Collateral includes electronic chattel paper, the Borrower shall take all commercially reasonable efforts to cause the record comprising such chattel paper to be created, stored and transferred in a manner satisfactory to the Lender and which will provide the Lender with control of the electronic chattel paper.

Section 3.05 Copy of Verification Statement. To the extent permitted by law, the Borrower hereby waives its right to receive a copy of any financing statement, financing change statement or verification statement filed or received by or on behalf of the Lender in connection with the Lender's interest in the Collateral.

Section 3.06 Further Assurances. The Borrower agrees that, at any time and from time to time, at the expense of the Borrower, the Borrower will promptly execute and deliver all further instruments and documents, obtain such agreements from third parties, and take all further action, that may be necessary or desirable, or that the Lender may reasonably request to create and maintain the validity, perfection or priority of and protect any security interest granted or purported to be granted hereby (including, without limitation, providing the Lender with a fixed and specific mortgage) or to enable the Lender to exercise and enforce their rights and remedies hereunder or under any other Loan Document with respect to any Collateral.

**ARTICLE IV
REPRESENTATIONS AND WARRANTIES**

Section 4.01 Representations and Warranties. The Borrower represents and warrants as follows:

- (a) **Borrower Information.** All information set out in **Schedule A** is accurate and complete.
- (b) **Ownership and Title.** The Borrower is the sole, direct, legal and beneficial owner of, and has good marketable title to, all existing Collateral and shall be the sole, direct, legal and beneficial owner of, and have good marketable title to, each item of after-acquired Collateral free and clear of any mortgages, charges, hypothecs, pledges, trusts, liens, security interests and other claims except for the security interests created by this Agreement and Permitted Liens.
- (c) **Existence and Capacity.** The Borrower has been duly incorporated, amalgamated or formed and validly exists under the laws of its jurisdiction of incorporation, amalgamation, or formation and has full power, capacity, authority and legal right to borrow, grant a security interest in the Collateral, execute and deliver this Agreement and perform its obligations under this Agreement.
- (d) **Binding Obligation.** Each of this Agreement and the other Loan Documents to which the Borrower is a party have been duly authorized, executed and delivered by the Borrower and constitutes a legal, valid and binding obligation of the Borrower enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium, arrangement, or other similar laws affecting creditors' rights generally and subject to equitable principles (regardless of whether enforcement is sought in equity or at law).
- (e) **No Governmental or Regulatory Approvals.** No authorization, approval, or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the borrowing of the Loans and the pledge by the Borrower of the Collateral under this Agreement or for the execution and delivery of the other Loan Documents by the Borrower or the performance by the Borrower of its obligations thereunder.
- (f) **Compliance with Laws.** The Borrower is in compliance with, and operates its business in compliance with, all applicable laws and regulations (including environmental, labour and employment, tax, health and safety, anti-money laundering, sanctions, and Canadian trade laws and regulations).
- (g) **Litigation.** There is no material litigation, investigation, claim or proceeding pending, or to the knowledge of the Borrower, threatened, by or against it or its assets.
- (h) **Insurance.** The Borrower has in full force and effect policies of insurance with sound and reputable insurance companies in such amounts, with such deductibles, and covering such risks as are customarily carried by companies engaged in similar businesses. All premiums with respect to such policies that are due and payable have been paid.
- (i) **No Violation of Laws, Constating Documents, Agreements.** The execution and delivery of the Loan Documents by the Borrower and the performance by the Borrower of its obligations thereunder, will not violate any provision of any applicable laws or any order, judgment, writ, award or decree of any court, arbitrator or governmental authority,

domestic or foreign, applicable to the Borrower or any of its property, or the constating or governing documents of the Borrower or any agreement or instrument to which the Borrower is party or by which it or its property is bound.

- (j) **Pledged Securities Validly Issued.** The Pledged Securities and other Equity Interests have been duly authorized and validly issued and are fully paid and non-assessable and subject to no options to purchase or similar rights. No person (other than the Borrower) has any right to acquire or cause to be issued to them any of the Collateral.
- (k) **Certificated Securities.** The Collateral does not include any Investment Property that have not been certificated. The Collateral does not include any certificated securities that the Borrower has not delivered to the Lender.
- (l) **Perfection by Control.** The Borrower has taken all action required on its part for control to have been obtained by the Lender over all Collateral with respect to which such control may be obtained pursuant to the Act and the STA. No person other than the Lender has control or possession of all or any part of the Collateral.

ARTICLE V VOTING AND RECEIVABLES

Section 5.01 Voting. Unless a Default or an Event of Default shall have occurred and be continuing, the Borrower may, to the extent the Borrower has such right as a holder of the Collateral consisting of Investment Property, other Equity Interests or indebtedness owed by any obligor, vote and give consents, ratifications and waivers with respect thereto, except to the extent that any such vote, consent, ratification or waiver could detract from the value thereof as Collateral or which would be inconsistent with or result in any violation of any provision of the Secured Note or this Agreement.

Section 5.02 Receivables. If a Default or an Event of Default has occurred and is continuing, the Lender may, or at the request and option of the Lender, the Borrower shall: (i) notify account Borrowers of the Lender's security interests in any account, chattel paper, intangible, instrument or other Collateral; and (ii) direct that payment thereof is to be made directly to the Lender.

ARTICLE VI COVENANTS

Section 6.01 Covenants. The Borrower covenants as follows:

- (a) **Consent re: Change of Legal Name and Place of Business.** The Borrower will not, except with the prior written consent of the Lender, change its legal name, jurisdiction of incorporation, corporate structure, or the province or territory in which its registered office, chief executive office or its principal place of business is located. The Borrower will, prior to any change described in the preceding sentence, take all actions requested by the Lender to maintain the perfection and priority of the Lender's security interest in the Collateral.
- (b) **Consent re: Change of Location of Collateral.** The Collateral, to the extent not delivered to the Lender under ARTICLE III, will be kept at those locations listed in Schedule A and, except for Inventory sold or leased in the ordinary course of business, the Borrower will not remove the Collateral from such locations except as permitted in with Lender's prior written consent. The Borrower will, before any change described in the preceding sentence,

take all actions required by the Lender to maintain the perfection and priority of the Lender's security interest in the Collateral.

- (c) **Dealing with Collateral: No Sale or Encumbrances.** The Borrower will not sell, dispose of, lease, assign or otherwise transfer any of the Collateral except in the ordinary course of business, or with the prior written consent of the Lender.
- (d) **Maintenance and Protection of Collateral.** The Borrower will keep the Collateral in good order, condition and repair so as to protect and preserve the Collateral and will not permit the Collateral to be affixed to real or personal property so as to become a fixture or accession without the prior written consent of the Lender. The Borrower will not use the Collateral in violation of this Agreement, or any other agreement relating to the Collateral or any policy of insurance thereon, or any applicable law. The Borrower will keep all licences, permits, agreements, registrations and applications relating to intellectual property used by Borrower in good standing. The Borrower shall register all existing and future trademarks, patents, copyrights and industrial designs. The Borrower shall, at its own cost and expense, defend title to the Collateral and the security interests of the Lender therein against the claim or demand of any person claiming against or through the Borrower and shall maintain and preserve such perfected security interests for so long as this Agreement shall remain in effect.
- (e) **Compliance with Laws.** The Borrower will comply with all applicable laws, regulations, permits and approvals (including, without limitation, environmental, health and safety, labour and employment, anti-money laundering, sanctions, and Canadian trade laws and regulations).
- (f) **Performance of Obligations.** The Borrower will pay promptly when due all taxes, assessments, governmental charges, and levies upon the Collateral or incurred in connection with the use or operation of the Collateral or incurred in connection with this Agreement. The Borrower shall perform all of its obligations under material agreements, leases, licences, arrangements to obtain and preserve its rights, powers, licences, privileges and goodwill thereunder and comply with all applicable law, by-laws, rules and regulations so as to preserve and protect the Collateral and the Borrower's business.
- (g) **Access to Collateral, Inspection.** The Borrower will permit the Lender, and its representatives, agents, consultants and advisors, to inspect the Collateral from time to time and to examine and take extracts of its books and records (electronic or hard copy), at any reasonable time and on reasonable notice, wherever located. The Borrower shall, upon request by the Lender, provide the Lender with any information concerning the Collateral, the Borrower and its business, as the Lender may reasonably request, including financial statements or other financial information and access to the Borrower's senior executives, accountants and auditors to discuss any information concerning the Collateral, the Borrower or its business and affairs.
- (h) **Debt.** The Borrower will not create, incur, assume, permit to exist or make any payments with respect to any Debt other than Permitted Debt.
- (i) **Liens.** The Borrower will not grant, create, permit or suffer to exist any Liens or other restriction or limitation of any nature whatsoever on the Collateral except for Permitted Liens. The Borrower shall ensure that the Liens created pursuant to this Agreement are at all times first ranking Liens.

- (j) **Corporate, Business Changes.** The Borrower will not, without the prior written consent of the Lender:
 - (i) permit any Change of Control;
 - (ii) amalgamate or merge, consolidate, reorganize or restructure, continue in another jurisdiction, enter into a joint venture or partnership, liquidate, dissolve, wind-up, become bankrupt, initiate insolvency proceedings, or engage in other fundamental changes;
 - (iii) issue any Equity Interest in the Borrower to any person other than owner of any Equity Interests in the Borrower as of the date of this Agreement; or
 - (iv) engage in any business other than the businesses of the type conducted by on the date hereof and businesses reasonably related thereto.
- (k) **Insurance.** The Borrower shall maintain adequate insurance with respect to its business and the Collateral in such amounts and covering such risks as are acceptable to the Lender, with the Lender noted as loss payee on property insurance policies and additional insured on liability insurance policies, and provide the Lender with not less than 30 days' prior written notice of any cancellation or change in insurance.
- (l) **Intellectual Property.** The Borrower will make and maintain all filings, registrations and recordings necessary to maintain its rights in the patents, trademarks, copyrights and industrial designs included in the Intellectual Property.
- (m) **Notification.** The Borrower shall notify the Lender within five Business Days of: (i) the details of any material acquisition of Collateral; (ii) the details of any material litigation in connection with the Borrower, the Collateral or the Borrower's business; (iii) any loss or damage to the Collateral or the value of the Collateral; (iv) any default by any account Borrower in the payment or performance of its obligations; (v) any material adverse change in the financial condition, business, operations or assets, property and undertaking of the Borrower; and (vi) if any representation, warranty or statement made or deemed to be made by the Borrower under or in connection with the Loan Documents is or becomes incorrect or misleading.

ARTICLE VII

SURVIVAL OF REPRESENTATIONS AND WARRANTIES AND COVENANTS

Section 7.01 Survival of Representations and Warranties and Covenants. All representations, warranties and covenants made by the Borrower shall survive the execution and delivery of this Agreement and remain in full force and effect until the payment in full of the Secured Obligations.

ARTICLE VIII

LENDER POWER OF ATTORNEY

Section 8.01 Lender Power of Attorney. The Borrower hereby irrevocably constitutes and appoints the Lender and any officer or employee of the Lender as the Borrower's true and lawful attorney, with full power of substitution and with full authority in the place and stead of the Borrower and in the name of the Borrower or otherwise, from time to time, during the continuance of an Event of Default, in the Lender's discretion to take any action and to execute any instrument which the Lender may deem necessary or

advisable to accomplish the purposes of this Agreement, including, without limitation, to receive, endorse and collect all instruments made payable to the Borrower representing any dividend, interest payment or other distribution in respect of the Collateral or any part thereof and to give full discharge for the same, to transfer, endorse, negotiate and sign on behalf of the Borrower any of the Equity Interests, to complete the blanks in any transfers of shares, bonds or debentures, any power of attorney or other documents delivered to it, to provide instructions or entitlement orders to any securities intermediary which maintains any securities account in which any Collateral is maintained, and to delegate its powers and for any delegate to sub-delegate the same (but the Lender shall not be obligated to and shall have no liability to the Borrower or any third party for failure to do so or take any action). Such appointment, being coupled with an interest, shall be irrevocable until the full and final discharge of the security interests created by this Agreement. The Borrower hereby ratifies all acts that such attorneys shall lawfully do or cause to be done by virtue hereof.

ARTICLE IX EXPENSES AND INDEMNITY

Section 9.01 Expenses and Indemnity.

- (a) The Borrower hereby agrees to indemnify and hold harmless the Lender and each officer, director, employee, contractor and advisor of the Lender (each such person being called an "**Indemnified Party**") from any losses, damages, liabilities, claims and related expenses (including the fees and expenses of legal counsel) incurred by the Indemnified Party or asserted against any Indemnified Party by any person (including the Borrower) other than such Indemnified Party and its officers, directors, employees, contractors and advisors arising out of, in connection with or resulting from this Agreement and other Loan Documents (including, without limitation, enforcement of this Agreement or any other Loan Document) or any failure of any Secured Obligations to be the legal, valid and binding obligations of the Borrower enforceable against the Borrower in accordance with their terms, whether brought by a third party or by the Borrower, and regardless of whether any Indemnified Party is a party thereto.
- (b) To the fullest extent permitted by applicable law, the Borrower hereby agrees not to assert, and hereby waives, any claim against any Indemnified Party, on any theory of liability, for special, indirect, consequential, exemplary or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document, or any agreement, transaction or instrument contemplated hereby or thereby.
- (c) The Borrower agrees to pay or reimburse the Lender for all its costs and expenses incurred in collecting the Secured Obligations or otherwise protecting, enforcing or preserving any rights or remedies under this Agreement and the other Loan Documents, including the fees and other charges of counsel to the Lender.
- (d) All amounts due under this Section shall be payable promptly after demand therefor and shall constitute Secured Obligations.
- (e) Without prejudice to the survival of any other agreement of the Borrower under this Agreement or any other Loan Documents, the agreements and obligations of the Borrower contained in this Section shall survive termination of the Loan Documents and payment in full of the Secured Obligations and all other amounts payable under this Agreement and the Loan Documents.

**ARTICLE X
LENDER MAY PERFORM**

Section 10.01 Lender May Perform. If the Borrower fails to perform any obligation contained in this Agreement, the Lender may itself perform, or cause performance of, such obligation, and the costs and expenses of the Lender incurred in connection therewith shall be payable by the Borrower; provided that the Lender shall not be required to perform or discharge any obligation of the Borrower and the performance by the Lender shall not waive the rights of the Lender to enforce this Agreement.

**ARTICLE XI
SET-OFF**

Section 11.01 Set-Off. Upon the occurrence of an Event of Default, the Lender may, without notice to the Borrower or any other person, any notice being expressly waived, set-off and apply all amounts standing to or for the credit of the Borrower from the Lender or any of the Lender's affiliates, in any currency, against and on account of all or any part of the Secured Obligations, all as the Lender may see fit (in its sole discretion), whether or not the Secured Obligations are due and payable. The Lender's records are proof of such recording absent manifest error. When applying a deposit or other obligation in a different currency than the Secured Obligations to the Secured Obligations, the Lender will convert the deposit or other obligation to the currency of the Secured Obligations using the rate of exchange for the conversion of such currency as determined by the Lender.

**ARTICLE XII
REMEDIES UPON DEFAULT**

Section 12.01 Right to Accelerate Payment. Upon the occurrence of an Event of Default that is continuing, the Lender may, by notice, declare any or all of the Secured Obligations to be immediately due and payable, whereupon, all of the Secured Obligations shall become and be immediately due and payable without presentment, demand, protest or further notice, all of which are hereby expressly waived by the Borrower.

Section 12.02 Enforcement of Security Interest. Upon the occurrence of an Event of Default that is continuing, the Lender may proceed to realize upon the Collateral and immediately enforce its rights and remedies.

Section 12.03 Remedies upon Default. Upon the occurrence of an Event of Default that is continuing, the Lender may exercise, without any other notice to or demand upon the Borrower, in addition to the other rights and remedies provided herein or in any other Loan Document or otherwise available to it, the following rights and remedies (which rights and remedies may be exercised independently or in combination):

- (a) the Lender may assert all rights and remedies of a Lender under the Act or other applicable law;
- (b) the Lender may take such steps as it considers desirable to maintain, preserve or protect the Collateral or its value;
- (c) the Lender may take possession of the Collateral by requiring the Borrower to assemble the Collateral or any part thereof and deliver the Collateral, or make the Collateral available, to the Lender at a place and time to be designated by the Lender;

- (d) the Lender may take possession of the Collateral by carrying on all or any part of the business of the Borrower, and may to the exclusion of all others, including the Borrower, enter upon, occupy and use any of the premises; buildings, plant and undertaking owned, occupied or used by the Borrower and may use any of the tools, machinery, equipment and intangibles (including Intellectual Property) of the Borrower for such time as the Lender sees fit, free of charge and without liability, in order to carry on the business of the Borrower or to manufacture or complete the manufacture of Inventory and to pack and ship finished products;
- (e) the Lender may enter upon and occupy any land and premises owned, leased or occupied by the Borrower where the Collateral or any part thereof is assembled or located in order to effectuate its rights and remedies hereunder or under law, without obligation whatsoever to the Borrower;
- (f) the Lender may borrow money required for the maintenance, preservation or protection of the Collateral or any part thereof, or to carry on the business, and may further charge the Collateral in priority to the security constituted by this Security Agreement;
- (g) the Lender may exercise and enforce all rights and remedies of the Borrower with respect to the Collateral, including collecting or compromising all or any of the Borrower's Accounts;
- (h) the Lender may sell, lease, license, or otherwise dispose of all or any part of the Collateral by private sale or public sale or otherwise, and upon such other terms and conditions (including as to credit, upset or reserve bid or price) as the Lender may deem commercially reasonable;
- (i) the Lender may appoint, by instrument in writing, any person or persons (whether an officer or employee of the Lender or not) to be a receiver, manager, interim receiver, or receiver and manager (collectively, "**Receiver**"), of the Collateral or any part of the Collateral and remove or replace any person so appointed. Any Receiver so appointed shall have, in addition to any other powers afforded by the law, the same powers and authorities afforded to the Lender under this ARTICLE XII;
- (j) the Lender may apply to a court of competent jurisdiction for the appointment of a Receiver of the Collateral or any part of the Collateral. Any Receiver so appointed shall have, in addition to any other powers afforded by the law, the same powers and authorities afforded to the Lender under this ARTICLE XII;
- (k) all rights of the Borrower to: (i) exercise the voting and other consensual rights it would otherwise be entitled to exercise pursuant to Section 5.01; and (ii) receive the dividends and other distributions which it would otherwise be entitled to receive and retain pursuant to this Agreement, shall immediately cease, and all such rights shall thereupon become vested in the Lender, which shall have the sole right to exercise such voting and other consensual rights and receive and hold such dividends and other distributions as Collateral; and
- (l) the Lender may retain the Collateral in satisfaction of the Secured Obligations.

Section 12.04 Receiver Agent of Borrower. In exercising any powers, any such Receiver so appointed shall act as agent of the Borrower and not the Lender and the Lender shall not in any way be responsible

for any of the actions of the Receiver, its employees, agents and contractors. The Lender may from time to time remove and appoint replacements for, any Receiver, and appoint another or others in their stead from time to time.

Section 12.05 Distribution of Proceeds. Any cash held by the Lender as Collateral and all cash Proceeds received by the Lender in respect of any sale of, collection from, or other realization upon all or any part of the Collateral shall be applied in whole or in part by the Lender to the payment of expenses incurred by the Lender in connection with the foregoing or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of the Lender hereunder, including reasonable legal and Receivers' fees, and the balance of such proceeds shall be applied or set-off against all or any part of the Secured Obligations in such order as the Lender shall elect, in its sole discretion. Any surplus of such cash or cash Proceeds held by the Lender and remaining after payment in full of all the Secured Obligations shall be paid over to the Borrower or to whomsoever may be lawfully entitled to receive such surplus. The Borrower shall remain liable for any deficiency if such cash and the cash Proceeds of any sale or other realization of the Collateral are insufficient to pay the Secured Obligations and the fees and other charges of any solicitor employed by the Lender to collect such deficiency.

Section 12.06 Borrower Pays Expenses. The Borrower agrees to pay all reasonable expenses incurred by the Lender or any Receiver in the preparation, perfection and enforcement of this Agreement, whether directly incurred or for services rendered, including legal and auditor's fees and expenses and remuneration of any Receiver.

ARTICLE XIII MISCELLANEOUS

Section 13.01 No Waiver and Cumulative Remedies. The Lender shall not by any act, delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Event of Default. All rights and remedies herein provided are cumulative and are not exclusive of any rights or remedies provided by law.

Section 13.02 Amendments. None of the terms or provisions of this Agreement may be amended, modified, supplemented, terminated or waived, and no consent to any departure by the Borrower therefrom shall be effective unless the same shall be in writing and signed by the Lender and the Borrower, and then such amendment, modification, supplement, waiver or consent shall be effective only in the specific instance and for the specific purpose for which made or given.

Section 13.03 Notices. All notices, consents, claims, demands, waivers and other communications hereunder shall be in writing and addressed to the parties at the addresses set forth in the Secured Note and shall be given in the manner and become effective as set forth in the Secured Note.

Section 13.04 Continuing Security Interest; Further Actions. This Agreement shall create a general and continuing security interest in the Collateral and shall (a) subject to Section 13.06, remain in full force and effect until payment and performance in full of the Secured Obligations, (b) be binding upon the Borrower, its successors and permitted assigns, and (c) enure to the benefit of the Lender and its successors, transferees and assigns; provided that the Borrower may not assign or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of the Lender. Without limiting the generality of the foregoing clause (c), any assignee of the Lender's interest in any agreement or document which includes all or any of the Secured Obligations shall become vested with all the benefits granted to the Lender herein with respect to such Secured Obligations.

Section 13.05 Assignment. The Lender may assign or transfer any of its rights under this Agreement without the consent of the Borrower. The Borrower may not assign its obligations under this Agreement without the prior written consent of the Lender.

Section 13.06 Termination; Release. On the date on which all Secured Obligations have been paid and performed in full (as determined by the Lender in its sole discretion), the Lender will, at the request and sole expense of the Borrower (a) duly assign, transfer and deliver to or at the direction of the Borrower (without recourse and without any representation or warranty) such of the Collateral as may then remain in the possession of the Lender, together with any monies at the time held by the Lender hereunder, and (b) execute and deliver to the Borrower a proper instrument or instruments acknowledging the satisfaction and termination of this Agreement.

Section 13.07 Acknowledgement. The Borrower acknowledges receipt of a fully executed copy of this Agreement.

Section 13.08 Amalgamation. The Borrower acknowledges that, if it amalgamates with another person, the term Borrower, when used in this Agreement, shall apply to each of the amalgamating corporations and to the amalgamated corporation, such that the security interests created hereby shall extend to the Collateral in which any amalgamating corporation has any rights at the time of the amalgamation and to any collateral in which the amalgamated corporation thereafter has any rights to secure the Secured Obligations of each of the amalgamating corporations and the amalgamated corporation to the Lender at the time of the amalgamation and any Secured Obligations of the amalgamated corporation to the Lender thereafter arising.

Section 13.09 Governing Law. All matters arising out of or relating to this Agreement shall be governed by, and construed in accordance with the laws of the Province of British Columbia, and the federal laws of Canada applicable therein.

Section 13.10 Counterparts and Electronic Transmission. This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

Section 13.11 Conflict with Secured Note. To the extent of any conflict or inconsistency between the terms of this Agreement and the terms of the Secured Note, the terms of the Secured Note shall govern to the extent necessary to remove the conflict or inconsistency.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Borrower has executed this Agreement as of the date first written above.

BZAM LTD.

By  _____

Name: Matt Milich

Title: President

SCHEDULE A

Full legal name: BZAM Ltd.

Prior names: The Green Organic Dutchman Holdings Ltd.

Predecessor companies: N/A

Address of chief executive office: 200 Burrard St, Suite 1570, Vancouver, BC, V6C 3L6

Address of all places where business is carried on or where tangible personal property is kept:

1. 200 Burrard St, Suite 1570, Vancouver, BC, V6C 3L6
2. 402-5520 Explorer Drive. Mississauga, ON, L4W 5L1
3. Units 517-519, 19100 Airport Way. Pitt Meadows, BC, Canada, V3Y 0E2
4. 13325 Cedar Way, Maple Ridge, BC, Canada, V4R 2T4
5. 8770 24th Street Sherwood Park, AB, Canada, T6P 1X8
6. #107 - 109, 1761 Sean Heights Saanichton, BC, Canada, V8M 0A5
7. 1915 Jerseyville Rd. W. Jerseyville, ON, L0R 1R0
8. 40 Great Plains Rd. Edenwold (RM) SK S4L 1B6
9. 5000 Chemin Murphy, Vaudreuil-Dorion QC, J7V 8P2
10. 6082 Russ Baker Way, Richmond BC V7B 1B4
11. 150 Mohawk St, Brantford, ON N3S 7G5

Addresses of all owned real property:

1. 1915 Jerseyville Road West, Jerseyville, ON L0R 1R0.
2. 13325 Cedar Way, Maple Ridge, BC, Canada, V4R 2T4
3. 8770 24th Street Sherwood Park, AB, Canada, T6P 1X8

Addresses of all leased real property:

1. 200 Burrard St, Suite 1570, Vancouver, BC, V6C 3L6
2. 402-5520 Explorer Drive. Mississauga, ON, L4W 5L1
3. Units 517-519, 19100 Airport Way. Pitt Meadows, BC, Canada, V3Y 0E2
4. 311-455 Boul. Fenelon, Dorval, QC H9S 5T8, leased by Medican Organic Inc., and sub-leased to 3rd party.
5. 40 Great Plains Rd. Edenwold (RM) SK S4L 1B6
6. #107 - 109, 1761 Sean Heights Saanichton, BC, Canada, V8M 0A5

7. 5000 Chemin Murphy, Vaudreuil-Dorion QC, J7V 8P2

Description of all 'serial numbered goods' (i.e. motor vehicle, manufactured home, boat, outboard motor, trailer or aircraft):

All owned equipment.

List of all material permits:

1. Health Canada Licence No LIC-CJMMLU7IIN-2019-1 (cultivation, processing, sale) issued to The Green Organic Dutchman Ltd. expiring July 20, 2027
2. Health Canada Licence No LIC-MVXNLN8UCN-2020 (Research) issued to The Green Organic Dutchman Ltd., expiring February 12, 2025
3. Health Canada Licence No LIC-JTUPWJZJ50-2022 issued to BZAM Management Inc.
4. Health Canada Licence No LIC-G27V6VI0UJ-2022 issued to BZAM Management Inc.
5. Health Canada Licence No LIC- HU7CU4DYAO-2020-5 issued to BZAM Management Inc.
6. Health Canada Licence No LIC- J5USTB6Z3V-2022 issued to BZAM Management Inc.
7. Health Canada Licence No LIC- 9GRI1YRQEV-2021 issued to BZAM Management Inc.
8. Health Canada Licence No LIC- LIC-TNCAPN24J9-2022 issued to BZAM Management Inc.
9. The Green Organic Dutchman Ltd. No. 83013 4847 RD0001 under the Excise Act, 2001 (Canada)
10. The Green Organic Dutchman Ltd. Licence No. 3PFVXKNM under the Safe Food For Canadians Act (Canada)

List of subsidiaries:

Name	Jurisdiction of Formation	Beneficial Equity/ Voting Ownership
The Green Organic Dutchman Ltd.	Canada	100%
TGOD Europe B.V.	Netherlands	100%
Medican Organic Inc.	Quebec	100%
14274261 Canada Inc.	Canada	100%
*BZAM Holdings Inc.	British Columbia	100%

List of subsidiaries for BZAM Holdings Inc.:

Name	Jurisdiction of Formation	Beneficial Equity/ Voting Ownership
BZAM Management Inc.	British Columbia	100%
Folium Life Science Inc.	British Columbia	80%
BZAM Cannabis Corp.	Alberta	88.2%
102172093 Saskatchewan Ltd.	Saskatchewan	100%

List of subsidiaries for TGOD Europe B.V.:

Name	Jurisdiction of Formation	Beneficial Equity/ Voting Ownership
The Green Organic Dutchman Germany GmbH	Germany	100%

PLEDGED SECURITIES

Issuer	Class/Type of Security	Certificate Number (if certificated)	Number of Securities
Nil.	N/A	N/A	N/A

GENERAL SECURITY AGREEMENT

This GENERAL SECURITY AGREEMENT, dated as of October 27, 2023 (as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time in accordance with the provisions hereof, this "**Agreement**"), is made by **BZAM LTD.** (the "**Borrower**") in favour of **STONE PINE CAPITAL LTD.** (the "**Lender**").

WHEREAS the Borrower has executed and delivered, or intends to execute and deliver, a certain secured demand promissory note dated on or about the date hereof (as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time, the "**Secured Note**") in favour of the Lender whereby the Lender will establish certain loans or extensions of credit in favour of the Borrower (the "**Loans**").

AND WHEREAS to secure the payment and performance of the Secured Obligations (this term, and other capitalized terms used in this Agreement have the meanings set forth in Section 1.01 below), the Borrower has agreed to grant to the Lender security interests over the Collateral in accordance with the terms of this Agreement.

NOW THEREFORE BE IT RESOLVED THAT in consideration of the Lender entering into the Secured Note and agreeing to make the Loans available to the Borrower, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Borrower agrees as follows:

ARTICLE I DEFINITIONS

Section 1.01 Definitions.

In this Agreement, the following words and phrases will have the meanings set out below unless the parties or the context otherwise require(s).

- (a) "**Act**" means the *Personal Property Security Act* of British Columbia and the regulations thereunder, as amended, restated or replaced by successor legislation of comparable effect.
- (b) "**Business Day**" means "Business Day" as defined in the Secured Note.
- (c) "**Change of Control**" means the occurrence of any transaction or related series of transactions (a) by which any Person, by means of takeover bid, tender offer, amalgamation, purchase of assets or otherwise (i) acquires the business or substantially all of the assets of the Borrower or (ii) acquires control of equity interests in the Borrower representing more than 50% of the ordinary voting power for the election of directors or other governing positions as manage the business affairs of the Borrower, or (b) that would have the effect of bringing about a change in the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of the Borrower, whether through the ability to exercise voting power, by contract or otherwise.
- (d) "**Collateral**" is defined in Section 2.01.
- (e) "**Debt**" means "Indebtedness" as defined in the Secured Note.
- (f) "**Equity Interests**" means, with respect to any Person, all of the securities, investment property, units, trust units, partnership, membership and other equity interests,

participations, investment certificates, notes (or other ownership or profit interests in) in or of such Person (collectively, "**ownership interests**"), all of the warrants, options or other rights for the purchase or acquisition from such Person of ownership interests in such Person, all of the securities convertible into or exchangeable for ownership interests in such Person or warrants, rights or options for the purchase or acquisition from such Person of ownership interests, and all of the other ownership or profit interests in such Person (including, without limitation, partnership, member or trust interests therein), whether voting or non-voting, and whether or not such ownership interests are outstanding on any date of determination.

- (g) "**Event of Default**" means any material breach of any obligation, representation or agreement in a Loan Document, or any event of default under or described in a Loan Document.
- (h) "**Excluded Asset**" is defined in Section 2.03(a).
- (i) "**Intellectual Property**" means any and all intellectual property, including licences, copyrights, copyright licences, patents, patent licences, patent applications, service marks, trademarks, trademark licences, trademark applications, trade styles, trade names, technology, know-how and processes, trade secrets, inventions, industrial designs, all rights therein, and all rights to sue at law or in equity for any past, present, or future infringement, violation, misuse, misappropriation or other impairment thereof, whether arising under the laws of Canada, the laws of any Canadian province or territory or foreign laws or otherwise, including the right to receive injunctive relief and all proceeds and damages therefrom.
- (j) "**Lien**" means any mortgage, pledge, lien, assignment by way of security, charge, security interest, trust arrangement in the nature of a security interest, conditional sale or other title retention agreement, equipment trusts, lease financings including by way of sale and lease-back, hypothec, levy, execution, seizure, attachment, garnishment, any option, preferential right or adverse claim constituting an interest in such property, or any other encumbrance in respect of such property.
- (k) "**Loan Document**" means, collectively, the Secured Note, this Agreement, and any other agreement, note, certificate, or agreement from time to time entered into between the Borrower and the Lender in connection with the transactions set out in the Secured Note and this Agreement.
- (l) "**Permitted Debt**" means Debt of the Borrower consented to in writing by Lender, which the Lender may, in its sole discretion, require to be postponed and subordinated to the Secured Obligations on terms acceptable to the Lender.
- (m) "**Permitted Liens**" means:
 - (i) Liens for taxes, assessments, governmental charges or other statutory Liens or security interests not at such date due or delinquent, or the validity of which the Borrower is contesting in good faith and in respect of which, or where the failure to pay or discharge same could not reasonably be expected to impede the ability of the Borrower to pay the Secured Obligations;

- (ii) Liens in connection with any judgment rendered, or claim filed, against the Borrower where the payment of any amount to satisfy such judgement or claim could not reasonably be expected to impede the ability of the Borrower to pay the Secured Obligations;
 - (iii) any Lien or trust or deposit arising in connection with workers' compensation, employment insurance, pension and employment laws or regulations, so long as the existence of such Lien, trust or deposit could not reasonably be expected to impede the ability of the Borrower to pay the Secured Obligations;
 - (iv) Liens in favour of the Lender pursuant to the Loan Documents;
 - (v) Liens created in connection Permitted Debt; and
 - (vi) All other Liens consented to in writing by the Lender, acting reasonably.
- (n) "**Pledged Securities**" means all of the issued and outstanding Equity Interests of each issuer described in Schedule A hereto that are now or from time to time hereafter held by the Borrower.
 - (o) "**Persons**" or "**Person**" means and includes any individual, sole proprietorship, corporation, partnership, bank, joint venture, trust, unincorporated association, association, institution, entity, party or government (whether national, federal, provincial, state, municipal, city, county or otherwise and including any instrumentality, division, agency, body or department thereof).
 - (p) "**Proceeds**" means "proceeds" as such term is defined in section 1(1) of the Act and, in any event, shall include, without limitation, all dividends or other income from the Collateral, collections thereon or distributions with respect thereto.
 - (q) "**Receiver**" is defined in Section 12.03(i).
 - (r) "**Secured Obligations**" means all present and future debts, liabilities and obligations of the of any and every kind, nature and description (whether direct or indirect, joint or several, absolute or contingent, matured or unmatured) of the Borrower to the Lender under, in connection with or with respect to the Loan Documents.
 - (s) "**STA**" means the *Securities Transfer Act*, as in effect from time to time in the Province of British Columbia.

Section 1.02 Application of Act

Words used in this Agreement that are defined in the Act will have the respective meanings ascribed to them in the Act, unless otherwise defined herein.

Section 1.03 Interpretation.

- (a) Unless otherwise specified herein, all references to Sections and Schedules herein are to Sections and Schedules of this Agreement.
- (b) For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

- (i) the words "herein", "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular article, section or other subdivision of this Agreement;
- (ii) the word "including", when following any general statement, term or matter, is not to be construed to limit such general statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not non-limiting language (such as "without limitation" or "but not limited to" or words of similar import) is used with reference thereto but rather refers to all other items or matters that could reasonably fall within the broadest possible scope of such general statement, term or matter;
- (iii) any definition of or reference to any agreement, instrument or other document herein (including this Agreement) shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented, restated or otherwise modified (subject to any restrictions on such amendments, supplements, restatements or modifications set forth herein); and
- (iv) a reference to a statute or a section of a statute shall include and shall be deemed to be a reference to such statute or section and to the regulations made pursuant thereto, with all amendments made thereto and in force at the relevant time, and to any statute, section of a statute or regulation that may be passed which has the effect of supplementing or superseding the statute or section so referred to or the regulations made pursuant thereto.

ARTICLE II GRANT OF SECURITY INTEREST

Section 2.01 Grant of Security Interest. As security for the payment and performance of the Secured Obligations, the Borrower hereby grants, assigns, transfers, sets over, mortgages, charges, and pledges to the Lender, and hereby creates a general and continuing security interest in favour of the Lender in and to all of the Borrower's right, title and interest in and to the following, wherever located, whether now existing or hereafter from time to time arising or acquired (collectively, the "**Collateral**"):

- (a) all present and after-acquired property, assets and undertaking of the Borrower of every kind and nature whatsoever, including all Accounts, Goods (including Inventory, Equipment and motor vehicles, but excluding Consumer Goods), Intangibles, Intellectual Property, Chattel Paper, Documents of Title, Instruments, Securities and all other Investment Property (including the Pledged Securities and the securities accounts), Money, and any other contract rights or rights to the payment of money;
- (b) all Proceeds and products of each of the foregoing, including any and all Proceeds of any insurance, indemnity, compensation for loss or damage, warranty or guarantee payable to the Borrower from time to time with respect to any of the foregoing;
- (c) all books and records relating to the foregoing, including in any form or medium;
- (d) all supporting obligations relating to the foregoing;
- (e) all additions, accessions to, substitutions and replacements for, and rents, profits and products of, each of the foregoing; and

- (f) the last day of the term of any lease, verbal or written, or any agreement to lease, now held or hereafter acquired by the Borrower is hereby excepted out of the security interests hereby created, but should the Lender need to enforce against the Collateral, the Borrower shall hold the last date in trust for the Lender and shall assign it to any person acquiring the term or that part of the term that is charged in the course of any enforcement or realization of the Collateral.

For greater certainty, the Collateral does not include any Consumer Goods.

Section 2.02 Attachment of Security Interest. The Borrower acknowledges that value has been given, that the Borrower has rights in the Collateral, and that the parties have agreed not to postpone the time for attachment of any security interest in this Agreement. The Borrower acknowledges that any security interest created by this Agreement shall attach to existing Collateral upon the execution of this Agreement and to each item of after-acquired Collateral at the time that the Borrower acquires rights in such after-acquired Collateral.

Section 2.03 Limitation on Grant of Security Interest.

- (a) To the extent the grant of the security interest in respect of any contract, permit, lease, licence, instrument, document or other agreement entered into by the Borrower would result in the breach or termination of or cause a default under such contract, permit, lease, licence, instrument, or other agreement (each an "**Excluded Asset**"), each such Excluded Asset shall not be subject to the security interest created hereby while such restriction applies but shall be held in trust by the Borrower in favour of the Lender, but only for so long as such prohibition or requirement for consent is not terminated, rendered unenforceable or otherwise deemed ineffective by the Act or any other applicable law; provided however that Excluded Assets shall not include any Proceeds, products, substitutions or replacements of any Excluded Asset (unless such Proceeds, products, substitutions, or replacements would themselves otherwise constitute Excluded Assets) and provided further that if any Excluded Asset would have otherwise constituted Collateral, when such asset shall cease to be an Excluded Asset, such asset shall be deemed at all times from and after the date hereof to constitute Collateral subject to the security interest created hereby. The Borrower will use all commercially reasonable efforts to obtain the consent of each other party to any and all Excluded Assets to the assignment of such Excluded Assets to the Lender in accordance with this Agreement. The Borrower will also use all commercially reasonable efforts to ensure that no material agreement entered into on or after the date of this Agreement shall expressly prohibit assignment of the benefits of such agreement as collateral security to the Lender.
- (b) The security interest with respect to trademarks constitutes a security interest in, and a charge, hypothecation and pledge of, such Collateral in favour of the Lender, but does not constitute an assignment of such Collateral to the Lender.

**ARTICLE III
PERFECTION OF SECURITY INTEREST AND FURTHER ASSURANCES**

Section 3.01 Perfection. The Borrower shall, from time to time, and at its expense, take all actions as may be requested by the Lender to perfect the security interest of the Lender in the Collateral.

Section 3.02 Intellectual Property. The Borrower hereby further authorizes the Lender to file with the *Canadian Intellectual Property Office* this Agreement and other required documents for the purpose of recording, perfecting, confirming, continuing, enforcing or protecting the security interests in Intellectual Property granted by the Borrower hereunder.

Section 3.03 Tangible Chattel Paper, Documents of Title, Instruments. If the Borrower shall at any time hold or acquire any promissory notes, tangible chattel paper, negotiable documents of title or warehouse receipts relating to the Collateral, the Borrower shall immediately endorse, assign and deliver possession of the same to the Lender, accompanied by such instruments of transfer or assignment duly executed in blank as the Lender may from time to time specify.

Section 3.04 Control.

- (a) **Certificates.** The Borrower shall promptly, at the request of the Lender and in a manner satisfactory to the Lender: (i) cause a security certificate to be issued for any Investment Property that is in the form of an uncertificated security to the extent that such request can be accommodated by the issuer thereof; (ii) duly endorse all share certificates at any time held or acquired by it relating to the Collateral in blank for transfer or execute stock powers of attorney in blank in form and substance satisfactory to the Lender; (iii) deliver such share certificates and stock powers to the Lender; and (iv) take all other steps to give exclusive control over such certificated securities to the Lender.
- (b) **Electronic Chattel Paper.** Where Collateral includes electronic chattel paper, the Borrower shall take all commercially reasonable efforts to cause the record comprising such chattel paper to be created, stored and transferred in a manner satisfactory to the Lender and which will provide the Lender with control of the electronic chattel paper.

Section 3.05 Copy of Verification Statement. To the extent permitted by law, the Borrower hereby waives its right to receive a copy of any financing statement, financing change statement or verification statement filed or received by or on behalf of the Lender in connection with the Lender's interest in the Collateral.

Section 3.06 Further Assurances. The Borrower agrees that, at any time and from time to time, at the expense of the Borrower, the Borrower will promptly execute and deliver all further instruments and documents, obtain such agreements from third parties, and take all further action, that may be necessary or desirable, or that the Lender may reasonably request to create and maintain the validity, perfection or priority of and protect any security interest granted or purported to be granted hereby (including, without limitation, providing the Lender with a fixed and specific mortgage) or to enable the Lender to exercise and enforce their rights and remedies hereunder or under any other Loan Document with respect to any Collateral.

**ARTICLE IV
REPRESENTATIONS AND WARRANTIES**

Section 4.01 Representations and Warranties. The Borrower represents and warrants as follows:

- (a) **Borrower Information.** All information set out in **Schedule A** is accurate and complete.
- (b) **Ownership and Title.** The Borrower is the sole, direct, legal and beneficial owner of, and has good marketable title to, all existing Collateral and shall be the sole, direct, legal and beneficial owner of, and have good marketable title to, each item of after-acquired Collateral free and clear of any mortgages, charges, hypothecs, pledges, trusts, liens, security interests and other claims except for the security interests created by this Agreement and Permitted Liens.
- (c) **Existence and Capacity.** The Borrower has been duly incorporated, amalgamated or formed and validly exists under the laws of its jurisdiction of incorporation, amalgamation, or formation and has full power, capacity, authority and legal right to borrow, grant a security interest in the Collateral, execute and deliver this Agreement and perform its obligations under this Agreement.
- (d) **Binding Obligation.** Each of this Agreement and the other Loan Documents to which the Borrower is a party have been duly authorized, executed and delivered by the Borrower and constitutes a legal, valid and binding obligation of the Borrower enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium, arrangement, or other similar laws affecting creditors' rights generally and subject to equitable principles (regardless of whether enforcement is sought in equity or at law).
- (e) **No Governmental or Regulatory Approvals.** No authorization, approval, or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the borrowing of the Loans and the pledge by the Borrower of the Collateral under this Agreement or for the execution and delivery of the other Loan Documents by the Borrower or the performance by the Borrower of its obligations thereunder.
- (f) **Compliance with Laws.** The Borrower is in compliance with, and operates its business in compliance with, all applicable laws and regulations (including environmental, labour and employment, tax, health and safety, anti-money laundering, sanctions, and Canadian trade laws and regulations).
- (g) **Litigation.** There is no material litigation, investigation, claim or proceeding pending, or to the knowledge of the Borrower, threatened, by or against it or its assets.
- (h) **Insurance.** The Borrower has in full force and effect policies of insurance with sound and reputable insurance companies in such amounts, with such deductibles, and covering such risks as are customarily carried by companies engaged in similar businesses. All premiums with respect to such policies that are due and payable have been paid.
- (i) **No Violation of Laws, Constatng Documents, Agreements.** The execution and delivery of the Loan Documents by the Borrower and the performance by the Borrower of its obligations thereunder, will not violate any provision of any applicable laws or any order, judgment, writ, award or decree of any court, arbitrator or governmental authority,

domestic or foreign, applicable to the Borrower or any of its property, or the constating or governing documents of the Borrower or any agreement or instrument to which the Borrower is party or by which it or its property is bound.

- (j) **Pledged Securities Validly Issued.** The Pledged Securities and other Equity Interests have been duly authorized and validly issued and are fully paid and non-assessable and subject to no options to purchase or similar rights. No person (other than the Borrower) has any right to acquire or cause to be issued to them any of the Collateral.
- (k) **Certificated Securities.** The Collateral does not include any Investment Property that have not been certificated. The Collateral does not include any certificated securities that the Borrower has not delivered to the Lender.
- (l) **Perfection by Control.** The Borrower has taken all action required on its part for control to have been obtained by the Lender over all Collateral with respect to which such control may be obtained pursuant to the Act and the STA. No person other than the Lender has control or possession of all or any part of the Collateral.

ARTICLE V VOTING AND RECEIVABLES

Section 5.01 Voting. Unless a Default or an Event of Default shall have occurred and be continuing, the Borrower may, to the extent the Borrower has such right as a holder of the Collateral consisting of Investment Property, other Equity Interests or indebtedness owed by any obligor, vote and give consents, ratifications and waivers with respect thereto, except to the extent that any such vote, consent, ratification or waiver could detract from the value thereof as Collateral or which would be inconsistent with or result in any violation of any provision of the Secured Note or this Agreement.

Section 5.02 Receivables. If a Default or an Event of Default has occurred and is continuing, the Lender may, or at the request and option of the Lender, the Borrower shall: (i) notify account Borrowers of the Lender's security interests in any account, chattel paper, intangible, instrument or other Collateral; and (ii) direct that payment thereof is to be made directly to the Lender.

ARTICLE VI COVENANTS

Section 6.01 Covenants. The Borrower covenants as follows:

- (a) **Consent re: Change of Legal Name and Place of Business.** The Borrower will not, except with the prior written consent of the Lender, change its legal name, jurisdiction of incorporation, corporate structure, or the province or territory in which its registered office, chief executive office or its principal place of business is located. The Borrower will, prior to any change described in the preceding sentence, take all actions requested by the Lender to maintain the perfection and priority of the Lender's security interest in the Collateral.
- (b) **Consent re: Change of Location of Collateral.** The Collateral, to the extent not delivered to the Lender under ARTICLE III, will be kept at those locations listed in Schedule A and, except for Inventory sold or leased in the ordinary course of business, the Borrower will not remove the Collateral from such locations except as permitted in with Lender's prior written consent. The Borrower will, before any change described in the preceding sentence,

take all actions required by the Lender to maintain the perfection and priority of the Lender's security interest in the Collateral.

- (c) **Dealing with Collateral: No Sale or Encumbrances.** The Borrower will not sell, dispose of, lease, assign or otherwise transfer any of the Collateral except in the ordinary course of business, or with the prior written consent of the Lender.
- (d) **Maintenance and Protection of Collateral.** The Borrower will keep the Collateral in good order, condition and repair so as to protect and preserve the Collateral and will not permit the Collateral to be affixed to real or personal property so as to become a fixture or accession without the prior written consent of the Lender. The Borrower will not use the Collateral in violation of this Agreement, or any other agreement relating to the Collateral or any policy of insurance thereon, or any applicable law. The Borrower will keep all licences, permits, agreements, registrations and applications relating to intellectual property used by Borrower in good standing. The Borrower shall register all existing and future trademarks, patents, copyrights and industrial designs. The Borrower shall, at its own cost and expense, defend title to the Collateral and the security interests of the Lender therein against the claim or demand of any person claiming against or through the Borrower and shall maintain and preserve such perfected security interests for so long as this Agreement shall remain in effect.
- (e) **Compliance with Laws.** The Borrower will comply with all applicable laws, regulations, permits and approvals (including, without limitation, environmental, health and safety, labour and employment, anti-money laundering, sanctions, and Canadian trade laws and regulations).
- (f) **Performance of Obligations.** The Borrower will pay promptly when due all taxes, assessments, governmental charges, and levies upon the Collateral or incurred in connection with the use or operation of the Collateral or incurred in connection with this Agreement. The Borrower shall perform all of its obligations under material agreements, leases, licences, arrangements to obtain and preserve its rights, powers, licences, privileges and goodwill thereunder and comply with all applicable law, by-laws, rules and regulations so as to preserve and protect the Collateral and the Borrower's business.
- (g) **Access to Collateral, Inspection.** The Borrower will permit the Lender, and its representatives, agents, consultants and advisors, to inspect the Collateral from time to time and to examine and take extracts of its books and records (electronic or hard copy), at any reasonable time and on reasonable notice, wherever located. The Borrower shall, upon request by the Lender, provide the Lender with any information concerning the Collateral, the Borrower and its business, as the Lender may reasonably request, including financial statements or other financial information and access to the Borrower's senior executives, accountants and auditors to discuss any information concerning the Collateral, the Borrower or its business and affairs.
- (h) **Debt.** The Borrower will not create, incur, assume, permit to exist or make any payments with respect to any Debt other than Permitted Debt.
- (i) **Liens.** The Borrower will not grant, create, permit or suffer to exist any Liens or other restriction or limitation of any nature whatsoever on the Collateral except for Permitted Liens. The Borrower shall ensure that the Liens created pursuant to this Agreement are at all times first ranking Liens.

- (j) **Corporate, Business Changes.** The Borrower will not, without the prior written consent of the Lender:
- (i) permit any Change of Control;
 - (ii) amalgamate or merge, consolidate, reorganize or restructure, continue in another jurisdiction, enter into a joint venture or partnership, liquidate, dissolve, wind-up, become bankrupt, initiate insolvency proceedings, or engage in other fundamental changes;
 - (iii) issue any Equity Interest in the Borrower to any person other than owner of any Equity Interests in the Borrower as of the date of this Agreement; or
 - (iv) engage in any business other than the businesses of the type conducted by on the date hereof and businesses reasonably related thereto.
- (k) **Insurance.** The Borrower shall maintain adequate insurance with respect to its business and the Collateral in such amounts and covering such risks as are acceptable to the Lender, with the Lender noted as loss payee on property insurance policies and additional insured on liability insurance policies, and provide the Lender with not less than 30 days' prior written notice of any cancellation or change in insurance.
- (l) **Intellectual Property.** The Borrower will make and maintain all filings, registrations and recordings necessary to maintain its rights in the patents, trademarks, copyrights and industrial designs included in the Intellectual Property.
- (m) **Notification.** The Borrower shall notify the Lender within five Business Days of: (i) the details of any material acquisition of Collateral; (ii) the details of any material litigation in connection with the Borrower, the Collateral or the Borrower's business; (iii) any loss or damage to the Collateral or the value of the Collateral; (iv) any default by any account Borrower in the payment or performance of its obligations; (v) any material adverse change in the financial condition, business, operations or assets, property and undertaking of the Borrower; and (vi) if any representation, warranty or statement made or deemed to be made by the Borrower under or in connection with the Loan Documents is or becomes incorrect or misleading.

ARTICLE VII

SURVIVAL OF REPRESENTATIONS AND WARRANTIES AND COVENANTS

Section 7.01 Survival of Representations and Warranties and Covenants. All representations, warranties and covenants made by the Borrower shall survive the execution and delivery of this Agreement and remain in full force and effect until the payment in full of the Secured Obligations.

ARTICLE VIII

LENDER POWER OF ATTORNEY

Section 8.01 Lender Power of Attorney. The Borrower hereby irrevocably constitutes and appoints the Lender and any officer or employee of the Lender as the Borrower's true and lawful attorney, with full power of substitution and with full authority in the place and stead of the Borrower and in the name of the Borrower or otherwise, from time to time, during the continuance of an Event of Default, in the Lender's discretion to take any action and to execute any instrument which the Lender may deem necessary or

advisable to accomplish the purposes of this Agreement, including, without limitation, to receive, endorse and collect all instruments made payable to the Borrower representing any dividend, interest payment or other distribution in respect of the Collateral or any part thereof and to give full discharge for the same, to transfer, endorse, negotiate and sign on behalf of the Borrower any of the Equity Interests, to complete the blanks in any transfers of shares, bonds or debentures, any power of attorney or other documents delivered to it, to provide instructions or entitlement orders to any securities intermediary which maintains any securities account in which any Collateral is maintained, and to delegate its powers and for any delegate to sub-delegate the same (but the Lender shall not be obligated to and shall have no liability to the Borrower or any third party for failure to do so or take any action). Such appointment, being coupled with an interest, shall be irrevocable until the full and final discharge of the security interests created by this Agreement. The Borrower hereby ratifies all acts that such attorneys shall lawfully do or cause to be done by virtue hereof.

ARTICLE IX EXPENSES AND INDEMNITY

Section 9.01 Expenses and Indemnity.

- (a) The Borrower hereby agrees to indemnify and hold harmless the Lender and each officer, director, employee, contractor and advisor of the Lender (each such person being called an "**Indemnified Party**") from any losses, damages, liabilities, claims and related expenses (including the fees and expenses of legal counsel) incurred by the Indemnified Party or asserted against any Indemnified Party by any person (including the Borrower) other than such Indemnified Party and its officers, directors, employees, contractors and advisors arising out of, in connection with or resulting from this Agreement and other Loan Documents (including, without limitation, enforcement of this Agreement or any other Loan Document) or any failure of any Secured Obligations to be the legal, valid and binding obligations of the Borrower enforceable against the Borrower in accordance with their terms, whether brought by a third party or by the Borrower, and regardless of whether any Indemnified Party is a party thereto.
- (b) To the fullest extent permitted by applicable law, the Borrower hereby agrees not to assert, and hereby waives, any claim against any Indemnified Party, on any theory of liability, for special, indirect, consequential, exemplary or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document, or any agreement, transaction or instrument contemplated hereby or thereby.
- (c) The Borrower agrees to pay or reimburse the Lender for all its costs and expenses incurred in collecting the Secured Obligations or otherwise protecting, enforcing or preserving any rights or remedies under this Agreement and the other Loan Documents, including the fees and other charges of counsel to the Lender.
- (d) All amounts due under this Section shall be payable promptly after demand therefor and shall constitute Secured Obligations.
- (e) Without prejudice to the survival of any other agreement of the Borrower under this Agreement or any other Loan Documents, the agreements and obligations of the Borrower contained in this Section shall survive termination of the Loan Documents and payment in full of the Secured Obligations and all other amounts payable under this Agreement and the Loan Documents.

**ARTICLE X
LENDER MAY PERFORM**

Section 10.01 Lender May Perform. If the Borrower fails to perform any obligation contained in this Agreement, the Lender may itself perform, or cause performance of, such obligation, and the costs and expenses of the Lender incurred in connection therewith shall be payable by the Borrower; provided that the Lender shall not be required to perform or discharge any obligation of the Borrower and the performance by the Lender shall not waive the rights of the Lender to enforce this Agreement.

**ARTICLE XI
SET-OFF**

Section 11.01 Set-Off. Upon the occurrence of an Event of Default, the Lender may, without notice to the Borrower or any other person, any notice being expressly waived, set-off and apply all amounts standing to or for the credit of the Borrower from the Lender or any of the Lender's affiliates, in any currency, against and on account of all or any part of the Secured Obligations, all as the Lender may see fit (in its sole discretion), whether or not the Secured Obligations are due and payable. The Lender's records are proof of such recording absent manifest error. When applying a deposit or other obligation in a different currency than the Secured Obligations to the Secured Obligations, the Lender will convert the deposit or other obligation to the currency of the Secured Obligations using the rate of exchange for the conversion of such currency as determined by the Lender.

**ARTICLE XII
REMEDIES UPON DEFAULT**

Section 12.01 Right to Accelerate Payment. Upon the occurrence of an Event of Default that is continuing, the Lender may, by notice, declare any or all of the Secured Obligations to be immediately due and payable, whereupon, all of the Secured Obligations shall become and be immediately due and payable without presentment, demand, protest or further notice, all of which are hereby expressly waived by the Borrower.

Section 12.02 Enforcement of Security Interest. Upon the occurrence of an Event of Default that is continuing, the Lender may proceed to realize upon the Collateral and immediately enforce its rights and remedies.

Section 12.03 Remedies upon Default. Upon the occurrence of an Event of Default that is continuing, the Lender may exercise, without any other notice to or demand upon the Borrower, in addition to the other rights and remedies provided herein or in any other Loan Document or otherwise available to it, the following rights and remedies (which rights and remedies may be exercised independently or in combination):

- (a) the Lender may assert all rights and remedies of a Lender under the Act or other applicable law;
- (b) the Lender may take such steps as it considers desirable to maintain, preserve or protect the Collateral or its value;
- (c) the Lender may take possession of the Collateral by requiring the Borrower to assemble the Collateral or any part thereof and deliver the Collateral, or make the Collateral available, to the Lender at a place and time to be designated by the Lender;

- (d) the Lender may take possession of the Collateral by carrying on all or any part of the business of the Borrower, and may to the exclusion of all others, including the Borrower, enter upon, occupy and use any of the premises; buildings, plant and undertaking owned, occupied or used by the Borrower and may use any of the tools, machinery, equipment and intangibles (including Intellectual Property) of the Borrower for such time as the Lender sees fit, free of charge and without liability, in order to carry on the business of the Borrower or to manufacture or complete the manufacture of Inventory and to pack and ship finished products;
- (e) the Lender may enter upon and occupy any land and premises owned, leased or occupied by the Borrower where the Collateral or any part thereof is assembled or located in order to effectuate its rights and remedies hereunder or under law, without obligation whatsoever to the Borrower;
- (f) the Lender may borrow money required for the maintenance, preservation or protection of the Collateral or any part thereof, or to carry on the business, and may further charge the Collateral in priority to the security constituted by this Security Agreement;
- (g) the Lender may exercise and enforce all rights and remedies of the Borrower with respect to the Collateral, including collecting or compromising all or any of the Borrower's Accounts;
- (h) the Lender may sell, lease, license, or otherwise dispose of all or any part of the Collateral by private sale or public sale or otherwise, and upon such other terms and conditions (including as to credit, upset or reserve bid or price) as the Lender may deem commercially reasonable;
- (i) the Lender may appoint, by instrument in writing, any person or persons (whether an officer or employee of the Lender or not) to be a receiver, manager, interim receiver, or receiver and manager (collectively, "**Receiver**"), of the Collateral or any part of the Collateral and remove or replace any person so appointed. Any Receiver so appointed shall have, in addition to any other powers afforded by the law, the same powers and authorities afforded to the Lender under this ARTICLE XII;
- (j) the Lender may apply to a court of competent jurisdiction for the appointment of a Receiver of the Collateral or any part of the Collateral. Any Receiver so appointed shall have, in addition to any other powers afforded by the law, the same powers and authorities afforded to the Lender under this ARTICLE XII;
- (k) all rights of the Borrower to: (i) exercise the voting and other consensual rights it would otherwise be entitled to exercise pursuant to Section 5.01; and (ii) receive the dividends and other distributions which it would otherwise be entitled to receive and retain pursuant to this Agreement, shall immediately cease, and all such rights shall thereupon become vested in the Lender, which shall have the sole right to exercise such voting and other consensual rights and receive and hold such dividends and other distributions as Collateral; and
- (l) the Lender may retain the Collateral in satisfaction of the Secured Obligations.

Section 12.04 Receiver Agent of Borrower. In exercising any powers, any such Receiver so appointed shall act as agent of the Borrower and not the Lender and the Lender shall not in any way be responsible

for any of the actions of the Receiver, its employees, agents and contractors. The Lender may from time to time remove and appoint replacements for, any Receiver, and appoint another or others in their stead from time to time.

Section 12.05 Distribution of Proceeds. Any cash held by the Lender as Collateral and all cash Proceeds received by the Lender in respect of any sale of, collection from, or other realization upon all or any part of the Collateral shall be applied in whole or in part by the Lender to the payment of expenses incurred by the Lender in connection with the foregoing or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of the Lender hereunder, including reasonable legal and Receivers' fees, and the balance of such proceeds shall be applied or set-off against all or any part of the Secured Obligations in such order as the Lender shall elect, in its sole discretion. Any surplus of such cash or cash Proceeds held by the Lender and remaining after payment in full of all the Secured Obligations shall be paid over to the Borrower or to whomsoever may be lawfully entitled to receive such surplus. The Borrower shall remain liable for any deficiency if such cash and the cash Proceeds of any sale or other realization of the Collateral are insufficient to pay the Secured Obligations and the fees and other charges of any solicitor employed by the Lender to collect such deficiency.

Section 12.06 Borrower Pays Expenses. The Borrower agrees to pay all reasonable expenses incurred by the Lender or any Receiver in the preparation, perfection and enforcement of this Agreement, whether directly incurred or for services rendered, including legal and auditor's fees and expenses and remuneration of any Receiver.

ARTICLE XIII MISCELLANEOUS

Section 13.01 No Waiver and Cumulative Remedies. The Lender shall not by any act, delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Event of Default. All rights and remedies herein provided are cumulative and are not exclusive of any rights or remedies provided by law.

Section 13.02 Amendments. None of the terms or provisions of this Agreement may be amended, modified, supplemented, terminated or waived, and no consent to any departure by the Borrower therefrom shall be effective unless the same shall be in writing and signed by the Lender and the Borrower, and then such amendment, modification, supplement, waiver or consent shall be effective only in the specific instance and for the specific purpose for which made or given.

Section 13.03 Notices. All notices, consents, claims, demands, waivers and other communications hereunder shall be in writing and addressed to the parties at the addresses set forth in the Secured Note and shall be given in the manner and become effective as set forth in the Secured Note.

Section 13.04 Continuing Security Interest; Further Actions. This Agreement shall create a general and continuing security interest in the Collateral and shall (a) subject to Section 13.06, remain in full force and effect until payment and performance in full of the Secured Obligations, (b) be binding upon the Borrower, its successors and permitted assigns, and (c) enure to the benefit of the Lender and its successors, transferees and assigns; provided that the Borrower may not assign or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of the Lender. Without limiting the generality of the foregoing clause (c), any assignee of the Lender's interest in any agreement or document which includes all or any of the Secured Obligations shall become vested with all the benefits granted to the Lender herein with respect to such Secured Obligations.

Section 13.05 Assignment. The Lender may assign or transfer any of its rights under this Agreement without the consent of the Borrower. The Borrower may not assign its obligations under this Agreement without the prior written consent of the Lender.

Section 13.06 Termination; Release. On the date on which all Secured Obligations have been paid and performed in full (as determined by the Lender in its sole discretion), the Lender will, at the request and sole expense of the Borrower (a) duly assign, transfer and deliver to or at the direction of the Borrower (without recourse and without any representation or warranty) such of the Collateral as may then remain in the possession of the Lender, together with any monies at the time held by the Lender hereunder, and (b) execute and deliver to the Borrower a proper instrument or instruments acknowledging the satisfaction and termination of this Agreement.

Section 13.07 Acknowledgement. The Borrower acknowledges receipt of a fully executed copy of this Agreement.

Section 13.08 Amalgamation. The Borrower acknowledges that, if it amalgamates with another person, the term Borrower, when used in this Agreement, shall apply to each of the amalgamating corporations and to the amalgamated corporation, such that the security interests created hereby shall extend to the Collateral in which any amalgamating corporation has any rights at the time of the amalgamation and to any collateral in which the amalgamated corporation thereafter has any rights to secure the Secured Obligations of each of the amalgamating corporations and the amalgamated corporation to the Lender at the time of the amalgamation and any Secured Obligations of the amalgamated corporation to the Lender thereafter arising.

Section 13.09 Governing Law. All matters arising out of or relating to this Agreement shall be governed by, and construed in accordance with the laws of the Province of British Columbia, and the federal laws of Canada applicable therein.

Section 13.10 Counterparts and Electronic Transmission. This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

Section 13.11 Conflict with Secured Note. To the extent of any conflict or inconsistency between the terms of this Agreement and the terms of the Secured Note, the terms of the Secured Note shall govern to the extent necessary to remove the conflict or inconsistency.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Borrower has executed this Agreement as of the date first written above.

BZAM LTD.

By  _____

Name: Matt Milich

Title: CEO

SCHEDULE A

Full legal name: BZAM Ltd.

Prior names: The Green Organic Dutchman Holdings Ltd.

Predecessor companies: N/A

Address of chief executive office: 200 Burrard St, Suite 1570, Vancouver, BC, V6C 3L6

Address of all places where business is carried on or where tangible personal property is kept:

1. 200 Burrard St, Suite 1570, Vancouver, BC, V6C 3L6
2. 402-5520 Explorer Drive. Mississauga, ON, L4W 5L1
3. Units 517-519, 19100 Airport Way. Pitt Meadows, BC, Canada, V3Y 0E2
4. 13325 Cedar Way, Maple Ridge, BC, Canada, V4R 2T4
5. 8770 24th Street Sherwood Park, AB, Canada, T6P 1X8
6. #107 - 109, 1761 Sean Heights Saanichton, BC, Canada, V8M 0A5
7. 1915 Jerseyville Rd. W. Jerseyville, ON, L0R 1R0
8. 40 Great Plains Rd. Edenwold (RM) SK S4L 1B6
9. 5000 Chemin Murphy, Vaudreuil-Dorion QC, J7V 8P2
10. 6082 Russ Baker Way, Richmond BC V7B 1B4
11. 150 Mohawk St, Brantford, ON N3S 7G5

Addresses of all owned real property:

1. 1915 Jerseyville Road West, Jerseyville, ON L0R 1R0.
2. 13325 Cedar Way, Maple Ridge, BC, Canada, V4R 2T4
3. 8770 24th Street Sherwood Park, AB, Canada, T6P 1X8

Addresses of all leased real property:

1. 200 Burrard St, Suite 1570, Vancouver, BC, V6C 3L6
2. 402-5520 Explorer Drive. Mississauga, ON, L4W 5L1
3. Units 517-519, 19100 Airport Way. Pitt Meadows, BC, Canada, V3Y 0E2
4. 311-455 Boul. Fenelon, Dorval, QC H9S 5T8, leased by Medican Organic Inc., and sub-leased to 3rd party.
5. 40 Great Plains Rd. Edenwold (RM) SK S4L 1B6
6. #107 - 109, 1761 Sean Heights Saanichton, BC, Canada, V8M 0A5

7. 5000 Chemin Murphy, Vaudreuil-Dorion QC, J7V 8P2

Description of all 'serial numbered goods' (i.e. motor vehicle, manufactured home, boat, outboard motor, trailer or aircraft):

All owned equipment.

List of all material permits:

1. Health Canada Licence No LIC-CJMMLU7IJN-2019-1 (cultivation, processing, sale) issued to The Green Organic Dutchman Ltd. expiring July 20, 2027
2. Health Canada Licence No LIC-MVXNLN8UCN-2020 (Research) issued to The Green Organic Dutchman Ltd., expiring February 12, 2025
3. Health Canada Licence No LIC-JTUPWJZJ50-2022 issued to BZAM Management Inc.
4. Health Canada Licence No LIC-G27V6VI0UJ-2022 issued to BZAM Management Inc.
5. Health Canada Licence No LIC- HU7CU4DYAO-2020-5 issued to BZAM Management Inc.
6. Health Canada Licence No LIC- J5USTB6Z3V-2022 issued to BZAM Management Inc.
7. Health Canada Licence No LIC- 9GRI1YRQEV-2021 issued to BZAM Management Inc.
8. Health Canada Licence No LIC- LIC-TNCAPN24J9-2022 issued to BZAM Management Inc.
9. The Green Organic Dutchman Ltd. No. 83013 4847 RD0001 under the Excise Act, 2001 (Canada)
10. The Green Organic Dutchman Ltd. Licence No. 3PFVXKNM under the Safe Food For Canadians Act (Canada)

List of subsidiaries:

Name	Jurisdiction of Formation	Beneficial Equity/ Voting Ownership
The Green Organic Dutchman Ltd.	Canada	100%
TGOD Europe B.V.	Netherlands	100%
Medican Organic Inc.	Quebec	100%
14274261 Canada Inc.	Canada	100%
*BZAM Holdings Inc.	British Columbia	100%

List of subsidiaries for BZAM Holdings Inc.:

Name	Jurisdiction of Formation	Beneficial Equity/ Voting Ownership
BZAM Management Inc.	British Columbia	100%
Folium Life Science Inc.	British Columbia	80%
BZAM Cannabis Corp.	Alberta	88.2%
102172093 Saskatchewan Ltd.	Saskatchewan	100%

List of subsidiaries for TGOD Europe B.V.:

Name	Jurisdiction of Formation	Beneficial Equity/ Voting Ownership
The Green Organic Dutchman Germany GmbH	Germany	100%

PLEDGED SECURITIES

Issuer	Class/Type of Security	Certificate Number (if certificated)	Number of Securities
Nil.	N/A	N/A	N/A

GENERAL SECURITY AGREEMENT

This GENERAL SECURITY AGREEMENT, dated as of November 8, 2023 (as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time in accordance with the provisions hereof, this "**Agreement**"), is made by **BZAM LTD.** (the "**Borrower**") in favour of **STONE PINE CAPITAL LTD.** (the "**Lender**").

WHEREAS the Borrower has executed and delivered, or intends to execute and deliver, a certain secured demand promissory note dated on or about the date hereof (as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time, the "**Secured Note**") in favour of the Lender whereby the Lender will establish certain loans or extensions of credit in favour of the Borrower (the "**Loans**").

AND WHEREAS to secure the payment and performance of the Secured Obligations (this term, and other capitalized terms used in this Agreement have the meanings set forth in Section 1.01 below), the Borrower has agreed to grant to the Lender security interests over the Collateral in accordance with the terms of this Agreement.

NOW THEREFORE BE IT RESOLVED THAT in consideration of the Lender entering into the Secured Note and agreeing to make the Loans available to the Borrower, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Borrower agrees as follows:

ARTICLE I DEFINITIONS

Section 1.01 Definitions.

In this Agreement, the following words and phrases will have the meanings set out below unless the parties or the context otherwise require(s).

- (a) "**Act**" means the *Personal Property Security Act* of British Columbia and the regulations thereunder, as amended, restated or replaced by successor legislation of comparable effect.
- (b) "**Business Day**" means "Business Day" as defined in the Secured Note.
- (c) "**Change of Control**" means the occurrence of any transaction or related series of transactions (a) by which any Person, by means of takeover bid, tender offer, amalgamation, purchase of assets or otherwise (i) acquires the business or substantially all of the assets of the Borrower or (ii) acquires control of equity interests in the Borrower representing more than 50% of the ordinary voting power for the election of directors or other governing positions as manage the business affairs of the Borrower, or (b) that would have the effect of bringing about a change in the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of the Borrower, whether through the ability to exercise voting power, by contract or otherwise.
- (d) "**Collateral**" is defined in Section 2.01.
- (e) "**Debt**" means "Indebtedness" as defined in the Secured Note.
- (f) "**Equity Interests**" means, with respect to any Person, all of the securities, investment property, units, trust units, partnership, membership and other equity interests,

participations, investment certificates, notes (or other ownership or profit interests in) in or of such Person (collectively, "**ownership interests**"), all of the warrants, options or other rights for the purchase or acquisition from such Person of ownership interests in such Person, all of the securities convertible into or exchangeable for ownership interests in such Person or warrants, rights or options for the purchase or acquisition from such Person of ownership interests, and all of the other ownership or profit interests in such Person (including, without limitation, partnership, member or trust interests therein), whether voting or non-voting, and whether or not such ownership interests are outstanding on any date of determination.

- (g) "**Event of Default**" means any material breach of any obligation, representation or agreement in a Loan Document, or any event of default under or described in a Loan Document.
- (h) "**Excluded Asset**" is defined in Section 2.03(a).
- (i) "**Intellectual Property**" means any and all intellectual property, including licences, copyrights, copyright licences, patents, patent licences, patent applications, service marks, trademarks, trademark licences, trademark applications, trade styles, trade names, technology, know-how and processes, trade secrets, inventions, industrial designs, all rights therein, and all rights to sue at law or in equity for any past, present, or future infringement, violation, misuse, misappropriation or other impairment thereof, whether arising under the laws of Canada, the laws of any Canadian province or territory or foreign laws or otherwise, including the right to receive injunctive relief and all proceeds and damages therefrom.
- (j) "**Lien**" means any mortgage, pledge, lien, assignment by way of security, charge, security interest, trust arrangement in the nature of a security interest, conditional sale or other title retention agreement, equipment trusts, lease financings including by way of sale and lease-back, hypothec, levy, execution, seizure, attachment, garnishment, any option, preferential right or adverse claim constituting an interest in such property, or any other encumbrance in respect of such property.
- (k) "**Loan Document**" means, collectively, the Secured Note, this Agreement, and any other agreement, note, certificate, or agreement from time to time entered into between the Borrower and the Lender in connection with the transactions set out in the Secured Note and this Agreement.
- (l) "**Permitted Debt**" means Debt of the Borrower consented to in writing by Lender, which the Lender may, in its sole discretion, require to be postponed and subordinated to the Secured Obligations on terms acceptable to the Lender.
- (m) "**Permitted Liens**" means:
 - (i) Liens for taxes, assessments, governmental charges or other statutory Liens or security interests not at such date due or delinquent, or the validity of which the Borrower is contesting in good faith and in respect of which, or where the failure to pay or discharge same could not reasonably be expected to impede the ability of the Borrower to pay the Secured Obligations;
 - (ii) Liens in connection with any judgment rendered, or claim filed, against the Borrower where the payment of any amount to satisfy such judgement or claim

could not reasonably be expected to impede the ability of the Borrower to pay the Secured Obligations;

- (iii) any Lien or trust or deposit arising in connection with workers' compensation, employment insurance, pension and employment laws or regulations, so long as the existence of such Lien, trust or deposit could not reasonably be expected to impede the ability of the Borrower to pay the Secured Obligations;
 - (iv) Liens in favour of the Lender pursuant to the Loan Documents;
 - (v) Liens created in connection Permitted Debt; and
 - (vi) All other Liens consented to in writing by the Lender, acting reasonably.
- (n) **"Pledged Securities"** means all of the issued and outstanding Equity Interests of each issuer described in **Schedule A** hereto that are now or from time to time hereafter held by the Borrower.
- (o) **"Persons"** or **"Person"** means and includes any individual, sole proprietorship, corporation, partnership, bank, joint venture, trust, unincorporated association, association, institution, entity, party or government (whether national, federal, provincial, state, municipal, city, county or otherwise and including any instrumentality, division, agency, body or department thereof).
- (p) **"Proceeds"** means "proceeds" as such term is defined in section 1(1) of the Act and, in any event, shall include, without limitation, all dividends or other income from the Collateral, collections thereon or distributions with respect thereto.
- (q) **"Receiver"** is defined in Section 12.03(i).
- (r) **"Secured Obligations"** means all present and future debts, liabilities and obligations of the of any and every kind, nature and description (whether direct or indirect, joint or several, absolute or contingent, matured or unmatured) of the Borrower to the Lender under, in connection with or with respect to the Loan Documents.
- (s) **"STA"** means the *Securities Transfer Act*, as in effect from time to time in the Province of British Columbia.

Section 1.02 Application of Act

Words used in this Agreement that are defined in the Act will have the respective meanings ascribed to them in the Act, unless otherwise defined herein.

Section 1.03 Interpretation.

- (a) Unless otherwise specified herein, all references to Sections and Schedules herein are to Sections and Schedules of this Agreement.
- (b) For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

- (i) the words "herein", "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular article, section or other subdivision of this Agreement;
- (ii) the word "including", when following any general statement, term or matter, is not to be construed to limit such general statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not non-limiting language (such as "without limitation" or "but not limited to" or words of similar import) is used with reference thereto but rather refers to all other items or matters that could reasonably fall within the broadest possible scope of such general statement, term or matter;
- (iii) any definition of or reference to any agreement, instrument or other document herein (including this Agreement) shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented, restated or otherwise modified (subject to any restrictions on such amendments, supplements, restatements or modifications set forth herein); and
- (iv) a reference to a statute or a section of a statute shall include and shall be deemed to be a reference to such statute or section and to the regulations made pursuant thereto, with all amendments made thereto and in force at the relevant time, and to any statute, section of a statute or regulation that may be passed which has the effect of supplementing or superseding the statute or section so referred to or the regulations made pursuant thereto.

ARTICLE II GRANT OF SECURITY INTEREST

Section 2.01 Grant of Security Interest. As security for the payment and performance of the Secured Obligations, the Borrower hereby grants, assigns, transfers, sets over, mortgages, charges, and pledges to the Lender, and hereby creates a general and continuing security interest in favour of the Lender in and to all of the Borrower's right, title and interest in and to the following, wherever located, whether now existing or hereafter from time to time arising or acquired (collectively, the "**Collateral**"):

- (a) all present and after-acquired property, assets and undertaking of the Borrower of every kind and nature whatsoever, including all Accounts, Goods (including Inventory, Equipment and motor vehicles, but excluding Consumer Goods), Intangibles, Intellectual Property, Chattel Paper, Documents of Title, Instruments, Securities and all other Investment Property (including the Pledged Securities and the securities accounts), Money, and any other contract rights or rights to the payment of money;
- (b) all Proceeds and products of each of the foregoing, including any and all Proceeds of any insurance, indemnity, compensation for loss or damage, warranty or guarantee payable to the Borrower from time to time with respect to any of the foregoing;
- (c) all books and records relating to the foregoing, including in any form or medium;
- (d) all supporting obligations relating to the foregoing;
- (e) all additions, accessions to, substitutions and replacements for, and rents, profits and products of, each of the foregoing; and

- (f) the last day of the term of any lease, verbal or written, or any agreement to lease, now held or hereafter acquired by the Borrower is hereby excepted out of the security interests hereby created, but should the Lender need to enforce against the Collateral, the Borrower shall hold the last date in trust for the Lender and shall assign it to any person acquiring the term or that part of the term that is charged in the course of any enforcement or realization of the Collateral.

For greater certainty, the Collateral does not include any Consumer Goods.

Section 2.02 Attachment of Security Interest. The Borrower acknowledges that value has been given, that the Borrower has rights in the Collateral, and that the parties have agreed not to postpone the time for attachment of any security interest in this Agreement. The Borrower acknowledges that any security interest created by this Agreement shall attach to existing Collateral upon the execution of this Agreement and to each item of after-acquired Collateral at the time that the Borrower acquires rights in such after-acquired Collateral.

Section 2.03 Limitation on Grant of Security Interest.

- (a) To the extent the grant of the security interest in respect of any contract, permit, lease, licence, instrument, document or other agreement entered into by the Borrower would result in the breach or termination of or cause a default under such contract, permit, lease, licence, instrument, or other agreement (each an "**Excluded Asset**"), each such Excluded Asset shall not be subject to the security interest created hereby while such restriction applies but shall be held in trust by the Borrower in favour of the Lender, but only for so long as such prohibition or requirement for consent is not terminated, rendered unenforceable or otherwise deemed ineffective by the Act or any other applicable law; provided however that Excluded Assets shall not include any Proceeds, products, substitutions or replacements of any Excluded Asset (unless such Proceeds, products, substitutions, or replacements would themselves otherwise constitute Excluded Assets) and provided further that if any Excluded Asset would have otherwise constituted Collateral, when such asset shall cease to be an Excluded Asset, such asset shall be deemed at all times from and after the date hereof to constitute Collateral subject to the security interest created hereby. The Borrower will use all commercially reasonable efforts to obtain the consent of each other party to any and all Excluded Assets to the assignment of such Excluded Assets to the Lender in accordance with this Agreement. The Borrower will also use all commercially reasonable efforts to ensure that no material agreement entered into on or after the date of this Agreement shall expressly prohibit assignment of the benefits of such agreement as collateral security to the Lender.
- (b) The security interest with respect to trademarks constitutes a security interest in, and a charge, hypothecation and pledge of, such Collateral in favour of the Lender, but does not constitute an assignment of such Collateral to the Lender.

**ARTICLE III
PERFECTION OF SECURITY INTEREST AND FURTHER ASSURANCES**

Section 3.01 Perfection. The Borrower shall, from time to time, and at its expense, take all actions as may be requested by the Lender to perfect the security interest of the Lender in the Collateral.

Section 3.02 Intellectual Property. The Borrower hereby further authorizes the Lender to file with the *Canadian Intellectual Property Office* this Agreement and other required documents for the purpose of recording, perfecting, confirming, continuing, enforcing or protecting the security interests in Intellectual Property granted by the Borrower hereunder.

Section 3.03 Tangible Chattel Paper, Documents of Title, Instruments. If the Borrower shall at any time hold or acquire any promissory notes, tangible chattel paper, negotiable documents of title or warehouse receipts relating to the Collateral, the Borrower shall immediately endorse, assign and deliver possession of the same to the Lender, accompanied by such instruments of transfer or assignment duly executed in blank as the Lender may from time to time specify.

Section 3.04 Control.

- (a) **Certificates.** The Borrower shall promptly, at the request of the Lender and in a manner satisfactory to the Lender: (i) cause a security certificate to be issued for any Investment Property that is in the form of an uncertificated security to the extent that such request can be accommodated by the issuer thereof; (ii) duly endorse all share certificates at any time held or acquired by it relating to the Collateral in blank for transfer or execute stock powers of attorney in blank in form and substance satisfactory to the Lender; (iii) deliver such share certificates and stock powers to the Lender; and (iv) take all other steps to give exclusive control over such certificated securities to the Lender.
- (b) **Electronic Chattel Paper.** Where Collateral includes electronic chattel paper, the Borrower shall take all commercially reasonable efforts to cause the record comprising such chattel paper to be created, stored and transferred in a manner satisfactory to the Lender and which will provide the Lender with control of the electronic chattel paper.

Section 3.05 Copy of Verification Statement. To the extent permitted by law, the Borrower hereby waives its right to receive a copy of any financing statement, financing change statement or verification statement filed or received by or on behalf of the Lender in connection with the Lender's interest in the Collateral.

Section 3.06 Further Assurances. The Borrower agrees that, at any time and from time to time, at the expense of the Borrower, the Borrower will promptly execute and deliver all further instruments and documents, obtain such agreements from third parties, and take all further action, that may be necessary or desirable, or that the Lender may reasonably request to create and maintain the validity, perfection or priority of and protect any security interest granted or purported to be granted hereby (including, without limitation, providing the Lender with a fixed and specific mortgage) or to enable the Lender to exercise and enforce their rights and remedies hereunder or under any other Loan Document with respect to any Collateral.

**ARTICLE IV
REPRESENTATIONS AND WARRANTIES**

Section 4.01 Representations and Warranties. The Borrower represents and warrants as follows:

- (a) **Borrower Information.** All information set out in **Schedule A** is accurate and complete.
- (b) **Ownership and Title.** The Borrower is the sole, direct, legal and beneficial owner of, and has good marketable title to, all existing Collateral and shall be the sole, direct, legal and beneficial owner of, and have good marketable title to, each item of after-acquired Collateral free and clear of any mortgages, charges, hypothecs, pledges, trusts, liens, security interests and other claims except for the security interests created by this Agreement and Permitted Liens.
- (c) **Existence and Capacity.** The Borrower has been duly incorporated, amalgamated or formed and validly exists under the laws of its jurisdiction of incorporation, amalgamation, or formation and has full power, capacity, authority and legal right to borrow, grant a security interest in the Collateral, execute and deliver this Agreement and perform its obligations under this Agreement.
- (d) **Binding Obligation.** Each of this Agreement and the other Loan Documents to which the Borrower is a party have been duly authorized, executed and delivered by the Borrower and constitutes a legal, valid and binding obligation of the Borrower enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium, arrangement, or other similar laws affecting creditors' rights generally and subject to equitable principles (regardless of whether enforcement is sought in equity or at law).
- (e) **No Governmental or Regulatory Approvals.** No authorization, approval, or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the borrowing of the Loans and the pledge by the Borrower of the Collateral under this Agreement or for the execution and delivery of the other Loan Documents by the Borrower or the performance by the Borrower of its obligations thereunder.
- (f) **Compliance with Laws.** The Borrower is in compliance with, and operates its business in compliance with, all applicable laws and regulations (including environmental, labour and employment, tax, health and safety, anti-money laundering, sanctions, and Canadian trade laws and regulations).
- (g) **Litigation.** There is no material litigation, investigation, claim or proceeding pending, or to the knowledge of the Borrower, threatened, by or against it or its assets.
- (h) **Insurance.** The Borrower has in full force and effect policies of insurance with sound and reputable insurance companies in such amounts, with such deductibles, and covering such risks as are customarily carried by companies engaged in similar businesses. All premiums with respect to such policies that are due and payable have been paid.
- (i) **No Violation of Laws, Constating Documents, Agreements.** The execution and delivery of the Loan Documents by the Borrower and the performance by the Borrower of its obligations thereunder, will not violate any provision of any applicable laws or any order, judgment, writ, award or decree of any court, arbitrator or governmental authority,

domestic or foreign, applicable to the Borrower or any of its property, or the constating or governing documents of the Borrower or any agreement or instrument to which the Borrower is party or by which it or its property is bound.

- (j) **Pledged Securities Validly Issued.** The Pledged Securities and other Equity Interests have been duly authorized and validly issued and are fully paid and non-assessable and subject to no options to purchase or similar rights. No person (other than the Borrower) has any right to acquire or cause to be issued to them any of the Collateral.
- (k) **Certificated Securities.** The Collateral does not include any Investment Property that have not been certificated. The Collateral does not include any certificated securities that the Borrower has not delivered to the Lender.
- (l) **Perfection by Control.** The Borrower has taken all action required on its part for control to have been obtained by the Lender over all Collateral with respect to which such control may be obtained pursuant to the Act and the STA. No person other than the Lender has control or possession of all or any part of the Collateral.

ARTICLE V VOTING AND RECEIVABLES

Section 5.01 Voting. Unless a Default or an Event of Default shall have occurred and be continuing, the Borrower may, to the extent the Borrower has such right as a holder of the Collateral consisting of Investment Property, other Equity Interests or indebtedness owed by any obligor, vote and give consents, ratifications and waivers with respect thereto, except to the extent that any such vote, consent, ratification or waiver could detract from the value thereof as Collateral or which would be inconsistent with or result in any violation of any provision of the Secured Note or this Agreement.

Section 5.02 Receivables. If a Default or an Event of Default has occurred and is continuing, the Lender may, or at the request and option of the Lender, the Borrower shall: (i) notify account Borrowers of the Lender's security interests in any account, chattel paper, intangible, instrument or other Collateral; and (ii) direct that payment thereof is to be made directly to the Lender.

ARTICLE VI COVENANTS

Section 6.01 Covenants. The Borrower covenants as follows:

- (a) **Consent re: Change of Legal Name and Place of Business.** The Borrower will not, except with the prior written consent of the Lender, change its legal name, jurisdiction of incorporation, corporate structure, or the province or territory in which its registered office, chief executive office or its principal place of business is located. The Borrower will, prior to any change described in the preceding sentence, take all actions requested by the Lender to maintain the perfection and priority of the Lender's security interest in the Collateral.
- (b) **Consent re: Change of Location of Collateral.** The Collateral, to the extent not delivered to the Lender under ARTICLE III, will be kept at those locations listed in Schedule A and, except for Inventory sold or leased in the ordinary course of business, the Borrower will not remove the Collateral from such locations except as permitted in with Lender's prior written consent. The Borrower will, before any change described in the preceding sentence,

take all actions required by the Lender to maintain the perfection and priority of the Lender's security interest in the Collateral.

- (c) **Dealing with Collateral: No Sale or Encumbrances.** The Borrower will not sell, dispose of, lease, assign or otherwise transfer any of the Collateral except in the ordinary course of business, or with the prior written consent of the Lender.
- (d) **Maintenance and Protection of Collateral.** The Borrower will keep the Collateral in good order, condition and repair so as to protect and preserve the Collateral and will not permit the Collateral to be affixed to real or personal property so as to become a fixture or accession without the prior written consent of the Lender. The Borrower will not use the Collateral in violation of this Agreement, or any other agreement relating to the Collateral or any policy of insurance thereon, or any applicable law. The Borrower will keep all licences, permits, agreements, registrations and applications relating to intellectual property used by Borrower in good standing. The Borrower shall register all existing and future trademarks, patents, copyrights and industrial designs. The Borrower shall, at its own cost and expense, defend title to the Collateral and the security interests of the Lender therein against the claim or demand of any person claiming against or through the Borrower and shall maintain and preserve such perfected security interests for so long as this Agreement shall remain in effect.
- (e) **Compliance with Laws.** The Borrower will comply with all applicable laws, regulations, permits and approvals (including, without limitation, environmental, health and safety, labour and employment, anti-money laundering, sanctions, and Canadian trade laws and regulations).
- (f) **Performance of Obligations.** The Borrower will pay promptly when due all taxes, assessments, governmental charges, and levies upon the Collateral or incurred in connection with the use or operation of the Collateral or incurred in connection with this Agreement. The Borrower shall perform all of its obligations under material agreements, leases, licences, arrangements to obtain and preserve its rights, powers, licences, privileges and goodwill thereunder and comply with all applicable law, by-laws, rules and regulations so as to preserve and protect the Collateral and the Borrower's business.
- (g) **Access to Collateral, Inspection.** The Borrower will permit the Lender, and its representatives, agents, consultants and advisors, to inspect the Collateral from time to time and to examine and take extracts of its books and records (electronic or hard copy), at any reasonable time and on reasonable notice, wherever located. The Borrower shall, upon request by the Lender, provide the Lender with any information concerning the Collateral, the Borrower and its business, as the Lender may reasonably request, including financial statements or other financial information and access to the Borrower's senior executives, accountants and auditors to discuss any information concerning the Collateral, the Borrower or its business and affairs.
- (h) **Debt.** The Borrower will not create, incur, assume, permit to exist or make any payments with respect to any Debt other than Permitted Debt.
- (i) **Liens.** The Borrower will not grant, create, permit or suffer to exist any Liens or other restriction or limitation of any nature whatsoever on the Collateral except for Permitted Liens. The Borrower shall ensure that the Liens created pursuant to this Agreement are at all times first ranking Liens.

- (j) **Corporate, Business Changes.** The Borrower will not, without the prior written consent of the Lender:
 - (i) permit any Change of Control;
 - (ii) amalgamate or merge, consolidate, reorganize or restructure, continue in another jurisdiction, enter into a joint venture or partnership, liquidate, dissolve, wind-up, become bankrupt, initiate insolvency proceedings, or engage in other fundamental changes;
 - (iii) issue any Equity Interest in the Borrower to any person other than owner of any Equity Interests in the Borrower as of the date of this Agreement; or
 - (iv) engage in any business other than the businesses of the type conducted by on the date hereof and businesses reasonably related thereto.
- (k) **Insurance.** The Borrower shall maintain adequate insurance with respect to its business and the Collateral in such amounts and covering such risks as are acceptable to the Lender, with the Lender noted as loss payee on property insurance policies and additional insured on liability insurance policies, and provide the Lender with not less than 30 days' prior written notice of any cancellation or change in insurance.
- (l) **Intellectual Property.** The Borrower will make and maintain all filings, registrations and recordings necessary to maintain its rights in the patents, trademarks, copyrights and industrial designs included in the Intellectual Property.
- (m) **Notification.** The Borrower shall notify the Lender within five Business Days of: (i) the details of any material acquisition of Collateral; (ii) the details of any material litigation in connection with the Borrower, the Collateral or the Borrower's business; (iii) any loss or damage to the Collateral or the value of the Collateral; (iv) any default by any account Borrower in the payment or performance of its obligations; (v) any material adverse change in the financial condition, business, operations or assets, property and undertaking of the Borrower; and (vi) if any representation, warranty or statement made or deemed to be made by the Borrower under or in connection with the Loan Documents is or becomes incorrect or misleading.

ARTICLE VII

SURVIVAL OF REPRESENTATIONS AND WARRANTIES AND COVENANTS

Section 7.01 Survival of Representations and Warranties and Covenants. All representations, warranties and covenants made by the Borrower shall survive the execution and delivery of this Agreement and remain in full force and effect until the payment in full of the Secured Obligations.

ARTICLE VIII

LENDER POWER OF ATTORNEY

Section 8.01 Lender Power of Attorney. The Borrower hereby irrevocably constitutes and appoints the Lender and any officer or employee of the Lender as the Borrower's true and lawful attorney, with full power of substitution and with full authority in the place and stead of the Borrower and in the name of the Borrower or otherwise, from time to time, during the continuance of an Event of Default, in the Lender's discretion to take any action and to execute any instrument which the Lender may deem necessary or

advisable to accomplish the purposes of this Agreement, including, without limitation, to receive, endorse and collect all instruments made payable to the Borrower representing any dividend, interest payment or other distribution in respect of the Collateral or any part thereof and to give full discharge for the same, to transfer, endorse, negotiate and sign on behalf of the Borrower any of the Equity Interests, to complete the blanks in any transfers of shares, bonds or debentures, any power of attorney or other documents delivered to it, to provide instructions or entitlement orders to any securities intermediary which maintains any securities account in which any Collateral is maintained, and to delegate its powers and for any delegate to sub-delegate the same (but the Lender shall not be obligated to and shall have no liability to the Borrower or any third party for failure to do so or take any action). Such appointment, being coupled with an interest, shall be irrevocable until the full and final discharge of the security interests created by this Agreement. The Borrower hereby ratifies all acts that such attorneys shall lawfully do or cause to be done by virtue hereof.

ARTICLE IX EXPENSES AND INDEMNITY

Section 9.01 Expenses and Indemnity.

- (a) The Borrower hereby agrees to indemnify and hold harmless the Lender and each officer, director, employee, contractor and advisor of the Lender (each such person being called an "**Indemnified Party**") from any losses, damages, liabilities, claims and related expenses (including the fees and expenses of legal counsel) incurred by the Indemnified Party or asserted against any Indemnified Party by any person (including the Borrower) other than such Indemnified Party and its officers, directors, employees, contractors and advisors arising out of, in connection with or resulting from this Agreement and other Loan Documents (including, without limitation, enforcement of this Agreement or any other Loan Document) or any failure of any Secured Obligations to be the legal, valid and binding obligations of the Borrower enforceable against the Borrower in accordance with their terms, whether brought by a third party or by the Borrower, and regardless of whether any Indemnified Party is a party thereto.
- (b) To the fullest extent permitted by applicable law, the Borrower hereby agrees not to assert, and hereby waives, any claim against any Indemnified Party, on any theory of liability, for special, indirect, consequential, exemplary or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document, or any agreement, transaction or instrument contemplated hereby or thereby.
- (c) The Borrower agrees to pay or reimburse the Lender for all its costs and expenses incurred in collecting the Secured Obligations or otherwise protecting, enforcing or preserving any rights or remedies under this Agreement and the other Loan Documents, including the fees and other charges of counsel to the Lender.
- (d) All amounts due under this Section shall be payable promptly after demand therefor and shall constitute Secured Obligations.
- (e) Without prejudice to the survival of any other agreement of the Borrower under this Agreement or any other Loan Documents, the agreements and obligations of the Borrower contained in this Section shall survive termination of the Loan Documents and payment in full of the Secured Obligations and all other amounts payable under this Agreement and the Loan Documents.

**ARTICLE X
LENDER MAY PERFORM**

Section 10.01 Lender May Perform. If the Borrower fails to perform any obligation contained in this Agreement, the Lender may itself perform, or cause performance of, such obligation, and the costs and expenses of the Lender incurred in connection therewith shall be payable by the Borrower; provided that the Lender shall not be required to perform or discharge any obligation of the Borrower and the performance by the Lender shall not waive the rights of the Lender to enforce this Agreement.

**ARTICLE XI
SET-OFF**

Section 11.01 Set-Off. Upon the occurrence of an Event of Default, the Lender may, without notice to the Borrower or any other person, any notice being expressly waived, set-off and apply all amounts standing to or for the credit of the Borrower from the Lender or any of the Lender's affiliates, in any currency, against and on account of all or any part of the Secured Obligations, all as the Lender may see fit (in its sole discretion), whether or not the Secured Obligations are due and payable. The Lender's records are proof of such recording absent manifest error. When applying a deposit or other obligation in a different currency than the Secured Obligations to the Secured Obligations, the Lender will convert the deposit or other obligation to the currency of the Secured Obligations using the rate of exchange for the conversion of such currency as determined by the Lender.

**ARTICLE XII
REMEDIES UPON DEFAULT**

Section 12.01 Right to Accelerate Payment. Upon the occurrence of an Event of Default that is continuing, the Lender may, by notice, declare any or all of the Secured Obligations to be immediately due and payable, whereupon, all of the Secured Obligations shall become and be immediately due and payable without presentment, demand, protest or further notice, all of which are hereby expressly waived by the Borrower.

Section 12.02 Enforcement of Security Interest. Upon the occurrence of an Event of Default that is continuing, the Lender may proceed to realize upon the Collateral and immediately enforce its rights and remedies.

Section 12.03 Remedies upon Default. Upon the occurrence of an Event of Default that is continuing, the Lender may exercise, without any other notice to or demand upon the Borrower, in addition to the other rights and remedies provided herein or in any other Loan Document or otherwise available to it, the following rights and remedies (which rights and remedies may be exercised independently or in combination):

- (a) the Lender may assert all rights and remedies of a Lender under the Act or other applicable law;
- (b) the Lender may take such steps as it considers desirable to maintain, preserve or protect the Collateral or its value;
- (c) the Lender may take possession of the Collateral by requiring the Borrower to assemble the Collateral or any part thereof and deliver the Collateral, or make the Collateral available, to the Lender at a place and time to be designated by the Lender;

- (d) the Lender may take possession of the Collateral by carrying on all or any part of the business of the Borrower, and may to the exclusion of all others, including the Borrower, enter upon, occupy and use any of the premises; buildings, plant and undertaking owned, occupied or used by the Borrower and may use any of the tools, machinery, equipment and intangibles (including Intellectual Property) of the Borrower for such time as the Lender sees fit, free of charge and without liability, in order to carry on the business of the Borrower or to manufacture or complete the manufacture of Inventory and to pack and ship finished products;
- (e) the Lender may enter upon and occupy any land and premises owned, leased or occupied by the Borrower where the Collateral or any part thereof is assembled or located in order to effectuate its rights and remedies hereunder or under law, without obligation whatsoever to the Borrower;
- (f) the Lender may borrow money required for the maintenance, preservation or protection of the Collateral or any part thereof, or to carry on the business, and may further charge the Collateral in priority to the security constituted by this Security Agreement;
- (g) the Lender may exercise and enforce all rights and remedies of the Borrower with respect to the Collateral, including collecting or compromising all or any of the Borrower's Accounts;
- (h) the Lender may sell, lease, license, or otherwise dispose of all or any part of the Collateral by private sale or public sale or otherwise, and upon such other terms and conditions (including as to credit, upset or reserve bid or price) as the Lender may deem commercially reasonable;
- (i) the Lender may appoint, by instrument in writing, any person or persons (whether an officer or employee of the Lender or not) to be a receiver, manager, interim receiver, or receiver and manager (collectively, "**Receiver**"), of the Collateral or any part of the Collateral and remove or replace any person so appointed. Any Receiver so appointed shall have, in addition to any other powers afforded by the law, the same powers and authorities afforded to the Lender under this ARTICLE XII;
- (j) the Lender may apply to a court of competent jurisdiction for the appointment of a Receiver of the Collateral or any part of the Collateral. Any Receiver so appointed shall have, in addition to any other powers afforded by the law, the same powers and authorities afforded to the Lender under this ARTICLE XII;
- (k) all rights of the Borrower to: (i) exercise the voting and other consensual rights it would otherwise be entitled to exercise pursuant to Section 5.01; and (ii) receive the dividends and other distributions which it would otherwise be entitled to receive and retain pursuant to this Agreement, shall immediately cease, and all such rights shall thereupon become vested in the Lender, which shall have the sole right to exercise such voting and other consensual rights and receive and hold such dividends and other distributions as Collateral; and
- (l) the Lender may retain the Collateral in satisfaction of the Secured Obligations.

Section 12.04 Receiver Agent of Borrower. In exercising any powers, any such Receiver so appointed shall act as agent of the Borrower and not the Lender and the Lender shall not in any way be responsible

for any of the actions of the Receiver, its employees, agents and contractors. The Lender may from time to time remove and appoint replacements for, any Receiver, and appoint another or others in their stead from time to time.

Section 12.05 Distribution of Proceeds. Any cash held by the Lender as Collateral and all cash Proceeds received by the Lender in respect of any sale of, collection from, or other realization upon all or any part of the Collateral shall be applied in whole or in part by the Lender to the payment of expenses incurred by the Lender in connection with the foregoing or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of the Lender hereunder, including reasonable legal and Receivers' fees, and the balance of such proceeds shall be applied or set-off against all or any part of the Secured Obligations in such order as the Lender shall elect, in its sole discretion. Any surplus of such cash or cash Proceeds held by the Lender and remaining after payment in full of all the Secured Obligations shall be paid over to the Borrower or to whomsoever may be lawfully entitled to receive such surplus. The Borrower shall remain liable for any deficiency if such cash and the cash Proceeds of any sale or other realization of the Collateral are insufficient to pay the Secured Obligations and the fees and other charges of any solicitor employed by the Lender to collect such deficiency.

Section 12.06 Borrower Pays Expenses. The Borrower agrees to pay all reasonable expenses incurred by the Lender or any Receiver in the preparation, perfection and enforcement of this Agreement, whether directly incurred or for services rendered, including legal and auditor's fees and expenses and remuneration of any Receiver.

ARTICLE XIII MISCELLANEOUS

Section 13.01 No Waiver and Cumulative Remedies. The Lender shall not by any act, delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Event of Default. All rights and remedies herein provided are cumulative and are not exclusive of any rights or remedies provided by law.

Section 13.02 Amendments. None of the terms or provisions of this Agreement may be amended, modified, supplemented, terminated or waived, and no consent to any departure by the Borrower therefrom shall be effective unless the same shall be in writing and signed by the Lender and the Borrower, and then such amendment, modification, supplement, waiver or consent shall be effective only in the specific instance and for the specific purpose for which made or given.

Section 13.03 Notices. All notices, consents, claims, demands, waivers and other communications hereunder shall be in writing and addressed to the parties at the addresses set forth in the Secured Note and shall be given in the manner and become effective as set forth in the Secured Note.

Section 13.04 Continuing Security Interest; Further Actions. This Agreement shall create a general and continuing security interest in the Collateral and shall (a) subject to Section 13.06, remain in full force and effect until payment and performance in full of the Secured Obligations, (b) be binding upon the Borrower, its successors and permitted assigns, and (c) enure to the benefit of the Lender and its successors, transferees and assigns; provided that the Borrower may not assign or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of the Lender. Without limiting the generality of the foregoing clause (c), any assignee of the Lender's interest in any agreement or document which includes all or any of the Secured Obligations shall become vested with all the benefits granted to the Lender herein with respect to such Secured Obligations.

Section 13.05 Assignment. The Lender may assign or transfer any of its rights under this Agreement without the consent of the Borrower. The Borrower may not assign its obligations under this Agreement without the prior written consent of the Lender.

Section 13.06 Termination; Release. On the date on which all Secured Obligations have been paid and performed in full (as determined by the Lender in its sole discretion), the Lender will, at the request and sole expense of the Borrower (a) duly assign, transfer and deliver to or at the direction of the Borrower (without recourse and without any representation or warranty) such of the Collateral as may then remain in the possession of the Lender, together with any monies at the time held by the Lender hereunder, and (b) execute and deliver to the Borrower a proper instrument or instruments acknowledging the satisfaction and termination of this Agreement.

Section 13.07 Acknowledgement. The Borrower acknowledges receipt of a fully executed copy of this Agreement.

Section 13.08 Amalgamation. The Borrower acknowledges that, if it amalgamates with another person, the term Borrower, when used in this Agreement, shall apply to each of the amalgamating corporations and to the amalgamated corporation, such that the security interests created hereby shall extend to the Collateral in which any amalgamating corporation has any rights at the time of the amalgamation and to any collateral in which the amalgamated corporation thereafter has any rights to secure the Secured Obligations of each of the amalgamating corporations and the amalgamated corporation to the Lender at the time of the amalgamation and any Secured Obligations of the amalgamated corporation to the Lender thereafter arising.

Section 13.09 Governing Law. All matters arising out of or relating to this Agreement shall be governed by, and construed in accordance with the laws of the Province of British Columbia, and the federal laws of Canada applicable therein.

Section 13.10 Counterparts and Electronic Transmission. This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

Section 13.11 Conflict with Secured Note. To the extent of any conflict or inconsistency between the terms of this Agreement and the terms of the Secured Note, the terms of the Secured Note shall govern to the extent necessary to remove the conflict or inconsistency.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Borrower has executed this Agreement as of the date first written above.

BZAM LTD.

By  _____

Name: Matt Milich

Title: CEO

SCHEDULE A

Full legal name: BZAM Ltd.

Prior names: The Green Organic Dutchman Holdings Ltd.

Predecessor companies: N/A

Address of chief executive office: 200 Burrard St, Suite 1570, Vancouver, BC, V6C 3L6

Address of all places where business is carried on or where tangible personal property is kept:

1. 200 Burrard St, Suite 1570, Vancouver, BC, V6C 3L6
2. 402-5520 Explorer Drive. Mississauga, ON, L4W 5L1
3. Units 517-519, 19100 Airport Way. Pitt Meadows, BC, Canada, V3Y 0E2
4. 13325 Cedar Way, Maple Ridge, BC, Canada, V4R 2T4
5. 8770 24th Street Sherwood Park, AB, Canada, T6P 1X8
6. #107 - 109, 1761 Sean Heights Saanichton, BC, Canada, V8M 0A5
7. 1915 Jerseyville Rd. W. Jerseyville, ON, L0R 1R0
8. 40 Great Plains Rd. Edenwold (RM) SK S4L 1B6
9. 5000 Chemin Murphy, Vaudreuil-Dorion QC, J7V 8P2
10. 6082 Russ Baker Way, Richmond BC V7B 1B4
11. 150 Mohawk St, Brantford, ON N3S 7G5

Addresses of all owned real property:

1. 1915 Jerseyville Road West, Jerseyville, ON L0R 1R0.
2. 13325 Cedar Way, Maple Ridge, BC, Canada, V4R 2T4
3. 8770 24th Street Sherwood Park, AB, Canada, T6P 1X8

Addresses of all leased real property:

1. 200 Burrard St, Suite 1570, Vancouver, BC, V6C 3L6
2. 402-5520 Explorer Drive. Mississauga, ON, L4W 5L1
3. Units 517-519, 19100 Airport Way. Pitt Meadows, BC, Canada, V3Y 0E2
4. 311-455 Boul. Fenelon, Dorval, QC H9S 5T8, leased by Medican Organic Inc., and sub-leased to 3rd party.
5. 40 Great Plains Rd. Edenwold (RM) SK S4L 1B6
6. #107 - 109, 1761 Sean Heights Saanichton, BC, Canada, V8M 0A5

7. 5000 Chemin Murphy, Vaudreuil-Dorion QC, J7V 8P2

Description of all 'serial numbered goods' (i.e. motor vehicle, manufactured home, boat, outboard motor, trailer or aircraft):

All owned equipment.

List of all material permits:

1. Health Canada Licence No LIC-CJMMLU7IUN-2019-1 (cultivation, processing, sale) issued to The Green Organic Dutchman Ltd. expiring July 20, 2027
2. Health Canada Licence No LIC-MVXNLN8UCN-2020 (Research) issued to The Green Organic Dutchman Ltd., expiring February 12, 2025
3. Health Canada Licence No LIC-JTUPWJZJ50-2022 issued to BZAM Management Inc.
4. Health Canada Licence No LIC-G27V6VI0UJ-2022 issued to BZAM Management Inc.
5. Health Canada Licence No LIC- HU7CU4DYAO-2020-5 issued to BZAM Management Inc.
6. Health Canada Licence No LIC- J5USTB6Z3V-2022 issued to BZAM Management Inc.
7. Health Canada Licence No LIC- 9GRI1YRQEV-2021 issued to BZAM Management Inc.
8. Health Canada Licence No LIC- LIC-TNCAPN24J9-2022 issued to BZAM Management Inc.
9. The Green Organic Dutchman Ltd. No. 83013 4847 RD0001 under the Excise Act, 2001 (Canada)
10. The Green Organic Dutchman Ltd. Licence No. 3PFVXKNM under the Safe Food For Canadians Act (Canada)

List of subsidiaries:

Name	Jurisdiction of Formation	Beneficial Equity/ Voting Ownership
The Green Organic Dutchman Ltd.	Canada	100%
TGOD Europe B.V.	Netherlands	100%
Medican Organic Inc.	Quebec	100%
14274261 Canada Inc.	Canada	100%
*BZAM Holdings Inc.	British Columbia	100%

List of subsidiaries for BZAM Holdings Inc.:

Name	Jurisdiction of Formation	Beneficial Equity/ Voting Ownership
BZAM Management Inc.	British Columbia	100%
Folium Life Science Inc.	British Columbia	80%
BZAM Cannabis Corp.	Alberta	88.2%
102172093 Saskatchewan Ltd.	Saskatchewan	100%

List of subsidiaries for TGOD Europe B.V.:

Name	Jurisdiction of Formation	Beneficial Equity/ Voting Ownership
The Green Organic Dutchman Germany GmbH	Germany	100%

PLEDGED SECURITIES

Issuer	Class/Type of Security	Certificate Number (if certificated)	Number of Securities
Nil.	N/A	N/A	N/A

GENERAL SECURITY AGREEMENT

This GENERAL SECURITY AGREEMENT, dated as of November 30, 2023 (as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time in accordance with the provisions hereof, this "**Agreement**"), is made by **BZAM LTD.** (the "**Borrower**") in favour of **STONE PINE CAPITAL LTD.** (the "**Lender**").

WHEREAS the Borrower has executed and delivered, or intends to execute and deliver, a certain secured demand promissory note dated on or about the date hereof (as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time, the "**Secured Note**") in favour of the Lender whereby the Lender will establish certain loans or extensions of credit in favour of the Borrower (the "**Loans**").

AND WHEREAS to secure the payment and performance of the Secured Obligations (this term, and other capitalized terms used in this Agreement have the meanings set forth in Section 1.01 below), the Borrower has agreed to grant to the Lender security interests over the Collateral in accordance with the terms of this Agreement.

NOW THEREFORE BE IT RESOLVED THAT in consideration of the Lender entering into the Secured Note and agreeing to make the Loans available to the Borrower, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Borrower agrees as follows:

ARTICLE I DEFINITIONS

Section 1.01 Definitions.

In this Agreement, the following words and phrases will have the meanings set out below unless the parties or the context otherwise require(s).

- (a) "**Act**" means the *Personal Property Security Act* of British Columbia and the regulations thereunder, as amended, restated or replaced by successor legislation of comparable effect.
- (b) "**Business Day**" means "Business Day" as defined in the Secured Note.
- (c) "**Change of Control**" means the occurrence of any transaction or related series of transactions (a) by which any Person, by means of takeover bid, tender offer, amalgamation, purchase of assets or otherwise (i) acquires the business or substantially all of the assets of the Borrower or (ii) acquires control of equity interests in the Borrower representing more than 50% of the ordinary voting power for the election of directors or other governing positions as manage the business affairs of the Borrower, or (b) that would have the effect of bringing about a change in the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of the Borrower, whether through the ability to exercise voting power, by contract or otherwise.
- (d) "**Collateral**" is defined in Section 2.01.
- (e) "**Debt**" means "Indebtedness" as defined in the Secured Note.
- (f) "**Equity Interests**" means, with respect to any Person, all of the securities, investment property, units, trust units, partnership, membership and other equity interests,

participations, investment certificates, notes (or other ownership or profit interests in) in or of such Person (collectively, "**ownership interests**"), all of the warrants, options or other rights for the purchase or acquisition from such Person of ownership interests in such Person, all of the securities convertible into or exchangeable for ownership interests in such Person or warrants, rights or options for the purchase or acquisition from such Person of ownership interests, and all of the other ownership or profit interests in such Person (including, without limitation, partnership, member or trust interests therein), whether voting or non-voting, and whether or not such ownership interests are outstanding on any date of determination.

- (g) "**Event of Default**" means any material breach of any obligation, representation or agreement in a Loan Document, or any event of default under or described in a Loan Document.
- (h) "**Excluded Asset**" is defined in Section 2.03(a).
- (i) "**Intellectual Property**" means any and all intellectual property, including licences, copyrights, copyright licences, patents, patent licences, patent applications, service marks, trademarks, trademark licences, trademark applications, trade styles, trade names, technology, know-how and processes, trade secrets, inventions, industrial designs, all rights therein, and all rights to sue at law or in equity for any past, present, or future infringement, violation, misuse, misappropriation or other impairment thereof, whether arising under the laws of Canada, the laws of any Canadian province or territory or foreign laws or otherwise, including the right to receive injunctive relief and all proceeds and damages therefrom.
- (j) "**Lien**" means any mortgage, pledge, lien, assignment by way of security, charge, security interest, trust arrangement in the nature of a security interest, conditional sale or other title retention agreement, equipment trusts, lease financings including by way of sale and lease-back, hypothec, levy, execution, seizure, attachment, garnishment, any option, preferential right or adverse claim constituting an interest in such property, or any other encumbrance in respect of such property.
- (k) "**Loan Document**" means, collectively, the Secured Note, this Agreement, and any other agreement, note, certificate, or agreement from time to time entered into between the Borrower and the Lender in connection with the transactions set out in the Secured Note and this Agreement.
- (l) "**Permitted Debt**" means Debt of the Borrower consented to in writing by Lender, which the Lender may, in its sole discretion, require to be postponed and subordinated to the Secured Obligations on terms acceptable to the Lender.
- (m) "**Permitted Liens**" means:
 - (i) Liens for taxes, assessments, governmental charges or other statutory Liens or security interests not at such date due or delinquent, or the validity of which the Borrower is contesting in good faith and in respect of which, or where the failure to pay or discharge same could not reasonably be expected to impede the ability of the Borrower to pay the Secured Obligations;
 - (ii) Liens in connection with any judgment rendered, or claim filed, against the Borrower where the payment of any amount to satisfy such judgement or claim

could not reasonably be expected to impede the ability of the Borrower to pay the Secured Obligations;

- (iii) any Lien or trust or deposit arising in connection with workers' compensation, employment insurance, pension and employment laws or regulations, so long as the existence of such Lien, trust or deposit could not reasonably be expected to impede the ability of the Borrower to pay the Secured Obligations;
 - (iv) Liens in favour of the Lender pursuant to the Loan Documents;
 - (v) Liens created in connection Permitted Debt; and
 - (vi) All other Liens consented to in writing by the Lender, acting reasonably.
- (n) **"Pledged Securities"** means all of the issued and outstanding Equity Interests of each issuer described in **Schedule A** hereto that are now or from time to time hereafter held by the Borrower.
- (o) **"Persons"** or **"Person"** means and includes any individual, sole proprietorship, corporation, partnership, bank, joint venture, trust, unincorporated association, association, institution, entity, party or government (whether national, federal, provincial, state, municipal, city, county or otherwise and including any instrumentality, division, agency, body or department thereof).
- (p) **"Proceeds"** means "proceeds" as such term is defined in section 1(1) of the Act and, in any event, shall include, without limitation, all dividends or other income from the Collateral, collections thereon or distributions with respect thereto.
- (q) **"Receiver"** is defined in Section 12.03(i).
- (r) **"Secured Obligations"** means all present and future debts, liabilities and obligations of the of any and every kind, nature and description (whether direct or indirect, joint or several, absolute or contingent, matured or unmatured) of the Borrower to the Lender under, in connection with or with respect to the Loan Documents.
- (s) **"STA"** means the *Securities Transfer Act*, as in effect from time to time in the Province of British Columbia.

Section 1.02 Application of Act

Words used in this Agreement that are defined in the Act will have the respective meanings ascribed to them in the Act, unless otherwise defined herein.

Section 1.03 Interpretation.

- (a) Unless otherwise specified herein, all references to Sections and Schedules herein are to Sections and Schedules of this Agreement.
- (b) For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

- (i) the words "herein", "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular article, section or other subdivision of this Agreement;
- (ii) the word "including", when following any general statement, term or matter, is not to be construed to limit such general statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not non-limiting language (such as "without limitation" or "but not limited to" or words of similar import) is used with reference thereto but rather refers to all other items or matters that could reasonably fall within the broadest possible scope of such general statement, term or matter;
- (iii) any definition of or reference to any agreement, instrument or other document herein (including this Agreement) shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented, restated or otherwise modified (subject to any restrictions on such amendments, supplements, restatements or modifications set forth herein); and
- (iv) a reference to a statute or a section of a statute shall include and shall be deemed to be a reference to such statute or section and to the regulations made pursuant thereto, with all amendments made thereto and in force at the relevant time, and to any statute, section of a statute or regulation that may be passed which has the effect of supplementing or superseding the statute or section so referred to or the regulations made pursuant thereto.

ARTICLE II GRANT OF SECURITY INTEREST

Section 2.01 Grant of Security Interest. As security for the payment and performance of the Secured Obligations, the Borrower hereby grants, assigns, transfers, sets over, mortgages, charges, and pledges to the Lender, and hereby creates a general and continuing security interest in favour of the Lender in and to all of the Borrower's right, title and interest in and to the following, wherever located, whether now existing or hereafter from time to time arising or acquired (collectively, the "**Collateral**"):

- (a) all present and after-acquired property, assets and undertaking of the Borrower of every kind and nature whatsoever, including all Accounts, Goods (including Inventory, Equipment and motor vehicles, but excluding Consumer Goods), Intangibles, Intellectual Property, Chattel Paper, Documents of Title, Instruments, Securities and all other Investment Property (including the Pledged Securities and the securities accounts), Money, and any other contract rights or rights to the payment of money;
- (b) all Proceeds and products of each of the foregoing, including any and all Proceeds of any insurance, indemnity, compensation for loss or damage, warranty or guarantee payable to the Borrower from time to time with respect to any of the foregoing;
- (c) all books and records relating to the foregoing, including in any form or medium;
- (d) all supporting obligations relating to the foregoing;
- (e) all additions, accessions to, substitutions and replacements for, and rents, profits and products of, each of the foregoing; and

- (f) the last day of the term of any lease, verbal or written, or any agreement to lease, now held or hereafter acquired by the Borrower is hereby excepted out of the security interests hereby created, but should the Lender need to enforce against the Collateral, the Borrower shall hold the last date in trust for the Lender and shall assign it to any person acquiring the term or that part of the term that is charged in the course of any enforcement or realization of the Collateral.

For greater certainty, the Collateral does not include any Consumer Goods.

Section 2.02 Attachment of Security Interest. The Borrower acknowledges that value has been given, that the Borrower has rights in the Collateral, and that the parties have agreed not to postpone the time for attachment of any security interest in this Agreement. The Borrower acknowledges that any security interest created by this Agreement shall attach to existing Collateral upon the execution of this Agreement and to each item of after-acquired Collateral at the time that the Borrower acquires rights in such after-acquired Collateral.

Section 2.03 Limitation on Grant of Security Interest.

- (a) To the extent the grant of the security interest in respect of any contract, permit, lease, licence, instrument, document or other agreement entered into by the Borrower would result in the breach or termination of or cause a default under such contract, permit, lease, licence, instrument, or other agreement (each an "**Excluded Asset**"), each such Excluded Asset shall not be subject to the security interest created hereby while such restriction applies but shall be held in trust by the Borrower in favour of the Lender, but only for so long as such prohibition or requirement for consent is not terminated, rendered unenforceable or otherwise deemed ineffective by the Act or any other applicable law; provided however that Excluded Assets shall not include any Proceeds, products, substitutions or replacements of any Excluded Asset (unless such Proceeds, products, substitutions, or replacements would themselves otherwise constitute Excluded Assets) and provided further that if any Excluded Asset would have otherwise constituted Collateral, when such asset shall cease to be an Excluded Asset, such asset shall be deemed at all times from and after the date hereof to constitute Collateral subject to the security interest created hereby. The Borrower will use all commercially reasonable efforts to obtain the consent of each other party to any and all Excluded Assets to the assignment of such Excluded Assets to the Lender in accordance with this Agreement. The Borrower will also use all commercially reasonable efforts to ensure that no material agreement entered into on or after the date of this Agreement shall expressly prohibit assignment of the benefits of such agreement as collateral security to the Lender.
- (b) The security interest with respect to trademarks constitutes a security interest in, and a charge, hypothecation and pledge of, such Collateral in favour of the Lender, but does not constitute an assignment of such Collateral to the Lender.

**ARTICLE III
PERFECTION OF SECURITY INTEREST AND FURTHER ASSURANCES**

Section 3.01 Perfection. The Borrower shall, from time to time, and at its expense, take all actions as may be requested by the Lender to perfect the security interest of the Lender in the Collateral.

Section 3.02 Intellectual Property. The Borrower hereby further authorizes the Lender to file with the *Canadian Intellectual Property Office* this Agreement and other required documents for the purpose of recording, perfecting, confirming, continuing, enforcing or protecting the security interests in Intellectual Property granted by the Borrower hereunder.

Section 3.03 Tangible Chattel Paper, Documents of Title, Instruments. If the Borrower shall at any time hold or acquire any promissory notes, tangible chattel paper, negotiable documents of title or warehouse receipts relating to the Collateral, the Borrower shall immediately endorse, assign and deliver possession of the same to the Lender, accompanied by such instruments of transfer or assignment duly executed in blank as the Lender may from time to time specify.

Section 3.04 Control.

- (a) **Certificates.** The Borrower shall promptly, at the request of the Lender and in a manner satisfactory to the Lender: (i) cause a security certificate to be issued for any Investment Property that is in the form of an uncertificated security to the extent that such request can be accommodated by the issuer thereof; (ii) duly endorse all share certificates at any time held or acquired by it relating to the Collateral in blank for transfer or execute stock powers of attorney in blank in form and substance satisfactory to the Lender; (iii) deliver such share certificates and stock powers to the Lender; and (iv) take all other steps to give exclusive control over such certificated securities to the Lender.
- (b) **Electronic Chattel Paper.** Where Collateral includes electronic chattel paper, the Borrower shall take all commercially reasonable efforts to cause the record comprising such chattel paper to be created, stored and transferred in a manner satisfactory to the Lender and which will provide the Lender with control of the electronic chattel paper.

Section 3.05 Copy of Verification Statement. To the extent permitted by law, the Borrower hereby waives its right to receive a copy of any financing statement, financing change statement or verification statement filed or received by or on behalf of the Lender in connection with the Lender's interest in the Collateral.

Section 3.06 Further Assurances. The Borrower agrees that, at any time and from time to time, at the expense of the Borrower, the Borrower will promptly execute and deliver all further instruments and documents, obtain such agreements from third parties, and take all further action, that may be necessary or desirable, or that the Lender may reasonably request to create and maintain the validity, perfection or priority of and protect any security interest granted or purported to be granted hereby (including, without limitation, providing the Lender with a fixed and specific mortgage) or to enable the Lender to exercise and enforce their rights and remedies hereunder or under any other Loan Document with respect to any Collateral.

**ARTICLE IV
REPRESENTATIONS AND WARRANTIES**

Section 4.01 Representations and Warranties. The Borrower represents and warrants as follows:

- (a) **Borrower Information.** All information set out in **Schedule A** is accurate and complete.
- (b) **Ownership and Title.** The Borrower is the sole, direct, legal and beneficial owner of, and has good marketable title to, all existing Collateral and shall be the sole, direct, legal and beneficial owner of, and have good marketable title to, each item of after-acquired Collateral free and clear of any mortgages, charges, hypothecs, pledges, trusts, liens, security interests and other claims except for the security interests created by this Agreement and Permitted Liens.
- (c) **Existence and Capacity.** The Borrower has been duly incorporated, amalgamated or formed and validly exists under the laws of its jurisdiction of incorporation, amalgamation, or formation and has full power, capacity, authority and legal right to borrow, grant a security interest in the Collateral, execute and deliver this Agreement and perform its obligations under this Agreement.
- (d) **Binding Obligation.** Each of this Agreement and the other Loan Documents to which the Borrower is a party have been duly authorized, executed and delivered by the Borrower and constitutes a legal, valid and binding obligation of the Borrower enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium, arrangement, or other similar laws affecting creditors' rights generally and subject to equitable principles (regardless of whether enforcement is sought in equity or at law).
- (e) **No Governmental or Regulatory Approvals.** No authorization, approval, or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the borrowing of the Loans and the pledge by the Borrower of the Collateral under this Agreement or for the execution and delivery of the other Loan Documents by the Borrower or the performance by the Borrower of its obligations thereunder.
- (f) **Compliance with Laws.** The Borrower is in compliance with, and operates its business in compliance with, all applicable laws and regulations (including environmental, labour and employment, tax, health and safety, anti-money laundering, sanctions, and Canadian trade laws and regulations).
- (g) **Litigation.** There is no material litigation, investigation, claim or proceeding pending, or to the knowledge of the Borrower, threatened, by or against it or its assets.
- (h) **Insurance.** The Borrower has in full force and effect policies of insurance with sound and reputable insurance companies in such amounts, with such deductibles, and covering such risks as are customarily carried by companies engaged in similar businesses. All premiums with respect to such policies that are due and payable have been paid.
- (i) **No Violation of Laws, Constating Documents, Agreements.** The execution and delivery of the Loan Documents by the Borrower and the performance by the Borrower of its obligations thereunder, will not violate any provision of any applicable laws or any order, judgment, writ, award or decree of any court, arbitrator or governmental authority,

domestic or foreign, applicable to the Borrower or any of its property, or the constating or governing documents of the Borrower or any agreement or instrument to which the Borrower is party or by which it or its property is bound.

- (j) **Pledged Securities Validly Issued.** The Pledged Securities and other Equity Interests have been duly authorized and validly issued and are fully paid and non-assessable and subject to no options to purchase or similar rights. No person (other than the Borrower) has any right to acquire or cause to be issued to them any of the Collateral.
- (k) **Certificated Securities.** The Collateral does not include any Investment Property that have not been certificated. The Collateral does not include any certificated securities that the Borrower has not delivered to the Lender.
- (l) **Perfection by Control.** The Borrower has taken all action required on its part for control to have been obtained by the Lender over all Collateral with respect to which such control may be obtained pursuant to the Act and the STA. No person other than the Lender has control or possession of all or any part of the Collateral.

ARTICLE V VOTING AND RECEIVABLES

Section 5.01 Voting. Unless a Default or an Event of Default shall have occurred and be continuing, the Borrower may, to the extent the Borrower has such right as a holder of the Collateral consisting of Investment Property, other Equity Interests or indebtedness owed by any obligor, vote and give consents, ratifications and waivers with respect thereto, except to the extent that any such vote, consent, ratification or waiver could detract from the value thereof as Collateral or which would be inconsistent with or result in any violation of any provision of the Secured Note or this Agreement.

Section 5.02 Receivables. If a Default or an Event of Default has occurred and is continuing, the Lender may, or at the request and option of the Lender, the Borrower shall: (i) notify account Borrowers of the Lender's security interests in any account, chattel paper, intangible, instrument or other Collateral; and (ii) direct that payment thereof is to be made directly to the Lender.

ARTICLE VI COVENANTS

Section 6.01 Covenants. The Borrower covenants as follows:

- (a) **Consent re: Change of Legal Name and Place of Business.** The Borrower will not, except with the prior written consent of the Lender, change its legal name, jurisdiction of incorporation, corporate structure, or the province or territory in which its registered office, chief executive office or its principal place of business is located. The Borrower will, prior to any change described in the preceding sentence, take all actions requested by the Lender to maintain the perfection and priority of the Lender's security interest in the Collateral.
- (b) **Consent re: Change of Location of Collateral.** The Collateral, to the extent not delivered to the Lender under ARTICLE III, will be kept at those locations listed in Schedule A and, except for Inventory sold or leased in the ordinary course of business, the Borrower will not remove the Collateral from such locations except as permitted in with Lender's prior written consent. The Borrower will, before any change described in the preceding sentence,

take all actions required by the Lender to maintain the perfection and priority of the Lender's security interest in the Collateral.

- (c) **Dealing with Collateral: No Sale or Encumbrances.** The Borrower will not sell, dispose of, lease, assign or otherwise transfer any of the Collateral except in the ordinary course of business, or with the prior written consent of the Lender.
- (d) **Maintenance and Protection of Collateral.** The Borrower will keep the Collateral in good order, condition and repair so as to protect and preserve the Collateral and will not permit the Collateral to be affixed to real or personal property so as to become a fixture or accession without the prior written consent of the Lender. The Borrower will not use the Collateral in violation of this Agreement, or any other agreement relating to the Collateral or any policy of insurance thereon, or any applicable law. The Borrower will keep all licences, permits, agreements, registrations and applications relating to intellectual property used by Borrower in good standing. The Borrower shall register all existing and future trademarks, patents, copyrights and industrial designs. The Borrower shall, at its own cost and expense, defend title to the Collateral and the security interests of the Lender therein against the claim or demand of any person claiming against or through the Borrower and shall maintain and preserve such perfected security interests for so long as this Agreement shall remain in effect.
- (e) **Compliance with Laws.** The Borrower will comply with all applicable laws, regulations, permits and approvals (including, without limitation, environmental, health and safety, labour and employment, anti-money laundering, sanctions, and Canadian trade laws and regulations).
- (f) **Performance of Obligations.** The Borrower will pay promptly when due all taxes, assessments, governmental charges, and levies upon the Collateral or incurred in connection with the use or operation of the Collateral or incurred in connection with this Agreement. The Borrower shall perform all of its obligations under material agreements, leases, licences, arrangements to obtain and preserve its rights, powers, licences, privileges and goodwill thereunder and comply with all applicable law, by-laws, rules and regulations so as to preserve and protect the Collateral and the Borrower's business.
- (g) **Access to Collateral, Inspection.** The Borrower will permit the Lender, and its representatives, agents, consultants and advisors, to inspect the Collateral from time to time and to examine and take extracts of its books and records (electronic or hard copy), at any reasonable time and on reasonable notice, wherever located. The Borrower shall, upon request by the Lender, provide the Lender with any information concerning the Collateral, the Borrower and its business, as the Lender may reasonably request, including financial statements or other financial information and access to the Borrower's senior executives, accountants and auditors to discuss any information concerning the Collateral, the Borrower or its business and affairs.
- (h) **Debt.** The Borrower will not create, incur, assume, permit to exist or make any payments with respect to any Debt other than Permitted Debt.
- (i) **Liens.** The Borrower will not grant, create, permit or suffer to exist any Liens or other restriction or limitation of any nature whatsoever on the Collateral except for Permitted Liens. The Borrower shall ensure that the Liens created pursuant to this Agreement are at all times first ranking Liens.

- (j) **Corporate, Business Changes.** The Borrower will not, without the prior written consent of the Lender:
 - (i) permit any Change of Control;
 - (ii) amalgamate or merge, consolidate, reorganize or restructure, continue in another jurisdiction, enter into a joint venture or partnership, liquidate, dissolve, wind-up, become bankrupt, initiate insolvency proceedings, or engage in other fundamental changes;
 - (iii) issue any Equity Interest in the Borrower to any person other than owner of any Equity Interests in the Borrower as of the date of this Agreement; or
 - (iv) engage in any business other than the businesses of the type conducted by on the date hereof and businesses reasonably related thereto.
- (k) **Insurance.** The Borrower shall maintain adequate insurance with respect to its business and the Collateral in such amounts and covering such risks as are acceptable to the Lender, with the Lender noted as loss payee on property insurance policies and additional insured on liability insurance policies, and provide the Lender with not less than 30 days' prior written notice of any cancellation or change in insurance.
- (l) **Intellectual Property.** The Borrower will make and maintain all filings, registrations and recordings necessary to maintain its rights in the patents, trademarks, copyrights and industrial designs included in the Intellectual Property.
- (m) **Notification.** The Borrower shall notify the Lender within five Business Days of: (i) the details of any material acquisition of Collateral; (ii) the details of any material litigation in connection with the Borrower, the Collateral or the Borrower's business; (iii) any loss or damage to the Collateral or the value of the Collateral; (iv) any default by any account Borrower in the payment or performance of its obligations; (v) any material adverse change in the financial condition, business, operations or assets, property and undertaking of the Borrower; and (vi) if any representation, warranty or statement made or deemed to be made by the Borrower under or in connection with the Loan Documents is or becomes incorrect or misleading.

ARTICLE VII

SURVIVAL OF REPRESENTATIONS AND WARRANTIES AND COVENANTS

Section 7.01 Survival of Representations and Warranties and Covenants. All representations, warranties and covenants made by the Borrower shall survive the execution and delivery of this Agreement and remain in full force and effect until the payment in full of the Secured Obligations.

ARTICLE VIII

LENDER POWER OF ATTORNEY

Section 8.01 Lender Power of Attorney. The Borrower hereby irrevocably constitutes and appoints the Lender and any officer or employee of the Lender as the Borrower's true and lawful attorney, with full power of substitution and with full authority in the place and stead of the Borrower and in the name of the Borrower or otherwise, from time to time, during the continuance of an Event of Default, in the Lender's discretion to take any action and to execute any instrument which the Lender may deem necessary or

advisable to accomplish the purposes of this Agreement, including, without limitation, to receive, endorse and collect all instruments made payable to the Borrower representing any dividend, interest payment or other distribution in respect of the Collateral or any part thereof and to give full discharge for the same, to transfer, endorse, negotiate and sign on behalf of the Borrower any of the Equity Interests, to complete the blanks in any transfers of shares, bonds or debentures, any power of attorney or other documents delivered to it, to provide instructions or entitlement orders to any securities intermediary which maintains any securities account in which any Collateral is maintained, and to delegate its powers and for any delegate to sub-delegate the same (but the Lender shall not be obligated to and shall have no liability to the Borrower or any third party for failure to do so or take any action). Such appointment, being coupled with an interest, shall be irrevocable until the full and final discharge of the security interests created by this Agreement. The Borrower hereby ratifies all acts that such attorneys shall lawfully do or cause to be done by virtue hereof.

ARTICLE IX EXPENSES AND INDEMNITY

Section 9.01 Expenses and Indemnity.

- (a) The Borrower hereby agrees to indemnify and hold harmless the Lender and each officer, director, employee, contractor and advisor of the Lender (each such person being called an "**Indemnified Party**") from any losses, damages, liabilities, claims and related expenses (including the fees and expenses of legal counsel) incurred by the Indemnified Party or asserted against any Indemnified Party by any person (including the Borrower) other than such Indemnified Party and its officers, directors, employees, contractors and advisors arising out of, in connection with or resulting from this Agreement and other Loan Documents (including, without limitation, enforcement of this Agreement or any other Loan Document) or any failure of any Secured Obligations to be the legal, valid and binding obligations of the Borrower enforceable against the Borrower in accordance with their terms, whether brought by a third party or by the Borrower, and regardless of whether any Indemnified Party is a party thereto.
- (b) To the fullest extent permitted by applicable law, the Borrower hereby agrees not to assert, and hereby waives, any claim against any Indemnified Party, on any theory of liability, for special, indirect, consequential, exemplary or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document, or any agreement, transaction or instrument contemplated hereby or thereby.
- (c) The Borrower agrees to pay or reimburse the Lender for all its costs and expenses incurred in collecting the Secured Obligations or otherwise protecting, enforcing or preserving any rights or remedies under this Agreement and the other Loan Documents, including the fees and other charges of counsel to the Lender.
- (d) All amounts due under this Section shall be payable promptly after demand therefor and shall constitute Secured Obligations.
- (e) Without prejudice to the survival of any other agreement of the Borrower under this Agreement or any other Loan Documents, the agreements and obligations of the Borrower contained in this Section shall survive termination of the Loan Documents and payment in full of the Secured Obligations and all other amounts payable under this Agreement and the Loan Documents.

**ARTICLE X
LENDER MAY PERFORM**

Section 10.01 Lender May Perform. If the Borrower fails to perform any obligation contained in this Agreement, the Lender may itself perform, or cause performance of, such obligation, and the costs and expenses of the Lender incurred in connection therewith shall be payable by the Borrower; provided that the Lender shall not be required to perform or discharge any obligation of the Borrower and the performance by the Lender shall not waive the rights of the Lender to enforce this Agreement.

**ARTICLE XI
SET-OFF**

Section 11.01 Set-Off. Upon the occurrence of an Event of Default, the Lender may, without notice to the Borrower or any other person, any notice being expressly waived, set-off and apply all amounts standing to or for the credit of the Borrower from the Lender or any of the Lender's affiliates, in any currency, against and on account of all or any part of the Secured Obligations, all as the Lender may see fit (in its sole discretion), whether or not the Secured Obligations are due and payable. The Lender's records are proof of such recording absent manifest error. When applying a deposit or other obligation in a different currency than the Secured Obligations to the Secured Obligations, the Lender will convert the deposit or other obligation to the currency of the Secured Obligations using the rate of exchange for the conversion of such currency as determined by the Lender.

**ARTICLE XII
REMEDIES UPON DEFAULT**

Section 12.01 Right to Accelerate Payment. Upon the occurrence of an Event of Default that is continuing, the Lender may, by notice, declare any or all of the Secured Obligations to be immediately due and payable, whereupon, all of the Secured Obligations shall become and be immediately due and payable without presentment, demand, protest or further notice, all of which are hereby expressly waived by the Borrower.

Section 12.02 Enforcement of Security Interest. Upon the occurrence of an Event of Default that is continuing, the Lender may proceed to realize upon the Collateral and immediately enforce its rights and remedies.

Section 12.03 Remedies upon Default. Upon the occurrence of an Event of Default that is continuing, the Lender may exercise, without any other notice to or demand upon the Borrower, in addition to the other rights and remedies provided herein or in any other Loan Document or otherwise available to it, the following rights and remedies (which rights and remedies may be exercised independently or in combination):

- (a) the Lender may assert all rights and remedies of a Lender under the Act or other applicable law;
- (b) the Lender may take such steps as it considers desirable to maintain, preserve or protect the Collateral or its value;
- (c) the Lender may take possession of the Collateral by requiring the Borrower to assemble the Collateral or any part thereof and deliver the Collateral, or make the Collateral available, to the Lender at a place and time to be designated by the Lender;

- (d) the Lender may take possession of the Collateral by carrying on all or any part of the business of the Borrower, and may to the exclusion of all others, including the Borrower, enter upon, occupy and use any of the premises; buildings, plant and undertaking owned, occupied or used by the Borrower and may use any of the tools, machinery, equipment and intangibles (including Intellectual Property) of the Borrower for such time as the Lender sees fit, free of charge and without liability, in order to carry on the business of the Borrower or to manufacture or complete the manufacture of Inventory and to pack and ship finished products;
- (e) the Lender may enter upon and occupy any land and premises owned, leased or occupied by the Borrower where the Collateral or any part thereof is assembled or located in order to effectuate its rights and remedies hereunder or under law, without obligation whatsoever to the Borrower;
- (f) the Lender may borrow money required for the maintenance, preservation or protection of the Collateral or any part thereof, or to carry on the business, and may further charge the Collateral in priority to the security constituted by this Security Agreement;
- (g) the Lender may exercise and enforce all rights and remedies of the Borrower with respect to the Collateral, including collecting or compromising all or any of the Borrower's Accounts;
- (h) the Lender may sell, lease, license, or otherwise dispose of all or any part of the Collateral by private sale or public sale or otherwise, and upon such other terms and conditions (including as to credit, upset or reserve bid or price) as the Lender may deem commercially reasonable;
- (i) the Lender may appoint, by instrument in writing, any person or persons (whether an officer or employee of the Lender or not) to be a receiver, manager, interim receiver, or receiver and manager (collectively, "**Receiver**"), of the Collateral or any part of the Collateral and remove or replace any person so appointed. Any Receiver so appointed shall have, in addition to any other powers afforded by the law, the same powers and authorities afforded to the Lender under this ARTICLE XII;
- (j) the Lender may apply to a court of competent jurisdiction for the appointment of a Receiver of the Collateral or any part of the Collateral. Any Receiver so appointed shall have, in addition to any other powers afforded by the law, the same powers and authorities afforded to the Lender under this ARTICLE XII;
- (k) all rights of the Borrower to: (i) exercise the voting and other consensual rights it would otherwise be entitled to exercise pursuant to Section 5.01; and (ii) receive the dividends and other distributions which it would otherwise be entitled to receive and retain pursuant to this Agreement, shall immediately cease, and all such rights shall thereupon become vested in the Lender, which shall have the sole right to exercise such voting and other consensual rights and receive and hold such dividends and other distributions as Collateral; and
- (l) the Lender may retain the Collateral in satisfaction of the Secured Obligations.

Section 12.04 Receiver Agent of Borrower. In exercising any powers, any such Receiver so appointed shall act as agent of the Borrower and not the Lender and the Lender shall not in any way be responsible

for any of the actions of the Receiver, its employees, agents and contractors. The Lender may from time to time remove and appoint replacements for, any Receiver, and appoint another or others in their stead from time to time.

Section 12.05 Distribution of Proceeds. Any cash held by the Lender as Collateral and all cash Proceeds received by the Lender in respect of any sale of, collection from, or other realization upon all or any part of the Collateral shall be applied in whole or in part by the Lender to the payment of expenses incurred by the Lender in connection with the foregoing or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of the Lender hereunder, including reasonable legal and Receivers' fees, and the balance of such proceeds shall be applied or set-off against all or any part of the Secured Obligations in such order as the Lender shall elect, in its sole discretion. Any surplus of such cash or cash Proceeds held by the Lender and remaining after payment in full of all the Secured Obligations shall be paid over to the Borrower or to whomsoever may be lawfully entitled to receive such surplus. The Borrower shall remain liable for any deficiency if such cash and the cash Proceeds of any sale or other realization of the Collateral are insufficient to pay the Secured Obligations and the fees and other charges of any solicitor employed by the Lender to collect such deficiency.

Section 12.06 Borrower Pays Expenses. The Borrower agrees to pay all reasonable expenses incurred by the Lender or any Receiver in the preparation, perfection and enforcement of this Agreement, whether directly incurred or for services rendered, including legal and auditor's fees and expenses and remuneration of any Receiver.

ARTICLE XIII MISCELLANEOUS

Section 13.01 No Waiver and Cumulative Remedies. The Lender shall not by any act, delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Event of Default. All rights and remedies herein provided are cumulative and are not exclusive of any rights or remedies provided by law.

Section 13.02 Amendments. None of the terms or provisions of this Agreement may be amended, modified, supplemented, terminated or waived, and no consent to any departure by the Borrower therefrom shall be effective unless the same shall be in writing and signed by the Lender and the Borrower, and then such amendment, modification, supplement, waiver or consent shall be effective only in the specific instance and for the specific purpose for which made or given.

Section 13.03 Notices. All notices, consents, claims, demands, waivers and other communications hereunder shall be in writing and addressed to the parties at the addresses set forth in the Secured Note and shall be given in the manner and become effective as set forth in the Secured Note.

Section 13.04 Continuing Security Interest; Further Actions. This Agreement shall create a general and continuing security interest in the Collateral and shall (a) subject to Section 13.06, remain in full force and effect until payment and performance in full of the Secured Obligations, (b) be binding upon the Borrower, its successors and permitted assigns, and (c) enure to the benefit of the Lender and its successors, transferees and assigns; provided that the Borrower may not assign or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of the Lender. Without limiting the generality of the foregoing clause (c), any assignee of the Lender's interest in any agreement or document which includes all or any of the Secured Obligations shall become vested with all the benefits granted to the Lender herein with respect to such Secured Obligations.

Section 13.05 Assignment. The Lender may assign or transfer any of its rights under this Agreement without the consent of the Borrower. The Borrower may not assign its obligations under this Agreement without the prior written consent of the Lender.

Section 13.06 Termination; Release. On the date on which all Secured Obligations have been paid and performed in full (as determined by the Lender in its sole discretion), the Lender will, at the request and sole expense of the Borrower (a) duly assign, transfer and deliver to or at the direction of the Borrower (without recourse and without any representation or warranty) such of the Collateral as may then remain in the possession of the Lender, together with any monies at the time held by the Lender hereunder, and (b) execute and deliver to the Borrower a proper instrument or instruments acknowledging the satisfaction and termination of this Agreement.

Section 13.07 Acknowledgement. The Borrower acknowledges receipt of a fully executed copy of this Agreement.

Section 13.08 Amalgamation. The Borrower acknowledges that, if it amalgamates with another person, the term Borrower, when used in this Agreement, shall apply to each of the amalgamating corporations and to the amalgamated corporation, such that the security interests created hereby shall extend to the Collateral in which any amalgamating corporation has any rights at the time of the amalgamation and to any collateral in which the amalgamated corporation thereafter has any rights to secure the Secured Obligations of each of the amalgamating corporations and the amalgamated corporation to the Lender at the time of the amalgamation and any Secured Obligations of the amalgamated corporation to the Lender thereafter arising.

Section 13.09 Governing Law. All matters arising out of or relating to this Agreement shall be governed by, and construed in accordance with the laws of the Province of British Columbia, and the federal laws of Canada applicable therein.


Section 13.10 Counterparts and Electronic Transmission. This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

Section 13.11 Conflict with Secured Note. To the extent of any conflict or inconsistency between the terms of this Agreement and the terms of the Secured Note, the terms of the Secured Note shall govern to the extent necessary to remove the conflict or inconsistency.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Borrower has executed this Agreement as of the date first written above.

BZAM LTD.

By  _____

Name: Matt Milich

Title: CEO

SCHEDULE A

Full legal name: BZAM Ltd.

Prior names: The Green Organic Dutchman Holdings Ltd.

Predecessor companies: N/A

Address of chief executive office: 200 Burrard St, Suite 1570, Vancouver, BC, V6C 3L6

Address of all places where business is carried on or where tangible personal property is kept:

1. 200 Burrard St, Suite 1570, Vancouver, BC, V6C 3L6
2. 402-5520 Explorer Drive, Mississauga, ON, L4W 5L1
3. Units 517-519, 19100 Airport Way. Pitt Meadows, BC, Canada, V3Y 0E2
4. 8770 24th Street Sherwood Park, AB, Canada, T6P 1X8
5. #107 - 109, 1761 Sean Heights Saanichton, BC, Canada, V8M 0A5
6. 1915 Jerseyville Rd. W. Jerseyville, ON, L0R 1R0
7. 40 Great Plains Rd. Edenwold (RM) SK S4L 1B6
8. 5000 Chemin Murphy, Vaudreuil-Dorion QC, J7V 8P2
9. 6082 Russ Baker Way, Richmond BC V7B 1B4
10. 150 Mohawk St, Brantford, ON N3S 7G5

Addresses of all owned real property:

1. 1915 Jerseyville Road West, Jerseyville, ON L0R 1R0.
2. 8770 24th Street Sherwood Park, AB, Canada, T6P 1X8

Addresses of all leased real property:

1. 200 Burrard St, Suite 1570, Vancouver, BC, V6C 3L6
2. 402-5520 Explorer Drive. Mississauga, ON, L4W 5L1
3. Units 517-519, 19100 Airport Way. Pitt Meadows, BC, Canada, V3Y 0E2
4. 311-455 Boul. Fenelon, Dorval, QC H9S 5T8, leased by Medican Organic Inc., and sub-leased to 3rd party.
5. 40 Great Plains Rd. Edenwold (RM) SK S4L 1B6
6. #107 - 109, 1761 Sean Heights Saanichton, BC, Canada, V8M 0A5
7. 5000 Chemin Murphy, Vaudreuil-Dorion QC, J7V 8P2

Description of all 'serial numbered goods' (i.e. motor vehicle, manufactured home, boat, outboard motor, trailer or aircraft):

All owned equipment.

List of all material permits:

1. Health Canada Licence No LIC-CJMMLU7IJN-2019-1 (cultivation, processing, sale) issued to The Green Organic Dutchman Ltd. expiring July 20, 2027
2. Health Canada Licence No LIC-MVXNLN8UCN-2020 (Research) issued to The Green Organic Dutchman Ltd., expiring February 12, 2025
3. Health Canada Licence No LIC-JTUPWJZJ50-2022 issued to BZAM Management Inc.
4. Health Canada Licence No LIC-G27V6VI0UJ-2022 issued to BZAM Management Inc.
5. Health Canada Licence No LIC- HU7CU4DYAO-2020-5 issued to BZAM Management Inc.
6. Health Canada Licence No LIC- J5USTB6Z3V-2022 issued to BZAM Management Inc.
7. Health Canada Licence No LIC- 9GRI1YRQEV-2021 issued to BZAM Management Inc.
8. Health Canada Licence No LIC- LIC-TNCAPN24J9-2022 issued to BZAM Management Inc.
9. The Green Organic Dutchman Ltd. No. 83013 4847 RD0001 under the Excise Act, 2001 (Canada)
10. The Green Organic Dutchman Ltd. Licence No. 3PFXVKNM under the Safe Food For Canadians Act (Canada)

List of subsidiaries:

Name	Jurisdiction of Formation	Beneficial Equity/ Voting Ownership
The Green Organic Dutchman Ltd.	Canada	100%
TGOD Europe B.V.	Netherlands	100%
Medican Organic Inc.	Quebec	100%
14274261 Canada Inc.	Canada	100%
*BZAM Holdings Inc.	British Columbia	100%

List of subsidiaries for BZAM Holdings Inc.:

Name	Jurisdiction of Formation	Beneficial Equity/ Voting Ownership
BZAM Management Inc.	British Columbia	100%
Folium Life Science Inc.	British Columbia	80%
BZAM Cannabis Corp.	Alberta	88.2%
102172093 Saskatchewan Ltd.	Saskatchewan	100%

List of subsidiaries for TGOD Europe B.V.:

Name	Jurisdiction of Formation	Beneficial Equity/ Voting Ownership
The Green Organic Dutchman Germany GmbH	Germany	100%

PLEDGED SECURITIES

Issuer	Class/Type of Security	Certificate Number (if certificated)	Number of Securities
Nil.	N/A	N/A	N/A

GENERAL SECURITY AGREEMENT

This GENERAL SECURITY AGREEMENT, dated as of December 4, 2023 (as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time in accordance with the provisions hereof, this "**Agreement**"), is made by **BZAM LTD.** (the "**Borrower**") in favour of **STONE PINE CAPITAL LTD.** (the "**Lender**").

WHEREAS the Borrower has executed and delivered, or intends to execute and deliver, a certain secured demand promissory note dated on or about the date hereof (as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time, the "**Secured Note**") in favour of the Lender whereby the Lender will establish certain loans or extensions of credit in favour of the Borrower (the "**Loans**").

AND WHEREAS to secure the payment and performance of the Secured Obligations (this term, and other capitalized terms used in this Agreement have the meanings set forth in Section 1.01 below), the Borrower has agreed to grant to the Lender security interests over the Collateral in accordance with the terms of this Agreement.

NOW THEREFORE BE IT RESOLVED THAT in consideration of the Lender entering into the Secured Note and agreeing to make the Loans available to the Borrower, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Borrower agrees as follows:

ARTICLE I DEFINITIONS

Section 1.01 Definitions.

In this Agreement, the following words and phrases will have the meanings set out below unless the parties or the context otherwise require(s).

- (a) "**Act**" means the *Personal Property Security Act* of British Columbia and the regulations thereunder, as amended, restated or replaced by successor legislation of comparable effect.
- (b) "**Business Day**" means "Business Day" as defined in the Secured Note.
- (c) "**Change of Control**" means the occurrence of any transaction or related series of transactions (a) by which any Person, by means of takeover bid, tender offer, amalgamation, purchase of assets or otherwise (i) acquires the business or substantially all of the assets of the Borrower or (ii) acquires control of equity interests in the Borrower representing more than 50% of the ordinary voting power for the election of directors or other governing positions as manage the business affairs of the Borrower, or (b) that would have the effect of bringing about a change in the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of the Borrower, whether through the ability to exercise voting power, by contract or otherwise.
- (d) "**Collateral**" is defined in Section 2.01.
- (e) "**Debt**" means "Indebtedness" as defined in the Secured Note.

- (f) "**Equity Interests**" means, with respect to any Person, all of the securities, investment property, units, trust units, partnership, membership and other equity interests, participations, investment certificates, notes (or other ownership or profit interests in) in or of such Person (collectively, "**ownership interests**"), all of the warrants, options or other rights for the purchase or acquisition from such Person of ownership interests in such Person, all of the securities convertible into or exchangeable for ownership interests in such Person or warrants, rights or options for the purchase or acquisition from such Person of ownership interests, and all of the other ownership or profit interests in such Person (including, without limitation, partnership, member or trust interests therein), whether voting or non-voting, and whether or not such ownership interests are outstanding on any date of determination.
- (g) "**Event of Default**" means any material breach of any obligation, representation or agreement in a Loan Document, or any event of default under or described in a Loan Document.
- (h) "**Excluded Asset**" is defined in Section 2.03(a).
- (i) "**Intellectual Property**" means any and all intellectual property, including licences, copyrights, copyright licences, patents, patent licences, patent applications, service marks, trademarks, trademark licences, trademark applications, trade styles, trade names, technology, know-how and processes, trade secrets, inventions, industrial designs, all rights therein, and all rights to sue at law or in equity for any past, present, or future infringement, violation, misuse, misappropriation or other impairment thereof, whether arising under the laws of Canada, the laws of any Canadian province or territory or foreign laws or otherwise, including the right to receive injunctive relief and all proceeds and damages therefrom.
- (j) "**Lien**" means any mortgage, pledge, lien, assignment by way of security, charge, security interest, trust arrangement in the nature of a security interest, conditional sale or other title retention agreement, equipment trusts, lease financings including by way of sale and lease-back, hypothec, levy, execution, seizure, attachment, garnishment, any option, preferential right or adverse claim constituting an interest in such property, or any other encumbrance in respect of such property.
- (k) "**Loan Document**" means, collectively, the Secured Note, this Agreement, and any other agreement, note, certificate, or agreement from time to time entered into between the Borrower and the Lender in connection with the transactions set out in the Secured Note and this Agreement.
- (l) "**Permitted Debt**" means Debt of the Borrower consented to in writing by Lender, which the Lender may, in its sole discretion, require to be postponed and subordinated to the Secured Obligations on terms acceptable to the Lender.
- (m) "**Permitted Liens**" means:
 - (i) Liens for taxes, assessments, governmental charges or other statutory Liens or security interests not at such date due or delinquent, or the validity of which the Borrower is contesting in good faith and in respect of which, or where the failure

to pay or discharge same could not reasonably be expected to impede the ability of the Borrower to pay the Secured Obligations;

- (ii) Liens in connection with any judgment rendered, or claim filed, against the Borrower where the payment of any amount to satisfy such judgement or claim could not reasonably be expected to impede the ability of the Borrower to pay the Secured Obligations;
 - (iii) any Lien or trust or deposit arising in connection with workers' compensation, employment insurance, pension and employment laws or regulations, so long as the existence of such Lien, trust or deposit could not reasonably be expected to impede the ability of the Borrower to pay the Secured Obligations;
 - (iv) Liens in favour of the Lender pursuant to the Loan Documents;
 - (v) Liens created in connection Permitted Debt; and
 - (vi) All other Liens consented to in writing by the Lender, acting reasonably.
- (n) "**Pledged Securities**" means all of the issued and outstanding Equity Interests of each issuer described in Schedule A hereto that are now or from time to time hereafter held by the Borrower.
- (o) "**Persons**" or "**Person**" means and includes any individual, sole proprietorship, corporation, partnership, bank, joint venture, trust, unincorporated association, association, institution, entity, party or government (whether national, federal, provincial, state, municipal, city, county or otherwise and including any instrumentality, division, agency, body or department thereof).
- (p) "**Proceeds**" means "proceeds" as such term is defined in section 1(1) of the Act and, in any event, shall include, without limitation, all dividends or other income from the Collateral, collections thereon or distributions with respect thereto.
- (q) "**Receiver**" is defined in Section 12.03(i).
- (r) "**Secured Obligations**" means all present and future debts, liabilities and obligations of the of any and every kind, nature and description (whether direct or indirect, joint or several, absolute or contingent, matured or unmatured) of the Borrower to the Lender under, in connection with or with respect to the Loan Documents.
- (s) "**STA**" means the *Securities Transfer Act*, as in effect from time to time in the Province of British Columbia.

Section 1.02 Application of Act

Words used in this Agreement that are defined in the Act will have the respective meanings ascribed to them in the Act, unless otherwise defined herein.

Section 1.03 Interpretation.

- (a) Unless otherwise specified herein, all references to Sections and Schedules herein are to Sections and Schedules of this Agreement.
- (b) For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:
 - (i) the words "herein", "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular article, section or other subdivision of this Agreement;
 - (ii) the word "including", when following any general statement, term or matter, is not to be construed to limit such general statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not non-limiting language (such as "without limitation" or "but not limited to" or words of similar import) is used with reference thereto but rather refers to all other items or matters that could reasonably fall within the broadest possible scope of such general statement, term or matter;
 - (iii) any definition of or reference to any agreement, instrument or other document herein (including this Agreement) shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented, restated or otherwise modified (subject to any restrictions on such amendments, supplements, restatements or modifications set forth herein); and
 - (iv) a reference to a statute or a section of a statute shall include and shall be deemed to be a reference to such statute or section and to the regulations made pursuant thereto, with all amendments made thereto and in force at the relevant time, and to any statute, section of a statute or regulation that may be passed which has the effect of supplementing or superseding the statute or section so referred to or the regulations made pursuant thereto.

ARTICLE II GRANT OF SECURITY INTEREST

Section 2.01 Grant of Security Interest. As security for the payment and performance of the Secured Obligations, the Borrower hereby grants, assigns, transfers, sets over, mortgages, charges, and pledges to the Lender, and hereby creates a general and continuing security interest in favour of the Lender in and to all of the Borrower's right, title and interest in and to the following, wherever located, whether now existing or hereafter from time to time arising or acquired (collectively, the "**Collateral**"):

- (a) all present and after-acquired property, assets and undertaking of the Borrower of every kind and nature whatsoever, including all Accounts, Goods (including Inventory, Equipment and motor vehicles, but excluding Consumer Goods), Intangibles, Intellectual Property, Chattel Paper, Documents of Title, Instruments, Securities and all other Investment Property (including the Pledged Securities and the securities accounts), Money, and any other contract rights or rights to the payment of money;
- (b) all Proceeds and products of each of the foregoing, including any and all Proceeds of any insurance, indemnity, compensation for loss or damage, warranty or guarantee payable to the Borrower from time to time with respect to any of the foregoing;

- (c) all books and records relating to the foregoing, including in any form or medium;
- (d) all supporting obligations relating to the foregoing;
- (e) all additions, accessions to, substitutions and replacements for, and rents, profits and products of, each of the foregoing; and
- (f) the last day of the term of any lease, verbal or written, or any agreement to lease, now held or hereafter acquired by the Borrower is hereby excepted out of the security interests hereby created, but should the Lender need to enforce against the Collateral, the Borrower shall hold the last date in trust for the Lender and shall assign it to any person acquiring the term or that part of the term that is charged in the course of any enforcement or realization of the Collateral.

For greater certainty, the Collateral does not include any Consumer Goods.

Section 2.02 Attachment of Security Interest. The Borrower acknowledges that value has been given, that the Borrower has rights in the Collateral, and that the parties have agreed not to postpone the time for attachment of any security interest in this Agreement. The Borrower acknowledges that any security interest created by this Agreement shall attach to existing Collateral upon the execution of this Agreement and to each item of after-acquired Collateral at the time that the Borrower acquires rights in such after-acquired Collateral.

Section 2.03 Limitation on Grant of Security Interest.

- (a) To the extent the grant of the security interest in respect of any contract, permit, lease, licence, instrument, document or other agreement entered into by the Borrower would result in the breach or termination of or cause a default under such contract, permit, lease, licence, instrument, or other agreement (each an "**Excluded Asset**"), each such Excluded Asset shall not be subject to the security interest created hereby while such restriction applies but shall be held in trust by the Borrower in favour of the Lender, but only for so long as such prohibition or requirement for consent is not terminated, rendered unenforceable or otherwise deemed ineffective by the Act or any other applicable law; provided however that Excluded Assets shall not include any Proceeds, products, substitutions or replacements of any Excluded Asset (unless such Proceeds, products, substitutions, or replacements would themselves otherwise constitute Excluded Assets) and provided further that if any Excluded Asset would have otherwise constituted Collateral, when such asset shall cease to be an Excluded Asset, such asset shall be deemed at all times from and after the date hereof to constitute Collateral subject to the security interest created hereby. The Borrower will use all commercially reasonable efforts to obtain the consent of each other party to any and all Excluded Assets to the assignment of such Excluded Assets to the Lender in accordance with this Agreement. The Borrower will also use all commercially reasonable efforts to ensure that no material agreement entered into on or after the date of this Agreement shall expressly prohibit assignment of the benefits of such agreement as collateral security to the Lender.
- (b) The security interest with respect to trademarks constitutes a security interest in, and a charge, hypothecation and pledge of, such Collateral in favour of the Lender, but does not constitute an assignment of such Collateral to the Lender.

ARTICLE III
PERFECTION OF SECURITY INTEREST AND FURTHER ASSURANCES

Section 3.01 Perfection. The Borrower shall, from time to time, and at its expense, take all actions as may be requested by the Lender to perfect the security interest of the Lender in the Collateral.

Section 3.02 Intellectual Property. The Borrower hereby further authorizes the Lender to file with the *Canadian Intellectual Property Office* this Agreement and other required documents for the purpose of recording, perfecting, confirming, continuing, enforcing or protecting the security interests in Intellectual Property granted by the Borrower hereunder.

Section 3.03 Tangible Chattel Paper, Documents of Title, Instruments. If the Borrower shall at any time hold or acquire any promissory notes, tangible chattel paper, negotiable documents of title or warehouse receipts relating to the Collateral, the Borrower shall immediately endorse, assign and deliver possession of the same to the Lender, accompanied by such instruments of transfer or assignment duly executed in blank as the Lender may from time to time specify.

Section 3.04 Control.

- (a) **Certificates.** The Borrower shall promptly, at the request of the Lender and in a manner satisfactory to the Lender: (i) cause a security certificate to be issued for any Investment Property that is in the form of an uncertificated security to the extent that such request can be accommodated by the issuer thereof; (ii) duly endorse all share certificates at any time held or acquired by it relating to the Collateral in blank for transfer or execute stock powers of attorney in blank in form and substance satisfactory to the Lender; (iii) deliver such share certificates and stock powers to the Lender; and (iv) take all other steps to give exclusive control over such certificated securities to the Lender.
- (b) **Electronic Chattel Paper.** Where Collateral includes electronic chattel paper, the Borrower shall take all commercially reasonable efforts to cause the record comprising such chattel paper to be created, stored and transferred in a manner satisfactory to the Lender and which will provide the Lender with control of the electronic chattel paper.

Section 3.05 Copy of Verification Statement. To the extent permitted by law, the Borrower hereby waives its right to receive a copy of any financing statement, financing change statement or verification statement filed or received by or on behalf of the Lender in connection with the Lender's interest in the Collateral.

Section 3.06 Further Assurances. The Borrower agrees that, at any time and from time to time, at the expense of the Borrower, the Borrower will promptly execute and deliver all further instruments and documents, obtain such agreements from third parties, and take all further action, that may be necessary or desirable, or that the Lender may reasonably request to create and maintain the validity, perfection or priority of and protect any security interest granted or purported to be granted hereby (including, without limitation, providing the Lender with a fixed and specific mortgage) or to enable the Lender to exercise and enforce their rights and remedies hereunder or under any other Loan Document with respect to any Collateral.

**ARTICLE IV
REPRESENTATIONS AND WARRANTIES**

Section 4.01 Representations and Warranties. The Borrower represents and warrants as follows:

- (a) **Borrower Information.** All information set out in **Schedule A** is accurate and complete.
- (b) **Ownership and Title.** The Borrower is the sole, direct, legal and beneficial owner of, and has good marketable title to, all existing Collateral and shall be the sole, direct, legal and beneficial owner of, and have good marketable title to, each item of after-acquired Collateral free and clear of any mortgages, charges, hypothecs, pledges, trusts, liens, security interests and other claims except for the security interests created by this Agreement and Permitted Liens.
- (c) **Existence and Capacity.** The Borrower has been duly incorporated, amalgamated or formed and validly exists under the laws of its jurisdiction of incorporation, amalgamation, or formation and has full power, capacity, authority and legal right to borrow, grant a security interest in the Collateral, execute and deliver this Agreement and perform its obligations under this Agreement.
- (d) **Binding Obligation.** Each of this Agreement and the other Loan Documents to which the Borrower is a party have been duly authorized, executed and delivered by the Borrower and constitutes a legal, valid and binding obligation of the Borrower enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium, arrangement, or other similar laws affecting creditors' rights generally and subject to equitable principles (regardless of whether enforcement is sought in equity or at law).
- (e) **No Governmental or Regulatory Approvals.** No authorization, approval, or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the borrowing of the Loans and the pledge by the Borrower of the Collateral under this Agreement or for the execution and delivery of the other Loan Documents by the Borrower or the performance by the Borrower of its obligations thereunder.
- (f) **Compliance with Laws.** The Borrower is in compliance with, and operates its business in compliance with, all applicable laws and regulations (including environmental, labour and employment, tax, health and safety, anti-money laundering, sanctions, and Canadian trade laws and regulations).
- (g) **Litigation.** There is no material litigation, investigation, claim or proceeding pending, or to the knowledge of the Borrower, threatened, by or against it or its assets.
- (h) **Insurance.** The Borrower has in full force and effect policies of insurance with sound and reputable insurance companies in such amounts, with such deductibles, and covering such risks as are customarily carried by companies engaged in similar businesses. All premiums with respect to such policies that are due and payable have been paid.
- (i) **No Violation of Laws, Constatng Documents, Agreements.** The execution and delivery of the Loan Documents by the Borrower and the performance by the Borrower of its obligations thereunder, will not violate any provision of any applicable laws or any order,

judgment, writ, award or decree of any court, arbitrator or governmental authority, domestic or foreign, applicable to the Borrower or any of its property, or the constating or governing documents of the Borrower or any agreement or instrument to which the Borrower is party or by which it or its property is bound.

- (j) **Pledged Securities Validly Issued.** The Pledged Securities and other Equity Interests have been duly authorized and validly issued and are fully paid and non-assessable and subject to no options to purchase or similar rights. No person (other than the Borrower) has any right to acquire or cause to be issued to them any of the Collateral.
- (k) **Certificated Securities.** The Collateral does not include any Investment Property that have not been certificated. The Collateral does not include any certificated securities that the Borrower has not delivered to the Lender.
- (l) **Perfection by Control.** The Borrower has taken all action required on its part for control to have been obtained by the Lender over all Collateral with respect to which such control may be obtained pursuant to the Act and the STA. No person other than the Lender has control or possession of all or any part of the Collateral.

ARTICLE V VOTING AND RECEIVABLES

Section 5.01 Voting. Unless a Default or an Event of Default shall have occurred and be continuing, the Borrower may, to the extent the Borrower has such right as a holder of the Collateral consisting of Investment Property, other Equity Interests or indebtedness owed by any obligor, vote and give consents, ratifications and waivers with respect thereto, except to the extent that any such vote, consent, ratification or waiver could detract from the value thereof as Collateral or which would be inconsistent with or result in any violation of any provision of the Secured Note or this Agreement.

Section 5.02 Receivables. If a Default or an Event of Default has occurred and is continuing, the Lender may, or at the request and option of the Lender, the Borrower shall: (i) notify account Borrowers of the Lender's security interests in any account, chattel paper, intangible, instrument or other Collateral; and (ii) direct that payment thereof is to be made directly to the Lender.

ARTICLE VI COVENANTS

Section 6.01 Covenants. The Borrower covenants as follows:

- (a) **Consent re: Change of Legal Name and Place of Business.** The Borrower will not, except with the prior written consent of the Lender, change its legal name, jurisdiction of incorporation, corporate structure, or the province or territory in which its registered office, chief executive office or its principal place of business is located. The Borrower will, prior to any change described in the preceding sentence, take all actions requested by the Lender to maintain the perfection and priority of the Lender's security interest in the Collateral.
- (b) **Consent re: Change of Location of Collateral.** The Collateral, to the extent not delivered to the Lender under ARTICLE III, will be kept at those locations listed in Schedule A and, except for Inventory sold or leased in the ordinary course of business, the Borrower will not remove the Collateral from such locations except as permitted in with Lender's prior

written consent. The Borrower will, before any change described in the preceding sentence, take all actions required by the Lender to maintain the perfection and priority of the Lender's security interest in the Collateral.

- (c) **Dealing with Collateral: No Sale or Encumbrances.** The Borrower will not sell, dispose of, lease, assign or otherwise transfer any of the Collateral except in the ordinary course of business, or with the prior written consent of the Lender.
- (d) **Maintenance and Protection of Collateral.** The Borrower will keep the Collateral in good order, condition and repair so as to protect and preserve the Collateral and will not permit the Collateral to be affixed to real or personal property so as to become a fixture or accession without the prior written consent of the Lender. The Borrower will not use the Collateral in violation of this Agreement, or any other agreement relating to the Collateral or any policy of insurance thereon, or any applicable law. The Borrower will keep all licences, permits, agreements, registrations and applications relating to intellectual property used by Borrower in good standing. The Borrower shall register all existing and future trademarks, patents, copyrights and industrial designs. The Borrower shall, at its own cost and expense, defend title to the Collateral and the security interests of the Lender therein against the claim or demand of any person claiming against or through the Borrower and shall maintain and preserve such perfected security interests for so long as this Agreement shall remain in effect.
- (e) **Compliance with Laws.** The Borrower will comply with all applicable laws, regulations, permits and approvals (including, without limitation, environmental, health and safety, labour and employment, anti-money laundering, sanctions, and Canadian trade laws and regulations).
- (f) **Performance of Obligations.** The Borrower will pay promptly when due all taxes, assessments, governmental charges, and levies upon the Collateral or incurred in connection with the use or operation of the Collateral or incurred in connection with this Agreement. The Borrower shall perform all of its obligations under material agreements, leases, licences, arrangements to obtain and preserve its rights, powers, licences, privileges and goodwill thereunder and comply with all applicable law, by-laws, rules and regulations so as to preserve and protect the Collateral and the Borrower's business.
- (g) **Access to Collateral, Inspection.** The Borrower will permit the Lender, and its representatives, agents, consultants and advisors, to inspect the Collateral from time to time and to examine and take extracts of its books and records (electronic or hard copy), at any reasonable time and on reasonable notice, wherever located. The Borrower shall, upon request by the Lender, provide the Lender with any information concerning the Collateral, the Borrower and its business, as the Lender may reasonably request, including financial statements or other financial information and access to the Borrower's senior executives, accountants and auditors to discuss any information concerning the Collateral, the Borrower or its business and affairs.
- (h) **Debt.** The Borrower will not create, incur, assume, permit to exist or make any payments with respect to any Debt other than Permitted Debt.
- (i) **Liens.** The Borrower will not grant, create, permit or suffer to exist any Liens or other restriction or limitation of any nature whatsoever on the Collateral except for Permitted

Liens. The Borrower shall ensure that the Liens created pursuant to this Agreement are at all times first ranking Liens.

- (j) **Corporate, Business Changes.** The Borrower will not, without the prior written consent of the Lender:
 - (i) permit any Change of Control;
 - (ii) amalgamate or merge, consolidate, reorganize or restructure, continue in another jurisdiction, enter into a joint venture or partnership, liquidate, dissolve, wind-up, become bankrupt, initiate insolvency proceedings, or engage in other fundamental changes;
 - (iii) issue any Equity Interest in the Borrower to any person other than owner of any Equity Interests in the Borrower as of the date of this Agreement; or
 - (iv) engage in any business other than the businesses of the type conducted by on the date hereof and businesses reasonably related thereto.
- (k) **Insurance.** The Borrower shall maintain adequate insurance with respect to its business and the Collateral in such amounts and covering such risks as are acceptable to the Lender, with the Lender noted as loss payee on property insurance policies and additional insured on liability insurance policies, and provide the Lender with not less than 30 days' prior written notice of any cancellation or change in insurance.
- (l) **Intellectual Property.** The Borrower will make and maintain all filings, registrations and recordings necessary to maintain its rights in the patents, trademarks, copyrights and industrial designs included in the Intellectual Property.
- (m) **Notification.** The Borrower shall notify the Lender within five Business Days of: (i) the details of any material acquisition of Collateral; (ii) the details of any material litigation in connection with the Borrower, the Collateral or the Borrower's business; (iii) any loss or damage to the Collateral or the value of the Collateral; (iv) any default by any account Borrower in the payment or performance of its obligations; (v) any material adverse change in the financial condition, business, operations or assets, property and undertaking of the Borrower; and (vi) if any representation, warranty or statement made or deemed to be made by the Borrower under or in connection with the Loan Documents is or becomes incorrect or misleading.

ARTICLE VII SURVIVAL OF REPRESENTATIONS AND WARRANTIES AND COVENANTS

Section 7.01 Survival of Representations and Warranties and Covenants. All representations, warranties and covenants made by the Borrower shall survive the execution and delivery of this Agreement and remain in full force and effect until the payment in full of the Secured Obligations.

**ARTICLE VIII
LENDER POWER OF ATTORNEY**

Section 8.01 Lender Power of Attorney. The Borrower hereby irrevocably constitutes and appoints the Lender and any officer or employee of the Lender as the Borrower's true and lawful attorney, with full power of substitution and with full authority in the place and stead of the Borrower and in the name of the Borrower or otherwise, from time to time, during the continuance of an Event of Default, in the Lender's discretion to take any action and to execute any instrument which the Lender may deem necessary or advisable to accomplish the purposes of this Agreement, including, without limitation, to receive, endorse and collect all instruments made payable to the Borrower representing any dividend, interest payment or other distribution in respect of the Collateral or any part thereof and to give full discharge for the same, to transfer, endorse, negotiate and sign on behalf of the Borrower any of the Equity Interests, to complete the blanks in any transfers of shares, bonds or debentures, any power of attorney or other documents delivered to it, to provide instructions or entitlement orders to any securities intermediary which maintains any securities account in which any Collateral is maintained, and to delegate its powers and for any delegate to sub-delegate the same (but the Lender shall not be obligated to and shall have no liability to the Borrower or any third party for failure to do so or take any action). Such appointment, being coupled with an interest, shall be irrevocable until the full and final discharge of the security interests created by this Agreement. The Borrower hereby ratifies all acts that such attorneys shall lawfully do or cause to be done by virtue hereof.

**ARTICLE IX
EXPENSES AND INDEMNITY**

Section 9.01 Expenses and Indemnity.

- (a) The Borrower hereby agrees to indemnify and hold harmless the Lender and each officer, director, employee, contractor and advisor of the Lender (each such person being called an "**Indemnified Party**") from any losses, damages, liabilities, claims and related expenses (including the fees and expenses of legal counsel) incurred by the Indemnified Party or asserted against any Indemnified Party by any person (including the Borrower) other than such Indemnified Party and its officers, directors, employees, contractors and advisors arising out of, in connection with or resulting from this Agreement and other Loan Documents (including, without limitation, enforcement of this Agreement or any other Loan Document) or any failure of any Secured Obligations to be the legal, valid and binding obligations of the Borrower enforceable against the Borrower in accordance with their terms, whether brought by a third party or by the Borrower, and regardless of whether any Indemnified Party is a party thereto.
- (b) To the fullest extent permitted by applicable law, the Borrower hereby agrees not to assert, and hereby waives, any claim against any Indemnified Party, on any theory of liability, for special, indirect, consequential, exemplary or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document, or any agreement, transaction or instrument contemplated hereby or thereby.
- (c) The Borrower agrees to pay or reimburse the Lender for all its costs and expenses incurred in collecting the Secured Obligations or otherwise protecting, enforcing or preserving any

rights or remedies under this Agreement and the other Loan Documents, including the fees and other charges of counsel to the Lender.

- (d) All amounts due under this Section shall be payable promptly after demand therefor and shall constitute Secured Obligations.
- (e) Without prejudice to the survival of any other agreement of the Borrower under this Agreement or any other Loan Documents, the agreements and obligations of the Borrower contained in this Section shall survive termination of the Loan Documents and payment in full of the Secured Obligations and all other amounts payable under this Agreement and the Loan Documents.

ARTICLE X LENDER MAY PERFORM

Section 10.01 Lender May Perform. If the Borrower fails to perform any obligation contained in this Agreement, the Lender may itself perform, or cause performance of, such obligation, and the costs and expenses of the Lender incurred in connection therewith shall be payable by the Borrower; provided that the Lender shall not be required to perform or discharge any obligation of the Borrower and the performance by the Lender shall not waive the rights of the Lender to enforce this Agreement.

ARTICLE XI SET-OFF

Section 11.01 Set-Off. Upon the occurrence of an Event of Default, the Lender may, without notice to the Borrower or any other person, any notice being expressly waived, set-off and apply all amounts standing to or for the credit of the Borrower from the Lender or any of the Lender's affiliates, in any currency, against and on account of all or any part of the Secured Obligations, all as the Lender may see fit (in its sole discretion), whether or not the Secured Obligations are due and payable. The Lender's records are proof of such recording absent manifest error. When applying a deposit or other obligation in a different currency than the Secured Obligations to the Secured Obligations, the Lender will convert the deposit or other obligation to the currency of the Secured Obligations using the rate of exchange for the conversion of such currency as determined by the Lender.

ARTICLE XII REMEDIES UPON DEFAULT

Section 12.01 Right to Accelerate Payment. Upon the occurrence of an Event of Default that is continuing, the Lender may, by notice, declare any or all of the Secured Obligations to be immediately due and payable, whereupon, all of the Secured Obligations shall become and be immediately due and payable without presentment, demand, protest or further notice, all of which are hereby expressly waived by the Borrower.

Section 12.02 Enforcement of Security Interest. Upon the occurrence of an Event of Default that is continuing, the Lender may proceed to realize upon the Collateral and immediately enforce its rights and remedies.

Section 12.03 Remedies upon Default. Upon the occurrence of an Event of Default that is continuing, the Lender may exercise, without any other notice to or demand upon the Borrower, in addition to the other

rights and remedies provided herein or in any other Loan Document or otherwise available to it, the following rights and remedies (which rights and remedies may be exercised independently or in combination):

- (a) the Lender may assert all rights and remedies of a Lender under the Act or other applicable law;
- (b) the Lender may take such steps as it considers desirable to maintain, preserve or protect the Collateral or its value;
- (c) the Lender may take possession of the Collateral by requiring the Borrower to assemble the Collateral or any part thereof and deliver the Collateral, or make the Collateral available, to the Lender at a place and time to be designated by the Lender;
- (d) the Lender may take possession of the Collateral by carrying on all or any part of the business of the Borrower, and may to the exclusion of all others, including the Borrower, enter upon, occupy and use any of the premises; buildings, plant and undertaking owned, occupied or used by the Borrower and may use any of the tools, machinery, equipment and intangibles (including Intellectual Property) of the Borrower for such time as the Lender sees fit, free of charge and without liability, in order to carry on the business of the Borrower or to manufacture or complete the manufacture of Inventory and to pack and ship finished products;
- (e) the Lender may enter upon and occupy any land and premises owned, leased or occupied by the Borrower where the Collateral or any part thereof is assembled or located in order to effectuate its rights and remedies hereunder or under law, without obligation whatsoever to the Borrower;
- (f) the Lender may borrow money required for the maintenance, preservation or protection of the Collateral or any part thereof, or to carry on the business, and may further charge the Collateral in priority to the security constituted by this Security Agreement;
- (g) the Lender may exercise and enforce all rights and remedies of the Borrower with respect to the Collateral, including collecting or compromising all or any of the Borrower's Accounts;
- (h) the Lender may sell, lease, license, or otherwise dispose of all or any part of the Collateral by private sale or public sale or otherwise, and upon such other terms and conditions (including as to credit, upset or reserve bid or price) as the Lender may deem commercially reasonable;
- (i) the Lender may appoint, by instrument in writing, any person or persons (whether an officer or employee of the Lender or not) to be a receiver, manager, interim receiver, or receiver and manager (collectively, "**Receiver**"), of the Collateral or any part of the Collateral and remove or replace any person so appointed. Any Receiver so appointed shall have, in addition to any other powers afforded by the law, the same powers and authorities afforded to the Lender under this ARTICLE XII;

- (j) the Lender may apply to a court of competent jurisdiction for the appointment of a Receiver of the Collateral or any part of the Collateral. Any Receiver so appointed shall have, in addition to any other powers afforded by the law, the same powers and authorities afforded to the Lender under this ARTICLE XII;
- (k) all rights of the Borrower to: (i) exercise the voting and other consensual rights it would otherwise be entitled to exercise pursuant to Section 5.01; and (ii) receive the dividends and other distributions which it would otherwise be entitled to receive and retain pursuant to this Agreement, shall immediately cease, and all such rights shall thereupon become vested in the Lender, which shall have the sole right to exercise such voting and other consensual rights and receive and hold such dividends and other distributions as Collateral; and
- (l) the Lender may retain the Collateral in satisfaction of the Secured Obligations.

Section 12.04 Receiver Agent of Borrower. In exercising any powers, any such Receiver so appointed shall act as agent of the Borrower and not the Lender and the Lender shall not in any way be responsible for any of the actions of the Receiver, its employees, agents and contractors. The Lender may from time to time remove and appoint replacements for, any Receiver, and appoint another or others in their stead from time to time.

Section 12.05 Distribution of Proceeds. Any cash held by the Lender as Collateral and all cash Proceeds received by the Lender in respect of any sale of, collection from, or other realization upon all or any part of the Collateral shall be applied in whole or in part by the Lender to the payment of expenses incurred by the Lender in connection with the foregoing or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of the Lender hereunder, including reasonable legal and Receivers' fees, and the balance of such proceeds shall be applied or set-off against all or any part of the Secured Obligations in such order as the Lender shall elect, in its sole discretion. Any surplus of such cash or cash Proceeds held by the Lender and remaining after payment in full of all the Secured Obligations shall be paid over to the Borrower or to whomsoever may be lawfully entitled to receive such surplus. The Borrower shall remain liable for any deficiency if such cash and the cash Proceeds of any sale or other realization of the Collateral are insufficient to pay the Secured Obligations and the fees and other charges of any solicitor employed by the Lender to collect such deficiency.

Section 12.06 Borrower Pays Expenses. The Borrower agrees to pay all reasonable expenses incurred by the Lender or any Receiver in the preparation, perfection and enforcement of this Agreement, whether directly incurred or for services rendered, including legal and auditor's fees and expenses and remuneration of any Receiver.

ARTICLE XIII MISCELLANEOUS

Section 13.01 No Waiver and Cumulative Remedies. The Lender shall not by any act, delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Event of Default. All rights and remedies herein provided are cumulative and are not exclusive of any rights or remedies provided by law.

Section 13.02 Amendments. None of the terms or provisions of this Agreement may be amended, modified, supplemented, terminated or waived, and no consent to any departure by the Borrower therefrom

shall be effective unless the same shall be in writing and signed by the Lender and the Borrower, and then such amendment, modification, supplement, waiver or consent shall be effective only in the specific instance and for the specific purpose for which made or given.

Section 13.03 Notices. All notices, consents, claims, demands, waivers and other communications hereunder shall be in writing and addressed to the parties at the addresses set forth in the Secured Note and shall be given in the manner and become effective as set forth in the Secured Note.

Section 13.04 Continuing Security Interest; Further Actions. This Agreement shall create a general and continuing security interest in the Collateral and shall (a) subject to Section 13.06, remain in full force and effect until payment and performance in full of the Secured Obligations, (b) be binding upon the Borrower, its successors and permitted assigns, and (c) enure to the benefit of the Lender and its successors, transferees and assigns; provided that the Borrower may not assign or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of the Lender. Without limiting the generality of the foregoing clause (c), any assignee of the Lender's interest in any agreement or document which includes all or any of the Secured Obligations shall become vested with all the benefits granted to the Lender herein with respect to such Secured Obligations.

Section 13.05 Assignment. The Lender may assign or transfer any of its rights under this Agreement without the consent of the Borrower. The Borrower may not assign its obligations under this Agreement without the prior written consent of the Lender.

Section 13.06 Termination; Release. On the date on which all Secured Obligations have been paid and performed in full (as determined by the Lender in its sole discretion), the Lender will, at the request and sole expense of the Borrower (a) duly assign, transfer and deliver to or at the direction of the Borrower (without recourse and without any representation or warranty) such of the Collateral as may then remain in the possession of the Lender, together with any monies at the time held by the Lender hereunder, and (b) execute and deliver to the Borrower a proper instrument or instruments acknowledging the satisfaction and termination of this Agreement.

Section 13.07 Acknowledgement. The Borrower acknowledges receipt of a fully executed copy of this Agreement.

Section 13.08 Amalgamation. The Borrower acknowledges that, if it amalgamates with another person, the term Borrower, when used in this Agreement, shall apply to each of the amalgamating corporations and to the amalgamated corporation, such that the security interests created hereby shall extend to the Collateral in which any amalgamating corporation has any rights at the time of the amalgamation and to any collateral in which the amalgamated corporation thereafter has any rights to secure the Secured Obligations of each of the amalgamating corporations and the amalgamated corporation to the Lender at the time of the amalgamation and any Secured Obligations of the amalgamated corporation to the Lender thereafter arising.

Section 13.09 Governing Law. All matters arising out of or relating to this Agreement shall be governed by, and construed in accordance with the laws of the Province of British Columbia, and the federal laws of Canada applicable therein.

Section 13.10 Counterparts and Electronic Transmission. This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email or other means of electronic

transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

Section 13.11 Conflict with Secured Note. To the extent of any conflict or inconsistency between the terms of this Agreement and the terms of the Secured Note, the terms of the Secured Note shall govern to the extent necessary to remove the conflict or inconsistency.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Borrower has executed this Agreement as of the date first written above.

BZAM LTD.

By  _____

Name: Matt Milich

Title: CEO

SCHEDULE A

Full legal name: BZAM Ltd.

Prior names: The Green Organic Dutchman Holdings Ltd.

Predecessor companies: N/A

Address of chief executive office: 200 Burrard St, Suite 1570, Vancouver, BC, V6C 3L6

Address of all places where business is carried on or where tangible personal property is kept:

1. 200 Burrard St, Suite 1570, Vancouver, BC, V6C 3L6
2. 402-5520 Explorer Drive, Mississauga, ON, L4W 5L1
3. Units 517-519, 19100 Airport Way. Pitt Meadows, BC, Canada, V3Y 0E2
4. 8770 24th Street Sherwood Park, AB, Canada, T6P 1X8
5. #107 - 109, 1761 Sean Heights Saanichton, BC, Canada, V8M 0A5
6. 1915 Jerseyville Rd. W. Jerseyville, ON, L0R 1R0
7. 40 Great Plains Rd. Edenwold (RM) SK S4L 1B6
8. 5000 Chemin Murphy, Vaudreuil-Dorion QC, J7V 8P2
9. 6082 Russ Baker Way, Richmond BC V7B 1B4
10. 150 Mohawk St, Brantford, ON N3S 7G5

Addresses of all owned real property:

1. 1915 Jerseyville Road West, Jerseyville, ON L0R 1R0.
2. 8770 24th Street Sherwood Park, AB, Canada, T6P 1X8

Addresses of all leased real property:

1. 200 Burrard St, Suite 1570, Vancouver, BC, V6C 3L6
2. 402-5520 Explorer Drive. Mississauga, ON, L4W 5L1
3. Units 517-519, 19100 Airport Way. Pitt Meadows, BC, Canada, V3Y 0E2
4. 311-455 Boul. Fenelon, Dorval, QC H9S 5T8, leased by Medican Organic Inc., and sub-leased to 3rd party.
5. 40 Great Plains Rd. Edenwold (RM) SK S4L 1B6

6. #107 - 109, 1761 Sean Heights Saanichton, BC, Canada, V8M 0A5

7. 5000 Chemin Murphy, Vaudreuil-Dorion QC, J7V 8P2

Description of all 'serial numbered goods' (i.e. motor vehicle, manufactured home, boat, outboard motor, trailer or aircraft):

All owned equipment.

List of all material permits:

1. Health Canada Licence No LIC-CJMMLU7IJN-2019-1 (cultivation, processing, sale) issued to The Green Organic Dutchman Ltd. expiring July 20, 2027

2. Health Canada Licence No LIC-MVXNLN8UCN-2020 (Research) issued to The Green Organic Dutchman Ltd., expiring February 12, 2025

3. Health Canada Licence No LIC-JTUPWJZJ50-2022 issued to BZAM Management Inc.

4. Health Canada Licence No LIC-G27V6VI0UJ-2022 issued to BZAM Management Inc.

5. Health Canada Licence No LIC- HU7CU4DYAO-2020-5 issued to BZAM Management Inc.

6. Health Canada Licence No LIC- J5USTB6Z3V-2022 issued to BZAM Management Inc.

7. Health Canada Licence No LIC- 9GRI1YRQEV-2021 issued to BZAM Management Inc.

8. Health Canada Licence No LIC- LIC-TNCAPN24J9-2022 issued to BZAM Management Inc.

9. The Green Organic Dutchman Ltd. No. 83013 4847 RD0001 under the Excise Act, 2001 (Canada)

10. The Green Organic Dutchman Ltd. Licence No. 3PFXVKNM under the Safe Food For Canadians Act (Canada)

List of subsidiaries:

Name	Jurisdiction of Formation	Beneficial Equity/ Voting Ownership
The Green Organic Dutchman Ltd.	Canada	100%
TGOD Europe B.V.	Netherlands	100%

Medican Organic Inc.	Quebec	100%
14274261 Canada Inc.	Canada	100%
*BZAM Holdings Inc.	British Columbia	100%

List of subsidiaries for BZAM Holdings Inc.:

Name	Jurisdiction of Formation	Beneficial Equity/ Voting Ownership
BZAM Management Inc.	British Columbia	100%
Folium Life Science Inc.	British Columbia	80%
BZAM Cannabis Corp.	Alberta	88.2%
102172093 Saskatchewan Ltd.	Saskatchewan	100%

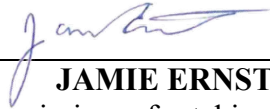
List of subsidiaries for TGOD Europe B.V.:

Name	Jurisdiction of Formation	Beneficial Equity/ Voting Ownership
The Green Organic Dutchman Germany GmbH	Germany	100%

PLEDGED SECURITIES

Issuer	Class/Type of Security	Certificate Number (if certificated)	Number of Securities
Nil.	N/A	N/A	N/A

THIS IS **EXHIBIT "FF"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.



JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)

POSTPONEMENT AND SUBORDINATION AGREEMENT

WHEREAS each of The Green Organic Dutchman Ltd. ("**TGOD**") and BZAM Ltd. ("**BZAM**" and together with TGOD, collectively, the "**Debtor**"), is indebted or liable and may hereafter become further indebted or liable to the Cortland Credit Lending Corporation (the "**Agent**") and the Lenders pursuant to an amended and restated credit agreement dated September 29, 2021, as amended by a first amendment dated as of November 30, 2021, a second amendment dated as of March 9, 2022, a third amendment dated as of April 29, 2022, and a fourth amendment dated as of November 3, 2023 (as the same may be further amended, amended and restated, renewed, extended, supplemented, replaced, or otherwise modified from time to time, collectively, the "**Credit Agreement**"), between, among others, the Debtor, as borrower, and the Agent, as agent for the Lenders (as defined therein) and the other documents delivered in connection therewith.

AND WHEREAS BZAM is indebted or liable, and may hereafter become further indebted or liable, to Stone Pine Capital Ltd. (the "**Subordinator**").

AND WHEREAS BZAM owns the real property located at 13325 Cedar Way, Maple Ridge, British Columbia, V4R 2T4, legally described as LOT 7, PLAN NWP18761, SECTION 30, TOWNSHIP 12, GROUP 1, NEW WESTMINSTER LAND DISTRICT (the "**Cedar Way Property**").

AND WHEREAS the Agent has agreed to the incurrence of the Subordinator Indebtedness (as hereinafter defined) pursuant to, among other things, the terms and conditions of a consent agreement between, among others, the Debtor and the Agent dated as of the date hereof (as the same may be further amended, amended and restated, renewed, extended, supplemented, replaced, or otherwise modified from time to time, collectively, the "**Consent Agreement**").

AND WHEREAS the Subordinator has agreed to enter into this agreement in favour of the Agent.

NOW THEREFORE for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Subordinator, the Subordinator agrees with the Agent as follows:

1. Any and all present and future direct, indirect or contingent indebtedness and liability owing by the Debtor to the Subordinator, including without limitation, any payments of principal and interest due and owing pursuant to the secured demand promissory note (the "**Subordinated Promissory Note**") in the principal amount of Cdn. \$2,500,000.00 dated as of March 1, 2023 (collectively, the "**Subordinator Indebtedness**") are hereby postponed and subordinated to all present and future direct, indirect and contingent indebtedness and liability owing by the Debtor to the Agent and the Lenders under or pursuant to the Credit Agreement (collectively, the "**Agent Indebtedness**"). Until the Agent Indebtedness has been paid in full and any obligation of the Agent or the Lenders to extend credit to the Debtor or an affiliate of the Debtor has been irrevocably terminated, the Subordinator shall not, without the prior written consent of the Agent, claim, demand or receive from the Debtor or any other source (including any guarantor of the Debtor), payment of any Subordinator Indebtedness.

2. Notwithstanding the provisions of Section 1 above, it is agreed that the Debtor shall be permitted to make, and the Subordinator shall be entitled to receive, (i) regularly scheduled payments on account of interest owing by the Debtor as set out in the Subordinated Promissory Note and (ii) payment of the principal amount owing by the Debtor as set out in the Subordinated Promissory Note (each such payment, a "**Relevant Payment**") may only be made if all of the following conditions are met: (A) the Debtor sells the Cedar Way Property and the proceeds thereof are use to make the Relevant Payment in an amount equal to the Subordinator Indebtedness; and (B) all of the conditions included in the Consent Agreement (including, without limitation, the delivery of an amendment to the Credit Agreement) have been met, in the sole discretion of the Agent (the payments permitted pursuant to (i) and (ii) are the "**Permitted Payments**"); provided that, the Debtor shall not be permitted to make such Permitted Payments unless the Debtor is in full compliance, and would be in compliance, with the terms and conditions of the Credit Agreement and the Subordinator Indebtedness, including the covenants thereunder, upon the making of such Permitted Payments referred to under the Subordinated Promissory Note.

3. Any and all security (including without limitation hypothecary interests) now or hereafter held by the Subordinator as security for all or any Subordinator Indebtedness (collectively, the "**Subordinator Security**") are hereby postponed and subordinated to all security (including without limitation hypothecary interests) now or hereafter held by the Agent as security for all or any Agent Indebtedness (collectively, the "**Agent Security**").

4. The Subordinator shall at all times and from time to time do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, transfer, assignment, assurance, proof of claim, direction, document or instrument as the Agent may reasonably require for the better accomplishing and effectuating of the purpose and intent of this agreement.

5. For greater certainty and notwithstanding any other provision of this agreement:

- (a) save and except for Permitted Payments, the Subordinator shall not be entitled to receive any payment from the Debtor and all amounts owing or which may hereafter become owing by the Debtor to the Subordinator, including principal and interest on any Subordinator Indebtedness, shall not be paid, forgiven or otherwise satisfied but shall either remain unpaid by the Debtor or be paid to the Agent pursuant to this agreement;
- (b) any amounts received by the Subordinator or by any agent of the Subordinator on account of any Subordinator Indebtedness shall be held in trust for the Agent and forthwith paid to the Agent, other than in respect of Permitted Payments; and
- (c) the Subordinator shall not be entitled to exercise any right of set-off or combination of accounts it now has or hereafter may have in respect of any Subordinator Indebtedness.

6. In the event that any Subordinator Indebtedness obligations are breached or are unable to be satisfied, payments pursuant thereto shall be postponed to payment of the Agent Indebtedness and for greater certainty:

- (a) the Subordinator shall provide notice of such breach, or the inability to satisfy such obligations, to the Agent;
- (b) the Subordinator shall not receive any payments in respect of the Subordinator Indebtedness (other than Permitted Payments), or exercise any right of set-off it now has or hereafter may have in respect of the Subordinator Indebtedness, until the Agent Indebtedness has been paid and satisfied in full unless the Agent agrees otherwise in writing; and
- (c) if any amount in respect of the Subordinator Indebtedness is received the Subordinator (other than Permitted Payments), such amount shall be held by such Subordinator in trust for the Agent and shall be immediately paid to the Agent.

7. The Subordinator hereby consents to the Debtor's incurring the Agent Indebtedness and delivering the Agent Security and acknowledges the existence, validity and enforceability of the Agent Security. The Agent hereby consents to the Debtor's incurring the Subordinator Indebtedness and delivering the Subordinator Security and acknowledges the existence of the Subordinator Security. The postponements and subordinations contained in this agreement shall apply in all events and circumstances regardless of:

- (a) the date or dates or time or times of creation, execution, delivery, attachment, registration or perfection of any or all of the security interests, charges or hypothecary interests created by any Agent Security or Subordinator Security;
- (b) the date or dates of the loan or loans or advance or advances made to the Debtor by the Agent or the Subordinator;
- (c) the date or dates of any demand for, or acceleration of payment of any Agent Indebtedness or Subordinator Indebtedness;
- (d) the date or dates of any default by the Debtor under either or both of the Agent Security or the Subordinator Security;
- (e) any priority granted by any principle of law or by any statute;
- (f) the date of commencement of any enforcement proceedings under any Agent Security or Subordinator Security;
- (g) the validity, invalidity, perfection, lack of perfection, enforceability or unenforceability of any Agent Security or Subordinator Security;

- (h) the execution or delivery of, or any amendment to or termination of any existing or future agreement or other document evidencing, creating or related to any Agent Indebtedness, Subordinator Indebtedness, Agent Security or Subordinator Security;
- (i) any act or omission of the Agent, the Subordinator, the Debtor, any agent of any of them, or any other person; or
- (j) any other matter whatsoever.

The Subordinator agrees that any and all proceeds resulting from the enforcement or realization of any Subordinator Security and any and all proceeds received or receivable by such Subordinator from or in respect of the Debtor or the Debtor's assets including, without limitation, bankruptcy dividends, insurance proceeds, expropriation proceeds and proceeds derived from any compromise, reorganization, restructuring, arrangement, proposal or other adjustment of the Debtor's debt, shall be paid to the Agent and dealt with in such a manner as to give effect to the provisions of this agreement. The Subordinator further agrees that the priorities contained in this agreement shall extend to and include all principal, interest, fees, indemnity obligations, reimbursement obligations and costs (including costs of collection, legal fees and disbursements and fees and disbursements of any receiver, receiver and manager or agent) owing to such Subordinator.

8. As long as any Agent Indebtedness remains outstanding or the Agent or Lenders are committed to extend any credit to or on behalf of the Debtor:

- (a) the Subordinator shall not, without the Agent's prior written consent in its sole discretion:
 - (i) exercise or seek to exercise any right or remedy with respect to Subordinator Indebtedness or Subordinator Security including any collection or enforcement right or remedy (regardless of whether such enforcement right or remedy is on demand); or
 - (ii) institute any action or proceeding against the Debtor or any of its assets including without limitation any possession, sale or foreclosure action or proceeding; or
 - (iii) contest, protest or object to any enforcement proceeding or other action commenced by the Agent, any other exercise by the Agent of any right or remedy under any Agent Security or at law, or any application by the Agent of monies or proceeds; and
- (b) the Agent shall have the exclusive right to enforce rights and remedies with respect to the property and assets charged by the Agent Security and the Agent shall not be required to marshal any of such property and assets. In exercising any such rights and remedies, the Agent may enforce the provisions of any Agent Security and exercise the remedies

thereunder in such order and such manner as the Agent may determine in its sole discretion.

9. As long as any Agent Indebtedness remains outstanding or the Agent or Lenders are committed to extend any credit to or on behalf of the Debtor, the Subordinator shall not, without the prior written consent of the Agent, amend, supplement, restate or replace the Subordinator Indebtedness or any terms thereof in any manner materially adverse to the Agent, including for greater certainty, converting any amount of the Subordinator Indebtedness into equity of the Debtor. The Subordinator confirms, covenants and agrees to provide copies of any and all amendments, supplements, restatements, replacements or other modifications of any Subordinator Indebtedness (whether or not such changes are materially adverse to the Agent) to the Agent immediately upon any such amendment, supplement, restatement, replacement or other modification being made to any Subordinator Indebtedness.

10. As long as any Agent Indebtedness remains outstanding or the Agent or Lenders are committed to extend any credit to or on behalf of the Debtor, the Subordinator shall not, without the prior written consent of the Agent, sell, assign or otherwise transfer, in whole or in part, any Subordinator Indebtedness or any Subordinator Security or any interest therein to any person, or create, incur or permit to exist any security interest, lien, charge, hypothecary interest or other encumbrance whatsoever in or affecting any Subordinator Indebtedness or Subordinator Security in favour of any person unless:

- (a) such action is made expressly subject to this agreement; and
- (b) such person delivers to the Agent a written agreement, in form and substance satisfactory to the Agent, to be bound by all provisions of this agreement.

The Agent may assign, transfer and deliver to any transferee any Agent Indebtedness, Agent Security or any other security, documents or instruments held by the Agent in respect thereof and no such assignment, transfer or delivery shall release the Subordinator from their obligations pursuant to this agreement. Such transferee shall be vested with all powers and rights of the Agent under such security, documents or instruments but the Agent shall retain all rights and powers with respect to any security, documents or instruments not so assigned, transferred or delivered.

11. For so long as any of the Agent Indebtedness remains unpaid, the Subordinator irrevocably appoints the Agent as the Subordinator's attorney in fact, and grants to the Agent a power of attorney with full power of substitution, in the name of the Subordinator or in the name of the Agent, for the use and benefit of the Agent, without notice to the Subordinator, to perform at the Agent's option the following acts in any bankruptcy, insolvency or similar proceeding involving the Debtor:

- (a) to file the appropriate claim or claims in respect of the Subordinator Indebtedness on behalf of the Subordinator if the Subordinator do not do so prior to thirty (30) days before the expiration of the time to file

claims in such proceeding and if the Agent elects, in its sole discretion, to file such claim or claims; and

- (b) to accept or reject any plan of reorganization or arrangement on behalf of the Subordinator and to otherwise vote the Subordinator's claims in respect of any Subordinator Indebtedness in any manner that the Agent deems appropriate for the enforcement of its rights hereunder.

12. For so long as any of the Agent Indebtedness remains unpaid, the Subordinator agrees that it will not object to or oppose (i) the sale of the Debtor, or (ii) the sale or other disposition of any property of the Debtor, if the Agent has consented to such sale of the Debtor or sale or disposition of any property of the Debtor. If requested by the Agent, the Subordinator shall affirmatively consent to such sale or disposition and shall take all necessary actions and execute such documents and instruments as the Agent may reasonably request in connection with and to manifest such consent.

13. The Subordinator hereby authorizes the Agent to collect and receive any dividends or other payments which may be payable to the Subordinator in the course of any receivership, bankruptcy, liquidation or winding-up of the Debtor or any similar proceeding and, in the event that the Agent Indebtedness at such time has not been paid in full, the Subordinator hereby irrevocably authorizes the Agent to apply such dividends or other payments so collected by the Agent to reduce Agent Indebtedness.

14. The Subordinator shall be subrogated to the rights of the Agent to receive payments and distribution of cash and other property of the Debtor in respect of and on account of Agent Indebtedness to the extent of the previous application to reduce Agent Indebtedness of moneys or other property which would, but for this agreement, have been received and applied by the Subordinator to reduce Subordinator Indebtedness, until the Subordinator Indebtedness has been paid in full, provided that such right of subrogation (and any other existing or future right of subrogation the Subordinator may have) shall not arise and shall not be exercised until the Agent has received payment in full in cash of all Agent Indebtedness.

15. This agreement is in addition to, not in substitution for and shall not be merged in any other agreement, security, document and instrument now or hereafter held by the Agent.

16. Nothing in this agreement shall confer any right on the Debtor or any person not a party to this agreement or amend any agreement between the Debtor and the Agent or the Debtor and the Subordinator.

17. This agreement constitutes the entire agreement between the Subordinator and the Agent with respect to the subject matter hereof and may not be amended, waived or modified in any manner except by written agreement signed by the Agent and the Subordinators.

18. No failure by the Agent to exercise any right, power, remedy or privilege (whether in whole or in part) shall operate as a waiver thereof. No single or partial exercise of

any right, power, remedy or privilege shall preclude any other or further exercise thereof or the exercise of any further right, power or privilege. The rights and remedies herein provided are cumulative, may be exercised singly or concurrently, and are not exclusive of any other rights or remedies provided by law.

19. If the Agent receives any payment on, or proceeds of any property or assets of the Debtor on account of any Agent Indebtedness and such payment or proceeds are subsequently invalidated, declared to be fraudulent or preferential, or required to be repaid to the Debtor, a trustee, receiver, receiver and manager or any other person under any applicable law, then to the extent of such payment or proceeds received by the Agent and required to be repaid, the Agent Indebtedness, or such part thereof, intended to be satisfied by such payment or proceeds shall be revived and shall continue in full force and effect as if such payment or proceeds had not been received by the Agent.

20. This agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein and for the purpose of legal proceedings this agreement shall be deemed to have been made in the Province of Ontario and to be performed there. The courts of the Province of Ontario shall have jurisdiction over all disputes which may arise under this agreement and each Subordinator hereby irrevocably and unconditionally submits to the non-exclusive jurisdiction of such courts, provided that nothing herein shall prevent the Agent from proceeding at its election against the Subordinator in the courts of any other province, country or jurisdiction.

21. If one or more of the provisions of this agreement shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions of this agreement shall not in any way be affected or impaired thereby.

22. Any notice, demand or other communication permitted or required to be given hereunder shall be given in writing and may be effectively given by delivering it to the following applicable address or by sending it by email or fax (as applicable) to such address. Any notice, demand or other communication so given prior to 5:00 p.m. (Toronto time) on a Business Day by personal delivery or by email or fax (as applicable) shall be deemed to have been given, received and made on such Business Day and, if so given after 5:00 p.m. (Toronto time) on a Business Day or on a day which is not a Business Day, such notice, demand or other communication shall be deemed to have been given, received and made on the next following Business Day. The addresses of the parties for the purposes hereof shall be:

(a) in the case of the Agent, as follows:

Cortland Credit Lending Corporation

Royal Bank Plaza - North Tower
South Tower, 200 Bay St. Suite 3230
Toronto, ON M5J 2J2,

Attention: Sean Rogister
Email: srogister@cortlandcredit.ca

(b) in the case of the Subordinator, as follows:

Stone Pine Capital Ltd.
Victoria Place, 5th Floor
31 Victoria Street
Hamilton, HM 10, Bermuda

Attention: Alberto Montagne
Email: accounting@cycadmanagement.com and
amontagne@cycadmanagement.com

From time to time, the Agent, the Subordinator, or the Debtor may notify one another, in accordance with the provisions hereof, of any change of address which thereafter, until changed by like notice, shall be the address of such party for all purposes of this agreement. In this agreement, "**Business Day**" shall mean any day, other than a Saturday, Sunday or statutory holiday in Toronto, Ontario, on which the Agent's office is open for normal business.

23. For the purposes of this agreement, words importing the singular shall include the plural and vice versa; and words importing gender shall include all genders.

24. This agreement shall be binding on the parties hereto and their respective successors and permitted assigns including any successor by reason of amalgamation and shall enure to the benefit of the other parties hereto and the successors and assigns.

25. This agreement may be executed by the parties hereto in any number of separate counterparts, and all of said counterparts when taken together shall deem to constitute one and the same agreement. This agreement may also be executed and delivered by any electronic means.

[Remainder of page intentionally left blank; signature page follows.]

DATED the 3rd day of March, 2023.

STONE PINE CAPITAL LTD.



Per: _____

Name: Bassam Alghanim

Title: Director

CORTLAND CREDIT LENDING CORPORATION

Per: _____

Name:

Title:

Per: _____

Name:

Title:

DATED the 3rd day of March, 2023.

STONE PINE CAPITAL LTD.

Per: _____

Name:

Title:

CORTLAND CREDIT LENDING CORPORATION

DocuSigned by:

Sean Register

Per: _____
378FEFF2EF0A46C...

Name:

Title:

Per: _____

Name:

Title:

TO: Cortland Credit Lending Corporation (the "Agent")

DEBTOR'S AGREEMENT

The undersigned acknowledges receipt of a copy of the foregoing postponement and subordination agreement (the "Agreement"; capitalized terms not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement) and agrees as follows:

- (a) the Debtor shall comply with the Agreement and not take any action inconsistent therewith and, without limiting the generality of the foregoing, the Debtor agrees not to pay any amount to the Subordinator except as expressly permitted by the Agreement;
- (b) the Debtor agrees that it acquires no rights pursuant to the Agreement and consents to the exchange of information by the Subordinator and the Agent; and
- (c) the Debtor confirms, covenants and agrees to provide copies of any and all amendments, supplements, restatements, replacements or other modifications of the Subordinator Indebtedness (whether or not such changes are materially adverse to the Agent) to the Agent immediately upon any such amendment, supplement, restatement, replacement or other modification being made to the Subordinator Indebtedness

DATED the 3rd day of March, 2023.

BZAM LTD.

Per:



Name: Sean Bovingdon

Title: CFO


Per:

Name:

Title:

THE GREEN ORGANIC DUTCHMAN LTD.

Per:



Name: Sean Bovingdon

Title: CEO

Per:

Name:

Title:

AMENDED & RESTATED POSTPONEMENT AND SUBORDINATION AGREEMENT

WHEREAS each of The Green Organic Dutchman Ltd. (“**TGOD**”) and BZAM Ltd. (“**BZAM**” and together with TGOD, collectively, the “**Debtor**”), is indebted or liable and may hereafter become further indebted or liable to the Cortland Credit Lending Corporation (the “**Agent**”) and the Lenders pursuant to an amended and restated credit agreement dated September 29, 2021, as amended by a first amendment dated as of November 30, 2021, a second amendment dated as of March 9, 2022, a third amendment dated as of April 29, 2022, a fourth amendment dated as of November 3, 2022 and a fifth amendment dated as of June 30, 2023 (as the same may be further amended, amended and restated, renewed, extended, supplemented, replaced, or otherwise modified from time to time, collectively, the “**Credit Agreement**”), between, among others, the Debtor, as borrower, and the Agent, as agent for the Lenders (as defined therein) and the other documents delivered in connection therewith.

AND WHEREAS on or after August 31, 2023 (and provided the Effective Date (as defined in the Consent Agreement has occurred) the Agent has agreed to provide the Borrower with an overadvance under the Credit Agreement in an amount equal to CAD \$3,000,000 (the “**Bridge Loan**”).

AND WHEREAS BZAM is indebted or liable, and may hereafter become further indebted or liable, to Stone Pine Capital Ltd. (the “**Subordinator**”).

AND WHEREAS BZAM owns the real property located at 8770 24th Street, Edmonton, AB, Canada, T6P 1X8, legally described as PLAN 8720213, BLOCK 5, LOT 4, Excepting Thereout All Mines and Minerals (the “**Edmonton Property**”).

AND WHEREAS the Agent had previously consented to the incurrence of the Subordinator Indebtedness (as hereinafter defined) relating to Subordinated Promissory Note #1 (as hereinafter defined) and the Agent has agreed to the incurrence of the Subordinator Indebtedness (as hereinafter defined) relating to Subordinated Promissory Note #2 (as hereinafter defined) pursuant to, among other things, the terms and conditions of a consent agreement between, among others, the Debtor and the Agent dated as of the date hereof (as the same may be further amended, amended and restated, renewed, extended, supplemented, replaced, or otherwise modified from time to time, collectively, the “**Consent Agreement**”).

AND WHEREAS the Subordinator and the Agent are party to a subordination agreement dated on or about March 3, 2023 (the “**Previous Subordination Agreement**”) and the Agent and the Subordinator have each agreed to amend and restate the Previous Subordination Agreement by entering into this agreement in favour of the Agent.

NOW THEREFORE for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Subordinator, the Subordinator agrees with the Agent as follows:

1. Any and all present and future direct, indirect or contingent indebtedness and liability owing by the Debtor to the Subordinator (collectively, the “**Subordinator Indebtedness**”), including without limitation, any payments of principal and interest due and owing pursuant to: (i) the secured, demand promissory note in the principal amount of CAD \$2,500,000.00 dated as

of March 3, 2023 ("**Subordinated Promissory Note #1**"); and (ii) the secured, demand promissory note in the principal amount of CAD \$1,325,000.00 dated as of the date hereof ("**Subordinated Promissory Note #2**" and together with Subordinated Promissory Note #1, collectively, the "**Subordinated Promissory Notes**") are hereby postponed and subordinated to all present and future direct, indirect and contingent indebtedness and liability owing by the Debtor to the Agent and the Lenders under or pursuant to the Credit Agreement (collectively, the "**Agent Indebtedness**"). Until the Agent Indebtedness has been paid in full and any obligation of the Agent or the Lenders to extend credit to the Debtor or an affiliate of the Debtor has been irrevocably terminated, the Subordinator shall not, without the prior written consent of the Agent, claim, demand or receive from the Debtor or any other source (including any guarantor of the Debtor), payment of any Subordinator Indebtedness.

2. Notwithstanding the provisions of Section 1 above, it is agreed that the Debtor shall be permitted to make, and the Subordinator shall be entitled to receive, (i) regularly scheduled payments on account of interest owing by the Debtor as set out in Subordinated Promissory Notes; and (ii) payment of the principal amount owing by the Debtor as set out in in Subordinated Promissory Notes (each such payment, a "**Permitted Payment**") provided that all of the following conditions are met: (A) the Debtor sells the Edmonton Property and provides evidence of same to the Agent; (B) the proceeds thereof are applied in accordance with Section 3(b) of the Consent Agreement; (C) all of the conditions included in the Consent Agreement have been met, in the sole discretion of the Agent; and (D) at the time of making any such Permitted Payment, the Debtor is in full compliance with the terms and conditions of the Credit Agreement and the Subordinator Indebtedness, including the covenants thereunder, and would be in compliance therewith upon the making of any such Permitted Payment.

3. Any and all security (including without limitation hypothecary interests) now or hereafter held by the Subordinator as security for all or any Subordinator Indebtedness (collectively, the "**Subordinator Security**") are hereby postponed and subordinated to all security (including without limitation hypothecary interests) now or hereafter held by the Agent as security for all or any Agent Indebtedness (collectively, the "**Agent Security**").

4. The Subordinator shall at all times and from time to time do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, transfer, assignment, assurance, proof of claim, direction, document or instrument as the Agent may reasonably require for the better accomplishing and effectuating of the purpose and intent of this agreement.

5. For greater certainty and notwithstanding any other provision of this agreement:

- (a) save and except for Permitted Payments, the Subordinator shall not be entitled to receive any payment from the Debtor and all amounts owing or which may hereafter become owing by the Debtor to the Subordinator, including principal and interest on any Subordinator Indebtedness, shall not be paid, forgiven or otherwise satisfied but shall either remain unpaid by the Debtor or be paid to the Agent pursuant to this agreement;

- (b) any amounts received by the Subordinator or by any agent of the Subordinator on account of any Subordinator Indebtedness shall be held in trust for the Agent and forthwith paid to the Agent, other than in respect of Permitted Payments; and
- (c) the Subordinator shall not be entitled to exercise any right of set-off or combination of accounts it now has or hereafter may have in respect of any Subordinator Indebtedness.

6. In the event that any Subordinator Indebtedness obligations are breached or are unable to be satisfied, payments pursuant thereto shall be postponed to payment of the Agent Indebtedness and for greater certainty:

- (a) the Subordinator shall provide notice of such breach, or the inability to satisfy such obligations, to the Agent;
- (b) the Subordinator shall not receive any payments in respect of the Subordinator Indebtedness (other than Permitted Payments), or exercise any right of set-off it now has or hereafter may have in respect of the Subordinator Indebtedness, until the Agent Indebtedness has been paid and satisfied in full unless the Agent agrees otherwise in writing; and
- (c) if any amount in respect of the Subordinator Indebtedness is received the Subordinator (other than Permitted Payments), such amount shall be held by such Subordinator in trust for the Agent and shall be immediately paid to the Agent.

7. The Subordinator hereby consents to the Debtor's incurring the Agent Indebtedness and delivering the Agent Security and acknowledges the existence, validity and enforceability of the Agent Security. The Agent hereby consents to the Debtor's incurring the Subordinator Indebtedness and delivering the Subordinator Security and acknowledges the existence of the Subordinator Security. The postponements and subordinations contained in this agreement shall apply in all events and circumstances regardless of:

- (a) the date or dates or time or times of creation, execution, delivery, attachment, registration or perfection of any or all of the security interests, charges or hypothecary interests created by any Agent Security or Subordinator Security;
- (b) the date or dates of the loan or loans or advance or advances made to the Debtor by the Agent or the Subordinator;
- (c) the date or dates of any demand for, or acceleration of payment of any Agent Indebtedness or Subordinator Indebtedness;
- (d) the date or dates of any default by the Debtor under either or both of the Agent Security or the Subordinator Security;

- (e) any priority granted by any principle of law or by any statute;
- (f) the date of commencement of any enforcement proceedings under any Agent Security or Subordinator Security;
- (g) the validity, invalidity, perfection, lack of perfection, enforceability or unenforceability of any Agent Security or Subordinator Security;
- (h) the execution or delivery of, or any amendment to or termination of any existing or future agreement or other document evidencing, creating or related to any Agent Indebtedness, Subordinator Indebtedness, Agent Security or Subordinator Security;
- (i) any act or omission of the Agent, the Subordinator, the Debtor, any agent of any of them, or any other person; or
- (j) any other matter whatsoever.

The Subordinator agrees that any and all proceeds resulting from the enforcement or realization of any Subordinator Security and any and all proceeds received or receivable by such Subordinator from or in respect of the Debtor or the Debtor's assets including, without limitation, bankruptcy dividends, insurance proceeds, expropriation proceeds and proceeds derived from any compromise, reorganization, restructuring, arrangement, proposal or other adjustment of the Debtor's debt, shall be paid to the Agent and dealt with in such a manner as to give effect to the provisions of this agreement. The Subordinator further agrees that the priorities contained in this agreement shall extend to and include all principal, interest, fees, indemnity obligations, reimbursement obligations and costs (including costs of collection, legal fees and disbursements and fees and disbursements of any receiver, receiver and manager or agent) owing to such Subordinator.

8. As long as any Agent Indebtedness remains outstanding or the Agent or Lenders are committed to extend any credit to or on behalf of the Debtor:

- (a) the Subordinator shall not, without the Agent's prior written consent in its sole discretion:
 - (i) exercise or seek to exercise any right or remedy with respect to Subordinator Indebtedness or Subordinator Security including any collection or enforcement right or remedy (regardless of whether such enforcement right or remedy is on demand); or
 - (ii) institute any action or proceeding against the Debtor or any of its assets including without limitation any possession, sale or foreclosure action or proceeding; or
 - (iii) contest, protest or object to any enforcement proceeding or other action commenced by the Agent, any other exercise by the

Agent of any right or remedy under any Agent Security or at law, or any application by the Agent of monies or proceeds; and

- (b) the Agent shall have the exclusive right to enforce rights and remedies with respect to the property and assets charged by the Agent Security and the Agent shall not be required to marshal any of such property and assets. In exercising any such rights and remedies, the Agent may enforce the provisions of any Agent Security and exercise the remedies thereunder in such order and such manner as the Agent may determine in its sole discretion.

9. As long as any Agent Indebtedness remains outstanding or the Agent or Lenders are committed to extend any credit to or on behalf of the Debtor, the Subordinator shall not, without the prior written consent of the Agent, amend, supplement, restate or replace the Subordinator Indebtedness or any terms thereof in any manner materially adverse to the Agent, including for greater certainty, converting any amount of the Subordinator Indebtedness into equity of the Debtor. The Subordinator confirms, covenants and agrees to provide copies of any and all amendments, supplements, restatements, replacements or other modifications of any Subordinator Indebtedness (whether or not such changes are materially adverse to the Agent) to the Agent immediately upon any such amendment, supplement, restatement, replacement or other modification being made to any Subordinator Indebtedness.

10. As long as any Agent Indebtedness remains outstanding or the Agent or Lenders are committed to extend any credit to or on behalf of the Debtor, the Subordinator shall not, without the prior written consent of the Agent, sell, assign or otherwise transfer, in whole or in part, any Subordinator Indebtedness or any Subordinator Security or any interest therein to any person, or create, incur or permit to exist any security interest, lien, charge, hypothecary interest or other encumbrance whatsoever in or affecting any Subordinator Indebtedness or Subordinator Security in favour of any person unless:

- (a) such action is made expressly subject to this agreement; and
- (b) such person delivers to the Agent a written agreement, in form and substance satisfactory to the Agent, to be bound by all provisions of this agreement.

The Agent may assign, transfer and deliver to any transferee any Agent Indebtedness, Agent Security or any other security, documents or instruments held by the Agent in respect thereof and no such assignment, transfer or delivery shall release the Subordinator from their obligations pursuant to this agreement. Such transferee shall be vested with all powers and rights of the Agent under such security, documents or instruments but the Agent shall retain all rights and powers with respect to any security, documents or instruments not so assigned, transferred or delivered.

11. For so long as any of the Agent Indebtedness remains unpaid, the Subordinator irrevocably appoints the Agent as the Subordinator's attorney in fact, and grants to the Agent a power of attorney with full power of substitution, in the name of the Subordinator or in the name

of the Agent, for the use and benefit of the Agent, without notice to the Subordinator, to perform at the Agent's option the following acts in any bankruptcy, insolvency or similar proceeding involving the Debtor:

- (a) to file the appropriate claim or claims in respect of the Subordinator Indebtedness on behalf of the Subordinator if the Subordinator do not do so prior to thirty (30) days before the expiration of the time to file claims in such proceeding and if the Agent elects, in its sole discretion, to file such claim or claims; and
- (b) to accept or reject any plan of reorganization or arrangement on behalf of the Subordinator and to otherwise vote the Subordinator's claims in respect of any Subordinator Indebtedness in any manner that the Agent deems appropriate for the enforcement of its rights hereunder.

12. For so long as any of the Agent Indebtedness remains unpaid, the Subordinator agrees that it will not object to or oppose (i) the sale of the Debtor, or (ii) the sale or other disposition of any property of the Debtor, if the Agent has consented to such sale of the Debtor or sale or disposition of any property of the Debtor. If requested by the Agent, the Subordinator shall affirmatively consent to such sale or disposition and shall take all necessary actions and execute such documents and instruments as the Agent may reasonably request in connection with and to manifest such consent.

13. The Subordinator hereby authorizes the Agent to collect and receive any dividends or other payments which may be payable to the Subordinator in the course of any receivership, bankruptcy, liquidation or winding-up of the Debtor or any similar proceeding and, in the event that the Agent Indebtedness at such time has not been paid in full, the Subordinator hereby irrevocably authorizes the Agent to apply such dividends or other payments so collected by the Agent to reduce Agent Indebtedness.

14. The Subordinator shall be subrogated to the rights of the Agent to receive payments and distribution of cash and other property of the Debtor in respect of and on account of Agent Indebtedness to the extent of the previous application to reduce Agent Indebtedness of moneys or other property which would, but for this agreement, have been received and applied by the Subordinator to reduce Subordinator Indebtedness, until the Subordinator Indebtedness has been paid in full, provided that such right of subrogation (and any other existing or future right of subrogation the Subordinator may have) shall not arise and shall not be exercised until the Agent has received payment in full in cash of all Agent Indebtedness.

15. This agreement is in addition to, not in substitution for and shall not be merged in any other agreement, security, document and instrument now or hereafter held by the Agent.

16. Nothing in this agreement shall confer any right on the Debtor or any person not a party to this agreement or amend any agreement between the Debtor and the Agent or the Debtor and the Subordinator.

17. This agreement constitutes the entire agreement between the Subordinator and the Agent with respect to the subject matter hereof and may not be amended, waived or modified in any manner except by written agreement signed by the Agent and the Subordinators.

18. No failure by the Agent to exercise any right, power, remedy or privilege (whether in whole or in part) shall operate as a waiver thereof. No single or partial exercise of any right, power, remedy or privilege shall preclude any other or further exercise thereof or the exercise of any further right, power or privilege. The rights and remedies herein provided are cumulative, may be exercised singly or concurrently, and are not exclusive of any other rights or remedies provided by law.

19. If the Agent receives any payment on, or proceeds of any property or assets of the Debtor on account of any Agent Indebtedness and such payment or proceeds are subsequently invalidated, declared to be fraudulent or preferential, or required to be repaid to the Debtor, a trustee, receiver, receiver and manager or any other person under any applicable law, then to the extent of such payment or proceeds received by the Agent and required to be repaid, the Agent Indebtedness, or such part thereof, intended to be satisfied by such payment or proceeds shall be revived and shall continue in full force and effect as if such payment or proceeds had not been received by the Agent.

20. This agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein and for the purpose of legal proceedings this agreement shall be deemed to have been made in the Province of Ontario and to be performed there. The courts of the Province of Ontario shall have jurisdiction over all disputes which may arise under this agreement and each Subordinator hereby irrevocably and unconditionally submits to the non-exclusive jurisdiction of such courts, provided that nothing herein shall prevent the Agent from proceeding at its election against the Subordinator in the courts of any other province, country or jurisdiction.

21. If one or more of the provisions of this agreement shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions of this agreement shall not in any way be affected or impaired thereby.

22. Any notice, demand or other communication permitted or required to be given hereunder shall be given in writing and may be effectively given by delivering it to the following applicable address or by sending it by email or fax (as applicable) to such address. Any notice, demand or other communication so given prior to 5:00 p.m. (Toronto time) on a Business Day by personal delivery or by email or fax (as applicable) shall be deemed to have been given, received and made on such Business Day and, if so given after 5:00 p.m. (Toronto time) on a Business Day or on a day which is not a Business Day, such notice, demand or other communication shall be deemed to have been given, received and made on the next following Business Day. The addresses of the parties for the purposes hereof shall be:

(a) in the case of the Agent, as follows:

Cortland Credit Lending Corporation

Royal Bank Plaza - North Tower
South Tower, 200 Bay St. Suite 3230
Toronto, ON M5J 2J2,

Attention: Sean Rogister
Email: srogister@cortlandcredit.ca

(b) in the case of the Subordinator, as follows:

Stone Pine Capital Ltd.
Victoria Place, 5th Floor
31 Victoria Street
Hamilton, HM 10, Bermuda

Attention: Alberto Montagne
Email: accounting@cycadmanagement.com and
amontagne@cycadmanagement.com

From time to time, the Agent, the Subordinator, or the Debtor may notify one another, in accordance with the provisions hereof, of any change of address which thereafter, until changed by like notice, shall be the address of such party for all purposes of this agreement. In this agreement, "**Business Day**" shall mean any day, other than a Saturday, Sunday or statutory holiday in Toronto, Ontario, on which the Agent's office is open for normal business.

23. This agreement amends and restates the provisions of the Previous Subordination Agreement. Any provision hereof differs from or is inconsistent with a provision of the Previous Subordination Agreement constitutes an amendment to the Previous Subordination Agreement with each such amendment being effective as and from the date hereof. This agreement will not discharge or constitute a novation of any debt, obligation, covenant or agreement contained in the Previous Subordination Agreement or other documents executed and delivered by or on behalf of the Debtor in respect thereof or in connection with the Previous Subordination Agreement, but shall remain in full force and effect save to the extent same are amended by the provisions of this agreement.

24. For the purposes of this agreement, words importing the singular shall include the plural and vice versa; and words importing gender shall include all genders.

25. This agreement shall be binding on the parties hereto and their respective successors and permitted assigns including any successor by reason of amalgamation and shall enure to the benefit of the other parties hereto and the successors and assigns.

26. This agreement may be executed by the parties hereto in any number of separate counterparts, and all of said counterparts when taken together shall deem to constitute one and the same agreement. This agreement may also be executed and delivered by any electronic means.

[Remainder of page intentionally left blank; signature page follows.]

DATED the 30 day of August, 2023.

STONE PINE CAPITAL LTD.



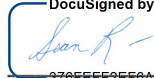
Per: _____

Name: Bassam Alhanim

Title: Director

CORTLAND CREDIT LENDING CORPORATION

DocuSigned by:



Per: _____

Name: Sean Register

Title: CEO

Per: _____

Name:

Title:

TO: Cortland Credit Lending Corporation (the "Agent")


DEBTOR'S AGREEMENT

The undersigned acknowledges receipt of a copy of the foregoing postponement and subordination agreement (the "Agreement"; capitalized terms not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement) and agrees as follows:

- (a) the Debtor shall comply with the Agreement and not take any action inconsistent therewith and, without limiting the generality of the foregoing, the Debtor agrees not to pay any amount to the Subordinator except as expressly permitted by the Agreement;
- (b) the Debtor agrees that it acquires no rights pursuant to the Agreement and consents to the exchange of information by the Subordinator and the Agent; and
- (c) the Debtor confirms, covenants and agrees to provide copies of any and all amendments, supplements, restatements, replacements or other modifications of the Subordinator Indebtedness (whether or not such changes are materially adverse to the Agent) to the Agent immediately upon any such amendment, supplement, restatement, replacement or other modification being made to the Subordinator Indebtedness


DATED the 13 day of August, 2023.

BZAM LTD.

Per: 
Name: Matthew Milich
Title: CEO

Per: _____
Name:
Title:

THE GREEN ORGANIC DUTCHMAN LTD.

Per: 
Name: Matthew Milich
Title: President

Per: _____
Name:
Title:

POSTPONEMENT AND SUBORDINATION AGREEMENT

WHEREAS each of The Green Organic Dutchman Ltd. (“**TGOD**”) and BZAM Ltd. (“**BZAM**” and together with TGOD, collectively, the “**Debtor**”), is indebted or liable and may hereafter become further indebted or liable to the Cortland Credit Lending Corporation (the “**Agent**”) and the Lenders pursuant to an amended and restated credit agreement dated September 29, 2021, as amended by a first amendment dated as of November 30, 2021, a second amendment dated as of March 9, 2022, a third amendment dated as of April 29, 2022, a fourth amendment dated as of November 3, 2022, a fifth amendment dated as of June 30, 2023 and a sixth amendment dated as of August 30, 2023 (as the same may be further amended, amended and restated, renewed, extended, supplemented, replaced, or otherwise modified from time to time, collectively, the “**Credit Agreement**”), between, among others, the Debtor, as borrower, and the Agent, as agent for the Lenders (as defined therein) and the other documents delivered in connection therewith.

AND WHEREAS BZAM is indebted or liable, and may hereafter become further indebted or liable, to Stone Pine Capital Ltd. (the “**Subordinator**”).

AND WHEREAS the Agent had previously consented to the incurrence of: (i) the secured, demand promissory note in the principal amount of CAD \$2,500,000.00 dated as of March 3, 2023 (“**Subordinated Promissory Note #1**”); and (ii) the secured, demand promissory note in the principal amount of CAD \$1,325,000.00 dated as of the date hereof (“**Subordinated Promissory Note #2**” and together with Subordinated Promissory Note #1, collectively, the “**Existing Subordinated Promissory Notes**”) and together with all payments of principal and interest relating thereto (collectively, the “**Existing Subordinator Indebtedness**”)

AND WHEREAS and the Agent has agreed to the incurrence of the Subordinator Indebtedness (as hereinafter defined) relating to Subordinated Promissory Note #3 (as hereinafter defined) pursuant to, among other things, the terms and conditions of a consent agreement between, among others, the Debtor and the Agent dated as of the date hereof (as the same may be further amended, amended and restated, renewed, extended, supplemented, replaced, or otherwise modified from time to time, collectively, the “**Consent Agreement**”).

AND WHEREAS the Subordinator and the Agent are party to an amended and restated subordination agreement dated on or about August 30, 2023 (the “**Existing Subordination Agreement**”) relating to the Existing Subordinator Indebtedness and the Agent and the Subordinator have each agreed that the Existing Subordination Agreement shall remain in full force and effect, unamended notwithstanding the entering into of this postponement and subordination agreement (this “**Agreement**”) relating to the Subordinated Promissory Note #3 (as hereinafter defined) and that this Agreement shall be in addition to, and not in substitution of, the Existing Subordination Agreement.

NOW THEREFORE for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Subordinator, the Subordinator agrees with the Agent as follows:

1. Any and all present and future direct, indirect or contingent indebtedness and liability owing by the Debtor to the Subordinator under or in connection with the secured,

demand promissory note in the principal amount of CAD \$1,190,000.00 dated as of the date hereof ("**Subordinated Promissory Note #3**"), including without limitation, any payments of principal and interest due and owing thereunder ("**Subordinator Indebtedness**") are hereby postponed and subordinated to all present and future direct, indirect and contingent indebtedness and liability owing by the Debtor to the Agent and the Lenders under or pursuant to the Credit Agreement (collectively, the "**Agent Indebtedness**"). Until the Agent Indebtedness has been paid in full and any obligation of the Agent or the Lenders to extend credit to the Debtor or an affiliate of the Debtor has been irrevocably terminated, the Subordinator shall not, without the prior written consent of the Agent, claim, demand or receive from the Debtor or any other source (including any guarantor of the Debtor), payment of any Subordinator Indebtedness.

2. Any and all security (including without limitation hypothecary interests) now or hereafter held by the Subordinator as security for all or any Subordinated Promissory Note #3 Indebtedness (collectively, the "**Subordinator Security**") are hereby postponed and subordinated to all security (including without limitation hypothecary interests) now or hereafter held by the Agent as security for all or any Agent Indebtedness (collectively, the "**Agent Security**").

3. The Subordinator shall at all times and from time to time do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, transfer, assignment, assurance, proof of claim, direction, document or instrument as the Agent may reasonably require for the better accomplishing and effectuating of the purpose and intent of this agreement.

4. For greater certainty and notwithstanding any other provision of this agreement:

- (a) save and except for Permitted Payments, the Subordinator shall not be entitled to receive any payment from the Debtor and all amounts owing or which may hereafter become owing by the Debtor to the Subordinator, including principal and interest on any Subordinator Indebtedness, shall not be paid, forgiven or otherwise satisfied but shall either remain unpaid by the Debtor or be paid to the Agent pursuant to this agreement;
- (b) any amounts received by the Subordinator or by any agent of the Subordinator on account of any Subordinator Indebtedness shall be held in trust for the Agent and forthwith paid to the Agent, other than in respect of Permitted Payments; and
- (c) the Subordinator shall not be entitled to exercise any right of set-off or combination of accounts it now has or hereafter may have in respect of any Subordinator Indebtedness.

5. In the event that any Subordinator Indebtedness obligations are breached or are unable to be satisfied, payments pursuant thereto shall be postponed to payment of the Agent Indebtedness and for greater certainty:

- (a) the Subordinator shall provide notice of such breach, or the inability to satisfy such obligations, to the Agent;
- (b) the Subordinator shall not receive any payments in respect of the Subordinator Indebtedness (other than Permitted Payments), or exercise any right of set-off it now has or hereafter may have in respect of the Subordinator Indebtedness, until the Agent Indebtedness has been paid and satisfied in full unless the Agent agrees otherwise in writing; and
- (c) if any amount in respect of the Subordinator Indebtedness is received the Subordinator (other than Permitted Payments), such amount shall be held by such Subordinator in trust for the Agent and shall be immediately paid to the Agent.

6. The Subordinator hereby consents to the Debtor's incurring the Agent Indebtedness and delivering the Agent Security and acknowledges the existence, validity and enforceability of the Agent Security. The Agent hereby consents to the Debtor's incurring the Subordinator Indebtedness and delivering the Subordinator Security and acknowledges the existence of the Subordinator Security. The postponements and subordinations contained in this agreement shall apply in all events and circumstances regardless of:

- (a) the date or dates or time or times of creation, execution, delivery, attachment, registration or perfection of any or all of the security interests, charges or hypothecary interests created by any Agent Security or Subordinator Security;
- (b) the date or dates of the loan or loans or advance or advances made to the Debtor by the Agent or the Subordinator;
- (c) the date or dates of any demand for, or acceleration of payment of any Agent Indebtedness or Subordinator Indebtedness;
- (d) the date or dates of any default by the Debtor under either or both of the Agent Security or the Subordinator Security;
- (e) any priority granted by any principle of law or by any statute;
- (f) the date of commencement of any enforcement proceedings under any Agent Security or Subordinator Security;
- (g) the validity, invalidity, perfection, lack of perfection, enforceability or unenforceability of any Agent Security or Subordinator Security;
- (h) the execution or delivery of, or any amendment to or termination of any existing or future agreement or other document evidencing, creating or related to any Agent Indebtedness, Subordinator Indebtedness, Agent Security or Subordinator Security;

- (i) any act or omission of the Agent, the Subordinator, the Debtor, any agent of any of them, or any other person; or
- (j) any other matter whatsoever.

The Subordinator agrees that any and all proceeds resulting from the enforcement or realization of any Subordinator Security and any and all proceeds received or receivable by such Subordinator from or in respect of the Debtor or the Debtor's assets including, without limitation, bankruptcy dividends, insurance proceeds, expropriation proceeds and proceeds derived from any compromise, reorganization, restructuring, arrangement, proposal or other adjustment of the Debtor's debt, shall be paid to the Agent and dealt with in such a manner as to give effect to the provisions of this agreement. The Subordinator further agrees that the priorities contained in this agreement shall extend to and include all principal, interest, fees, indemnity obligations, reimbursement obligations and costs (including costs of collection, legal fees and disbursements and fees and disbursements of any receiver, receiver and manager or agent) owing to such Subordinator.

7. As long as any Agent Indebtedness remains outstanding or the Agent or Lenders are committed to extend any credit to or on behalf of the Debtor:

- (a) the Subordinator shall not, without the Agent's prior written consent in its sole discretion:
 - (i) exercise or seek to exercise any right or remedy with respect to Subordinator Indebtedness or Subordinator Security including any collection or enforcement right or remedy (regardless of whether such enforcement right or remedy is on demand); or
 - (ii) institute any action or proceeding against the Debtor or any of its assets including without limitation any possession, sale or foreclosure action or proceeding; or
 - (iii) contest, protest or object to any enforcement proceeding or other action commenced by the Agent, any other exercise by the Agent of any right or remedy under any Agent Security or at law, or any application by the Agent of monies or proceeds; and
- (b) the Agent shall have the exclusive right to enforce rights and remedies with respect to the property and assets charged by the Agent Security and the Agent shall not be required to marshal any of such property and assets. In exercising any such rights and remedies, the Agent may enforce the provisions of any Agent Security and exercise the remedies thereunder in such order and such manner as the Agent may determine in its sole discretion.

8. As long as any Agent Indebtedness remains outstanding or the Agent or Lenders are committed to extend any credit to or on behalf of the Debtor, the Subordinator shall not,

without the prior written consent of the Agent, amend, supplement, restate or replace the Subordinator Indebtedness or any terms thereof in any manner materially adverse to the Agent, including for greater certainty, converting any amount of the Subordinator Indebtedness into equity of the Debtor. The Subordinator confirms, covenants and agrees to provide copies of any and all amendments, supplements, restatements, replacements or other modifications of any Subordinator Indebtedness (whether or not such changes are materially adverse to the Agent) to the Agent immediately upon any such amendment, supplement, restatement, replacement or other modification being made to any Subordinator Indebtedness.

9. As long as any Agent Indebtedness remains outstanding or the Agent or Lenders are committed to extend any credit to or on behalf of the Debtor, the Subordinator shall not, without the prior written consent of the Agent, sell, assign or otherwise transfer, in whole or in part, any Subordinator Indebtedness or any Subordinator Security or any interest therein to any person, or create, incur or permit to exist any security interest, lien, charge, hypothecary interest or other encumbrance whatsoever in or affecting any Subordinator Indebtedness or Subordinator Security in favour of any person unless:

- (a) such action is made expressly subject to this agreement; and
- (b) such person delivers to the Agent a written agreement, in form and substance satisfactory to the Agent, to be bound by all provisions of this agreement.

The Agent may assign, transfer and deliver to any transferee any Agent Indebtedness, Agent Security or any other security, documents or instruments held by the Agent in respect thereof and no such assignment, transfer or delivery shall release the Subordinator from their obligations pursuant to this agreement. Such transferee shall be vested with all powers and rights of the Agent under such security, documents or instruments but the Agent shall retain all rights and powers with respect to any security, documents or instruments not so assigned, transferred or delivered.

10. For so long as any of the Agent Indebtedness remains unpaid, the Subordinator irrevocably appoints the Agent as the Subordinator's attorney in fact, and grants to the Agent a power of attorney with full power of substitution, in the name of the Subordinator or in the name of the Agent, for the use and benefit of the Agent, without notice to the Subordinator, to perform at the Agent's option the following acts in any bankruptcy, insolvency or similar proceeding involving the Debtor:

- (a) to file the appropriate claim or claims in respect of the Subordinator Indebtedness on behalf of the Subordinator if the Subordinator do not do so prior to thirty (30) days before the expiration of the time to file claims in such proceeding and if the Agent elects, in its sole discretion, to file such claim or claims; and
- (b) to accept or reject any plan of reorganization or arrangement on behalf of the Subordinator and to otherwise vote the Subordinator's claims in

respect of any Subordinator Indebtedness in any manner that the Agent deems appropriate for the enforcement of its rights hereunder.

11. For so long as any of the Agent Indebtedness remains unpaid, the Subordinator agrees that it will not object to or oppose (i) the sale of the Debtor, or (ii) the sale or other disposition of any property of the Debtor, if the Agent has consented to such sale of the Debtor or sale or disposition of any property of the Debtor. If requested by the Agent, the Subordinator shall affirmatively consent to such sale or disposition and shall take all necessary actions and execute such documents and instruments as the Agent may reasonably request in connection with and to manifest such consent.

12. The Subordinator hereby authorizes the Agent to collect and receive any dividends or other payments which may be payable to the Subordinator in the course of any receivership, bankruptcy, liquidation or winding-up of the Debtor or any similar proceeding and, in the event that the Agent Indebtedness at such time has not been paid in full, the Subordinator hereby irrevocably authorizes the Agent to apply such dividends or other payments so collected by the Agent to reduce Agent Indebtedness.

13. The Subordinator shall be subrogated to the rights of the Agent to receive payments and distribution of cash and other property of the Debtor in respect of and on account of Agent Indebtedness to the extent of the previous application to reduce Agent Indebtedness of moneys or other property which would, but for this agreement, have been received and applied by the Subordinator to reduce Subordinator Indebtedness, until the Subordinator Indebtedness has been paid in full, provided that such right of subrogation (and any other existing or future right of subrogation the Subordinator may have) shall not arise and shall not be exercised until the Agent has received payment in full in cash of all Agent Indebtedness.

14. This agreement is in addition to, not in substitution for and shall not be merged in any other agreement, security, document and instrument now or hereafter held by the Agent.

15. Nothing in this agreement shall confer any right on the Debtor or any person not a party to this agreement or amend any agreement between the Debtor and the Agent or the Debtor and the Subordinator.

16. This agreement constitutes the entire agreement between the Subordinator and the Agent with respect to the subject matter hereof and may not be amended, waived or modified in any manner except by written agreement signed by the Agent and the Subordinators.

17. No failure by the Agent to exercise any right, power, remedy or privilege (whether in whole or in part) shall operate as a waiver thereof. No single or partial exercise of any right, power, remedy or privilege shall preclude any other or further exercise thereof or the exercise of any further right, power or privilege. The rights and remedies herein provided are cumulative, may be exercised singly or concurrently, and are not exclusive of any other rights or remedies provided by law.

18. If the Agent receives any payment on, or proceeds of any property or assets of the Debtor on account of any Agent Indebtedness and such payment or proceeds are

subsequently invalidated, declared to be fraudulent or preferential, or required to be repaid to the Debtor, a trustee, receiver, receiver and manager or any other person under any applicable law, then to the extent of such payment or proceeds received by the Agent and required to be repaid, the Agent Indebtedness, or such part thereof, intended to be satisfied by such payment or proceeds shall be revived and shall continue in full force and effect as if such payment or proceeds had not been received by the Agent.

19. This agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein and for the purpose of legal proceedings this agreement shall be deemed to have been made in the Province of Ontario and to be performed there. The courts of the Province of Ontario shall have jurisdiction over all disputes which may arise under this agreement and each Subordinator hereby irrevocably and unconditionally submits to the non-exclusive jurisdiction of such courts, provided that nothing herein shall prevent the Agent from proceeding at its election against the Subordinator in the courts of any other province, country or jurisdiction.

20. If one or more of the provisions of this agreement shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions of this agreement shall not in any way be affected or impaired thereby.

21. Any notice, demand or other communication permitted or required to be given hereunder shall be given in writing and may be effectively given by delivering it to the following applicable address or by sending it by email or fax (as applicable) to such address. Any notice, demand or other communication so given prior to 5:00 p.m. (Toronto time) on a Business Day by personal delivery or by email or fax (as applicable) shall be deemed to have been given, received and made on such Business Day and, if so given after 5:00 p.m. (Toronto time) on a Business Day or on a day which is not a Business Day, such notice, demand or other communication shall be deemed to have been given, received and made on the next following Business Day. The addresses of the parties for the purposes hereof shall be:

(a) in the case of the Agent, as follows:

Cortland Credit Lending Corporation

Royal Bank Plaza - North Tower
South Tower, 200 Bay St. Suite 3230
Toronto, ON M5J 2J2,

Attention: Sean Rogister
Email: srogister@cortlandcredit.ca

(b) in the case of the Subordinator, as follows:

Stone Pine Capital Ltd.
Victoria Place, 5th Floor
31 Victoria Street
Hamilton, HM 10, Bermuda

Attention: Alberto Montagne
Email: accounting@cycadmanagement.com and
amontagne@cycadmanagement.com

From time to time, the Agent, the Subordinator, or the Debtor may notify one another, in accordance with the provisions hereof, of any change of address which thereafter, until changed by like notice, shall be the address of such party for all purposes of this agreement. In this agreement, "**Business Day**" shall mean any day, other than a Saturday, Sunday or statutory holiday in Toronto, Ontario, on which the Agent's office is open for normal business.

22. This Agreement is in addition to and not in substitution of the Existing Subordination Agreement and the Existing Subordination Agreement shall remain in full force and effect, unamended, notwithstanding the entering into of this Agreement.

23. For the purposes of this agreement, words importing the singular shall include the plural and vice versa; and words importing gender shall include all genders.

24. This agreement shall be binding on the parties hereto and their respective successors and permitted assigns including any successor by reason of amalgamation and shall enure to the benefit of the other parties hereto and the successors and assigns.

25. This agreement may be executed by the parties hereto in any number of separate counterparts, and all of said counterparts when taken together shall deem to constitute one and the same agreement. This agreement may also be executed and delivered by any electronic means.

[Remainder of page intentionally left blank; signature page follows.]

DATED the 27th day of October, 2023.

STONE PINE CAPITAL LTD.



Per: _____

Name: Bassam Alghanim

Title: Director

CORTLAND CREDIT LENDING CORPORATION

Per: _____

Name:

Title:

Per: _____

Name:

Title:

DATED the 27th day of October, 2023.

STONE PINE CAPITAL LTD.


Per: _____

Name:

Title:

CORTLAND CREDIT LENDING CORPORATION

DocuSigned by:



Per: _____

Name: Sean Register

Title: CEO

Per: _____

Name:

Title:

TO: Cortland Credit Lending Corporation (the "Agent")


DEBTOR'S AGREEMENT

The undersigned acknowledges receipt of a copy of the foregoing postponement and subordination agreement (the "Agreement"; capitalized terms not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement) and agrees as follows:

- (a) the Debtor shall comply with the Agreement and not take any action inconsistent therewith and, without limiting the generality of the foregoing, the Debtor agrees not to pay any amount to the Subordinator except as expressly permitted by the Agreement;
- (b) the Debtor agrees that it acquires no rights pursuant to the Agreement and consents to the exchange of information by the Subordinator and the Agent; and
- (c) the Debtor confirms, covenants and agrees to provide copies of any and all amendments, supplements, restatements, replacements or other modifications of the Subordinator Indebtedness (whether or not such changes are materially adverse to the Agent) to the Agent immediately upon any such amendment, supplement, restatement, replacement or other modification being made to the Subordinator Indebtedness

DATED the 27th day of October, 2023.

BZAM LTD.

Per: 
Name: Matt Milich
Title: CEO

Per: _____
Name:
Title:

THE GREEN ORGANIC DUTCHMAN LTD.

Per: 
Name: Sean Bovingdon
Title: CFO

Per: _____
Name: CFO
Title:

POSTPONEMENT AND SUBORDINATION AGREEMENT

WHEREAS each of The Green Organic Dutchman Ltd. (“**TGOD**”) and BZAM Ltd. (“**BZAM**” and together with TGOD, collectively, the “**Debtor**”), is indebted or liable and may hereafter become further indebted or liable to the Cortland Credit Lending Corporation (the “**Agent**”) and the Lenders pursuant to an amended and restated credit agreement dated September 29, 2021, as amended by a first amendment dated as of November 30, 2021, a second amendment dated as of March 9, 2022, a third amendment dated as of April 29, 2022, a fourth amendment dated as of November 3, 2022, a fifth amendment dated as of June 30, 2023 and a sixth amendment dated as of August 30, 2023 (as the same may be further amended, amended and restated, renewed, extended, supplemented, replaced, or otherwise modified from time to time, collectively, the “**Credit Agreement**”), between, among others, the Debtor, as borrower, and the Agent, as agent for the Lenders (as defined therein) and the other documents delivered in connection therewith.

AND WHEREAS BZAM is indebted or liable, and may hereafter become further indebted or liable, to Stone Pine Capital Ltd. (the “**Subordinator**”).

AND WHEREAS the Agent had previously consented to the incurrence of: (i) the secured, demand promissory note in the principal amount of CAD \$2,500,000.00 dated as of March 3, 2023 (“**Subordinated Promissory Note #1**”); (ii) the secured, demand promissory note in the principal amount of CAD \$1,325,000.00 dated as of August 30, 2023 (“**Subordinated Promissory Note #2**”) and the secured, demand promissory note in the principal amount of CAD \$1,190,000 dated as of October 27, 2023 (“**Subordinated Promissory Note #3**” and together with Subordinated Promissory Note #1 and Subordinated Promissory Note #2, collectively, the “**Existing Subordinated Promissory Notes**”) and together with all payments of principal and interest relating thereto (collectively, the “**Existing Subordinator Indebtedness**”)

AND WHEREAS and the Agent has agreed to the incurrence of the Subordinator Indebtedness (as hereinafter defined) relating to Subordinated Promissory Note #4 (as hereinafter defined) pursuant to, among other things, the terms and conditions of a consent agreement between, among others, the Debtor and the Agent dated as of the date hereof (as the same may be further amended, amended and restated, renewed, extended, supplemented, replaced, or otherwise modified from time to time, collectively, the “**Consent Agreement**”).

AND WHEREAS the Subordinator and the Agent are party to: (i) an amended and restated subordination agreement dated on or about August 30, 2023 relating to Subordinated Promissory Note #1 and Subordinated Promissory Note #2; and (ii) a subordination agreement dated on or about October 27, 2023 relating to Subordinated Promissory Note #3 (collectively, the “**Existing Subordination Agreements**”) and the Agent and the Subordinator have each agreed that the Existing Subordination Agreements shall remain in full force and effect, unamended notwithstanding the entering into of this postponement and subordination agreement (this “**Agreement**”) relating to the Subordinated Promissory Note #4 (as hereinafter defined) and that this Agreement shall be in addition to, and not in substitution of, the Existing Subordination Agreement.

NOW THEREFORE for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Subordinator, the Subordinator agrees with the Agent as follows:

1. Any and all present and future direct, indirect or contingent indebtedness and liability owing by the Debtor to the Subordinator under or in connection with the secured, demand promissory note in the principal amount of CAD \$600,000.00 dated as of the date hereof ("**Subordinated Promissory Note #4**"), including without limitation, any payments of principal and interest due and owing thereunder ("**Subordinator Indebtedness**") are hereby postponed and subordinated to all present and future direct, indirect and contingent indebtedness and liability owing by the Debtor to the Agent and the Lenders under or pursuant to the Credit Agreement (collectively, the "**Agent Indebtedness**"). Until the Agent Indebtedness has been paid in full and any obligation of the Agent or the Lenders to extend credit to the Debtor or an affiliate of the Debtor has been irrevocably terminated, the Subordinator shall not, without the prior written consent of the Agent, claim, demand or receive from the Debtor or any other source (including any guarantor of the Debtor), payment of any Subordinator Indebtedness.
2. Any and all security (including without limitation hypothecary interests) now or hereafter held by the Subordinator as security for all or any Subordinated Promissory Note #4 Indebtedness (collectively, the "**Subordinator Security**") are hereby postponed and subordinated to all security (including without limitation hypothecary interests) now or hereafter held by the Agent as security for all or any Agent Indebtedness (collectively, the "**Agent Security**").
3. The Subordinator shall at all times and from time to time do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, transfer, assignment, assurance, proof of claim, direction, document or instrument as the Agent may reasonably require for the better accomplishing and effectuating of the purpose and intent of this agreement.
4. For greater certainty and notwithstanding any other provision of this agreement:
 - (a) save and except for Permitted Payments, the Subordinator shall not be entitled to receive any payment from the Debtor and all amounts owing or which may hereafter become owing by the Debtor to the Subordinator, including principal and interest on any Subordinator Indebtedness, shall not be paid, forgiven or otherwise satisfied but shall either remain unpaid by the Debtor or be paid to the Agent pursuant to this agreement;
 - (b) any amounts received by the Subordinator or by any agent of the Subordinator on account of any Subordinator Indebtedness shall be held in trust for the Agent and forthwith paid to the Agent, other than in respect of Permitted Payments; and
 - (c) the Subordinator shall not be entitled to exercise any right of set-off or combination of accounts it now has or hereafter may have in respect of any Subordinator Indebtedness.

5. In the event that any Subordinator Indebtedness obligations are breached or are unable to be satisfied, payments pursuant thereto shall be postponed to payment of the Agent Indebtedness and for greater certainty:

- (a) the Subordinator shall provide notice of such breach, or the inability to satisfy such obligations, to the Agent;
- (b) the Subordinator shall not receive any payments in respect of the Subordinator Indebtedness (other than Permitted Payments), or exercise any right of set-off it now has or hereafter may have in respect of the Subordinator Indebtedness, until the Agent Indebtedness has been paid and satisfied in full unless the Agent agrees otherwise in writing; and
- (c) if any amount in respect of the Subordinator Indebtedness is received the Subordinator (other than Permitted Payments), such amount shall be held by such Subordinator in trust for the Agent and shall be immediately paid to the Agent.

6. The Subordinator hereby consents to the Debtor's incurring the Agent Indebtedness and delivering the Agent Security and acknowledges the existence, validity and enforceability of the Agent Security. The Agent hereby consents to the Debtor's incurring the Subordinator Indebtedness and delivering the Subordinator Security and acknowledges the existence of the Subordinator Security. The postponements and subordinations contained in this agreement shall apply in all events and circumstances regardless of:

- (a) the date or dates or time or times of creation, execution, delivery, attachment, registration or perfection of any or all of the security interests, charges or hypothecary interests created by any Agent Security or Subordinator Security;
- (b) the date or dates of the loan or loans or advance or advances made to the Debtor by the Agent or the Subordinator;
- (c) the date or dates of any demand for, or acceleration of payment of any Agent Indebtedness or Subordinator Indebtedness;
- (d) the date or dates of any default by the Debtor under either or both of the Agent Security or the Subordinator Security;
- (e) any priority granted by any principle of law or by any statute;
- (f) the date of commencement of any enforcement proceedings under any Agent Security or Subordinator Security;
- (g) the validity, invalidity, perfection, lack of perfection, enforceability or unenforceability of any Agent Security or Subordinator Security;

- (h) the execution or delivery of, or any amendment to or termination of any existing or future agreement or other document evidencing, creating or related to any Agent Indebtedness, Subordinator Indebtedness, Agent Security or Subordinator Security;
- (i) any act or omission of the Agent, the Subordinator, the Debtor, any agent of any of them, or any other person; or
- (j) any other matter whatsoever.

The Subordinator agrees that any and all proceeds resulting from the enforcement or realization of any Subordinator Security and any and all proceeds received or receivable by such Subordinator from or in respect of the Debtor or the Debtor's assets including, without limitation, bankruptcy dividends, insurance proceeds, expropriation proceeds and proceeds derived from any compromise, reorganization, restructuring, arrangement, proposal or other adjustment of the Debtor's debt, shall be paid to the Agent and dealt with in such a manner as to give effect to the provisions of this agreement. The Subordinator further agrees that the priorities contained in this agreement shall extend to and include all principal, interest, fees, indemnity obligations, reimbursement obligations and costs (including costs of collection, legal fees and disbursements and fees and disbursements of any receiver, receiver and manager or agent) owing to such Subordinator.

7. As long as any Agent Indebtedness remains outstanding or the Agent or Lenders are committed to extend any credit to or on behalf of the Debtor:

- (a) the Subordinator shall not, without the Agent's prior written consent in its sole discretion:
 - (i) exercise or seek to exercise any right or remedy with respect to Subordinator Indebtedness or Subordinator Security including any collection or enforcement right or remedy (regardless of whether such enforcement right or remedy is on demand); or
 - (ii) institute any action or proceeding against the Debtor or any of its assets including without limitation any possession, sale or foreclosure action or proceeding; or
 - (iii) contest, protest or object to any enforcement proceeding or other action commenced by the Agent, any other exercise by the Agent of any right or remedy under any Agent Security or at law, or any application by the Agent of monies or proceeds; and
- (b) the Agent shall have the exclusive right to enforce rights and remedies with respect to the property and assets charged by the Agent Security and the Agent shall not be required to marshal any of such property and assets. In exercising any such rights and remedies, the Agent may enforce the provisions of any Agent Security and exercise the remedies

thereunder in such order and such manner as the Agent may determine in its sole discretion.

8. As long as any Agent Indebtedness remains outstanding or the Agent or Lenders are committed to extend any credit to or on behalf of the Debtor, the Subordinator shall not, without the prior written consent of the Agent, amend, supplement, restate or replace the Subordinator Indebtedness or any terms thereof in any manner materially adverse to the Agent, including for greater certainty, converting any amount of the Subordinator Indebtedness into equity of the Debtor. The Subordinator confirms, covenants and agrees to provide copies of any and all amendments, supplements, restatements, replacements or other modifications of any Subordinator Indebtedness (whether or not such changes are materially adverse to the Agent) to the Agent immediately upon any such amendment, supplement, restatement, replacement or other modification being made to any Subordinator Indebtedness.

9. As long as any Agent Indebtedness remains outstanding or the Agent or Lenders are committed to extend any credit to or on behalf of the Debtor, the Subordinator shall not, without the prior written consent of the Agent, sell, assign or otherwise transfer, in whole or in part, any Subordinator Indebtedness or any Subordinator Security or any interest therein to any person, or create, incur or permit to exist any security interest, lien, charge, hypothecary interest or other encumbrance whatsoever in or affecting any Subordinator Indebtedness or Subordinator Security in favour of any person unless:

- (a) such action is made expressly subject to this agreement; and
- (b) such person delivers to the Agent a written agreement, in form and substance satisfactory to the Agent, to be bound by all provisions of this agreement.

The Agent may assign, transfer and deliver to any transferee any Agent Indebtedness, Agent Security or any other security, documents or instruments held by the Agent in respect thereof and no such assignment, transfer or delivery shall release the Subordinator from their obligations pursuant to this agreement. Such transferee shall be vested with all powers and rights of the Agent under such security, documents or instruments but the Agent shall retain all rights and powers with respect to any security, documents or instruments not so assigned, transferred or delivered.

10. For so long as any of the Agent Indebtedness remains unpaid, the Subordinator irrevocably appoints the Agent as the Subordinator's attorney in fact, and grants to the Agent a power of attorney with full power of substitution, in the name of the Subordinator or in the name of the Agent, for the use and benefit of the Agent, without notice to the Subordinator, to perform at the Agent's option the following acts in any bankruptcy, insolvency or similar proceeding involving the Debtor:

- (a) to file the appropriate claim or claims in respect of the Subordinator Indebtedness on behalf of the Subordinator if the Subordinator do not do so prior to thirty (30) days before the expiration of the time to file claims

in such proceeding and if the Agent elects, in its sole discretion, to file such claim or claims; and

- (b) to accept or reject any plan of reorganization or arrangement on behalf of the Subordinator and to otherwise vote the Subordinator's claims in respect of any Subordinator Indebtedness in any manner that the Agent deems appropriate for the enforcement of its rights hereunder.

11. For so long as any of the Agent Indebtedness remains unpaid, the Subordinator agrees that it will not object to or oppose (i) the sale of the Debtor, or (ii) the sale or other disposition of any property of the Debtor, if the Agent has consented to such sale of the Debtor or sale or disposition of any property of the Debtor. If requested by the Agent, the Subordinator shall affirmatively consent to such sale or disposition and shall take all necessary actions and execute such documents and instruments as the Agent may reasonably request in connection with and to manifest such consent.

12. The Subordinator hereby authorizes the Agent to collect and receive any dividends or other payments which may be payable to the Subordinator in the course of any receivership, bankruptcy, liquidation or winding-up of the Debtor or any similar proceeding and, in the event that the Agent Indebtedness at such time has not been paid in full, the Subordinator hereby irrevocably authorizes the Agent to apply such dividends or other payments so collected by the Agent to reduce Agent Indebtedness.

13. The Subordinator shall be subrogated to the rights of the Agent to receive payments and distribution of cash and other property of the Debtor in respect of and on account of Agent Indebtedness to the extent of the previous application to reduce Agent Indebtedness of moneys or other property which would, but for this agreement, have been received and applied by the Subordinator to reduce Subordinator Indebtedness, until the Subordinator Indebtedness has been paid in full, provided that such right of subrogation (and any other existing or future right of subrogation the Subordinator may have) shall not arise and shall not be exercised until the Agent has received payment in full in cash of all Agent Indebtedness.

14. This agreement is in addition to, not in substitution for and shall not be merged in any other agreement, security, document and instrument now or hereafter held by the Agent.

15. Nothing in this agreement shall confer any right on the Debtor or any person not a party to this agreement or amend any agreement between the Debtor and the Agent or the Debtor and the Subordinator.

16. This agreement constitutes the entire agreement between the Subordinator and the Agent with respect to the subject matter hereof and may not be amended, waived or modified in any manner except by written agreement signed by the Agent and the Subordinators.

17. No failure by the Agent to exercise any right, power, remedy or privilege (whether in whole or in part) shall operate as a waiver thereof. No single or partial exercise of any right, power, remedy or privilege shall preclude any other or further exercise thereof or the exercise of any further right, power or privilege. The rights and remedies herein provided are cumulative,

may be exercised singly or concurrently, and are not exclusive of any other rights or remedies provided by law.

18. If the Agent receives any payment on, or proceeds of any property or assets of the Debtor on account of any Agent Indebtedness and such payment or proceeds are subsequently invalidated, declared to be fraudulent or preferential, or required to be repaid to the Debtor, a trustee, receiver, receiver and manager or any other person under any applicable law, then to the extent of such payment or proceeds received by the Agent and required to be repaid, the Agent Indebtedness, or such part thereof, intended to be satisfied by such payment or proceeds shall be revived and shall continue in full force and effect as if such payment or proceeds had not been received by the Agent.

19. This agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein and for the purpose of legal proceedings this agreement shall be deemed to have been made in the Province of Ontario and to be performed there. The courts of the Province of Ontario shall have jurisdiction over all disputes which may arise under this agreement and each Subordinator hereby irrevocably and unconditionally submits to the non-exclusive jurisdiction of such courts, provided that nothing herein shall prevent the Agent from proceeding at its election against the Subordinator in the courts of any other province, country or jurisdiction.

20. If one or more of the provisions of this agreement shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions of this agreement shall not in any way be affected or impaired thereby.

21. Any notice, demand or other communication permitted or required to be given hereunder shall be given in writing and may be effectively given by delivering it to the following applicable address or by sending it by email or fax (as applicable) to such address. Any notice, demand or other communication so given prior to 5:00 p.m. (Toronto time) on a Business Day by personal delivery or by email or fax (as applicable) shall be deemed to have been given, received and made on such Business Day and, if so given after 5:00 p.m. (Toronto time) on a Business Day or on a day which is not a Business Day, such notice, demand or other communication shall be deemed to have been given, received and made on the next following Business Day. The addresses of the parties for the purposes hereof shall be:

(a) in the case of the Agent, as follows:

Cortland Credit Lending Corporation

Royal Bank Plaza - North Tower
South Tower, 200 Bay St. Suite 3230
Toronto, ON M5J 2J2,

Attention: Sean Rogister
Email: srogister@cortlandcredit.ca

(b) in the case of the Subordinator, as follows:

Stone Pine Capital Ltd.
Victoria Place, 5th Floor
31 Victoria Street
Hamilton, HM 10, Bermuda

Attention: Alberto Montagne
Email: accounting@cycadmanagement.com and
amontagne@cycadmanagement.com

From time to time, the Agent, the Subordinator, or the Debtor may notify one another, in accordance with the provisions hereof, of any change of address which thereafter, until changed by like notice, shall be the address of such party for all purposes of this agreement. In this agreement, "**Business Day**" shall mean any day, other than a Saturday, Sunday or statutory holiday in Toronto, Ontario, on which the Agent's office is open for normal business.

22. This Agreement is in addition to and not in substitution of the Existing Subordination Agreement and the Existing Subordination Agreement shall remain in full force and effect, unamended, notwithstanding the entering into of this Agreement.

23. For the purposes of this agreement, words importing the singular shall include the plural and vice versa; and words importing gender shall include all genders.

24. This agreement shall be binding on the parties hereto and their respective successors and permitted assigns including any successor by reason of amalgamation and shall enure to the benefit of the other parties hereto and the successors and assigns.

25. This agreement may be executed by the parties hereto in any number of separate counterparts, and all of said counterparts when taken together shall deem to constitute one and the same agreement. This agreement may also be executed and delivered by any electronic means.

[Remainder of page intentionally left blank; signature page follows.]

DATED the 8th day of November, 2023.

STONE PINE CAPITAL LTD.



Per: _____

Name: BAGDAD Z. ALGHAMDI

Title: PIPECTOR

CORTLAND CREDIT LENDING CORPORATION

Per: _____

Name:

Title:

Per: _____

Name:

Title:

TO: Cortland Credit Lending Corporation (the "Agent")


DEBTOR'S AGREEMENT

The undersigned acknowledges receipt of a copy of the foregoing postponement and subordination agreement (the "Agreement"; capitalized terms not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement) and agrees as follows:

- (a) the Debtor shall comply with the Agreement and not take any action inconsistent therewith and, without limiting the generality of the foregoing, the Debtor agrees not to pay any amount to the Subordinator except as expressly permitted by the Agreement;
- (b) the Debtor agrees that it acquires no rights pursuant to the Agreement and consents to the exchange of information by the Subordinator and the Agent; and
- (c) the Debtor confirms, covenants and agrees to provide copies of any and all amendments, supplements, restatements, replacements or other modifications of the Subordinator Indebtedness (whether or not such changes are materially adverse to the Agent) to the Agent immediately upon any such amendment, supplement, restatement, replacement or other modification being made to the Subordinator Indebtedness

DATED the 8th day of November, 2023.

BZAM LTD.

Per: 
Name: Matt Milich
Title: CEO

Per: _____
Name:
Title:

THE GREEN ORGANIC DUTCHMAN LTD.

Per: 
Name: Sean Bovingdon
Title: CFO

Per: _____
Name:
Title:

POSTPONEMENT AND SUBORDINATION AGREEMENT

WHEREAS each of The Green Organic Dutchman Ltd. (“**TGOD**”) and BZAM Ltd. (“**BZAM**” and together with TGOD, collectively, the “**Debtor**”), is indebted or liable and may hereafter become further indebted or liable to the Cortland Credit Lending Corporation (the “**Agent**”) and the Lenders pursuant to an amended and restated credit agreement dated September 29, 2021, as amended by a first amendment dated as of November 30, 2021, a second amendment dated as of March 9, 2022, a third amendment dated as of April 29, 2022, a fourth amendment dated as of November 3, 2022, a fifth amendment dated as of June 30, 2023 and a sixth amendment dated as of August 30, 2023 (as the same may be further amended, amended and restated, renewed, extended, supplemented, replaced, or otherwise modified from time to time, collectively, the “**Credit Agreement**”), between, among others, the Debtor, as borrower, and the Agent, as agent for the Lenders (as defined therein) and the other documents delivered in connection therewith.

AND WHEREAS BZAM is indebted or liable, and may hereafter become further indebted or liable, to Stone Pine Capital Ltd. (the “**Subordinator**”).

AND WHEREAS the Agent had previously consented to the incurrence of: (i) the secured, demand promissory note in the principal amount of CAD \$2,500,000.00 dated as of March 3, 2023 (“**Subordinated Promissory Note #1**”); (ii) the secured, demand promissory note in the principal amount of CAD \$1,325,000.00 dated as of August 30, 2023 (“**Subordinated Promissory Note #2**”); (iii) the secured, demand promissory note in the principal amount of CAD \$1,190,000 dated as of October 27, 2023 (“**Subordinated Promissory Note #3**”) and the secured, demand promissory note in the principal amount of \$600,000 dated as of November 8, 2023 (“**Subordinated Promissory Note #4** and together with Subordinated Promissory Note #1, Subordinated Promissory Note #2 and Subordinated Promissory Note #3, collectively, the “**Existing Subordinated Promissory Notes**”) and together with all payments of principal and interest relating thereto (collectively, the “**Existing Subordinator Indebtedness**”)

AND WHEREAS and the Agent has agreed to the incurrence of the Subordinator Indebtedness (as hereinafter defined) relating to Subordinated Promissory Note #4 (as hereinafter defined) pursuant to, among other things, the terms and conditions of a consent agreement between, among others, the Debtor and the Agent dated as of the date hereof (as the same may be further amended, amended and restated, renewed, extended, supplemented, replaced, or otherwise modified from time to time, collectively, the “**Consent Agreement**”).

AND WHEREAS the Subordinator and the Agent are party to: (i) an amended and restated subordination agreement dated on or about August 30, 2023 relating to Subordinated Promissory Note #1 and Subordinated Promissory Note #2; (ii) a subordination agreement dated on or about October 27, 2023 relating to Subordinated Promissory Note #3; (and (iii) a subordination agreement dated on or about November 8, 2023 relating to Subordinated Promissory Note #4 (collectively, the “**Existing Subordination Agreements**”) and the Agent and the Subordinator have each agreed that the Existing Subordination Agreements shall remain in full force and effect, unamended notwithstanding the entering into of this postponement and subordination agreement (this “**Agreement**”) relating to the Subordinated Promissory Note #5 (as hereinafter defined) and that this Agreement shall be in addition to, and not in substitution of, the Existing Subordination Agreement.

NOW THEREFORE for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Subordinator, the Subordinator agrees with the Agent as follows:

1. Any and all present and future direct, indirect or contingent indebtedness and liability owing by the Debtor to the Subordinator under or in connection with the secured, demand promissory note in the principal amount of CAD \$2,000,000.00 dated as of the date hereof ("**Subordinated Promissory Note #5**"), including without limitation, any payments of principal and interest due and owing thereunder ("**Subordinator Indebtedness**") are hereby postponed and subordinated to all present and future direct, indirect and contingent indebtedness and liability owing by the Debtor to the Agent and the Lenders under or pursuant to the Credit Agreement (collectively, the "**Agent Indebtedness**"). Until the Agent Indebtedness has been paid in full and any obligation of the Agent or the Lenders to extend credit to the Debtor or an affiliate of the Debtor has been irrevocably terminated, the Subordinator shall not, without the prior written consent of the Agent, claim, demand or receive from the Debtor or any other source (including any guarantor of the Debtor), payment of any Subordinator Indebtedness.

2. Any and all security (including without limitation hypothecary interests) now or hereafter held by the Subordinator as security for all or any Subordinated Promissory Note #5 Indebtedness (collectively, the "**Subordinator Security**") are hereby postponed and subordinated to all security (including without limitation hypothecary interests) now or hereafter held by the Agent as security for all or any Agent Indebtedness (collectively, the "**Agent Security**").

3. The Subordinator shall at all times and from time to time do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, transfer, assignment, assurance, proof of claim, direction, document or instrument as the Agent may reasonably require for the better accomplishing and effectuating of the purpose and intent of this agreement.

4. For greater certainty and notwithstanding any other provision of this agreement:

(a) save and except for Permitted Payments, the Subordinator shall not be entitled to receive any payment from the Debtor and all amounts owing or which may hereafter become owing by the Debtor to the Subordinator, including principal and interest on any Subordinator Indebtedness, shall not be paid, forgiven or otherwise satisfied but shall either remain unpaid by the Debtor or be paid to the Agent pursuant to this agreement;

(b) any amounts received by the Subordinator or by any agent of the Subordinator on account of any Subordinator Indebtedness shall be held in trust for the Agent and forthwith paid to the Agent, other than in respect of Permitted Payments; and

(c) the Subordinator shall not be entitled to exercise any right of set-off or combination of accounts it now has or hereafter may have in respect of any Subordinator Indebtedness.

5. In the event that any Subordinator Indebtedness obligations are breached or are unable to be satisfied, payments pursuant thereto shall be postponed to payment of the Agent Indebtedness and for greater certainty:

- (a) the Subordinator shall provide notice of such breach, or the inability to satisfy such obligations, to the Agent;
- (b) the Subordinator shall not receive any payments in respect of the Subordinator Indebtedness (other than Permitted Payments), or exercise any right of set-off it now has or hereafter may have in respect of the Subordinator Indebtedness, until the Agent Indebtedness has been paid and satisfied in full unless the Agent agrees otherwise in writing; and
- (c) if any amount in respect of the Subordinator Indebtedness is received the Subordinator (other than Permitted Payments), such amount shall be held by such Subordinator in trust for the Agent and shall be immediately paid to the Agent.

6. The Subordinator hereby consents to the Debtor's incurring the Agent Indebtedness and delivering the Agent Security and acknowledges the existence, validity and enforceability of the Agent Security. The Agent hereby consents to the Debtor's incurring the Subordinator Indebtedness and delivering the Subordinator Security and acknowledges the existence of the Subordinator Security. The postponements and subordinations contained in this agreement shall apply in all events and circumstances regardless of:

- (a) the date or dates or time or times of creation, execution, delivery, attachment, registration or perfection of any or all of the security interests, charges or hypothecary interests created by any Agent Security or Subordinator Security;
- (b) the date or dates of the loan or loans or advance or advances made to the Debtor by the Agent or the Subordinator;
- (c) the date or dates of any demand for, or acceleration of payment of any Agent Indebtedness or Subordinator Indebtedness;
- (d) the date or dates of any default by the Debtor under either or both of the Agent Security or the Subordinator Security;
- (e) any priority granted by any principle of law or by any statute;
- (f) the date of commencement of any enforcement proceedings under any Agent Security or Subordinator Security;
- (g) the validity, invalidity, perfection, lack of perfection, enforceability or unenforceability of any Agent Security or Subordinator Security;

- (h) the execution or delivery of, or any amendment to or termination of any existing or future agreement or other document evidencing, creating or related to any Agent Indebtedness, Subordinator Indebtedness, Agent Security or Subordinator Security;
- (i) any act or omission of the Agent, the Subordinator, the Debtor, any agent of any of them, or any other person; or
- (j) any other matter whatsoever.

The Subordinator agrees that any and all proceeds resulting from the enforcement or realization of any Subordinator Security and any and all proceeds received or receivable by such Subordinator from or in respect of the Debtor or the Debtor's assets including, without limitation, bankruptcy dividends, insurance proceeds, expropriation proceeds and proceeds derived from any compromise, reorganization, restructuring, arrangement, proposal or other adjustment of the Debtor's debt, shall be paid to the Agent and dealt with in such a manner as to give effect to the provisions of this agreement. The Subordinator further agrees that the priorities contained in this agreement shall extend to and include all principal, interest, fees, indemnity obligations, reimbursement obligations and costs (including costs of collection, legal fees and disbursements and fees and disbursements of any receiver, receiver and manager or agent) owing to such Subordinator.

7. As long as any Agent Indebtedness remains outstanding or the Agent or Lenders are committed to extend any credit to or on behalf of the Debtor:

- (a) the Subordinator shall not, without the Agent's prior written consent in its sole discretion:
 - (i) exercise or seek to exercise any right or remedy with respect to Subordinator Indebtedness or Subordinator Security including any collection or enforcement right or remedy (regardless of whether such enforcement right or remedy is on demand); or
 - (ii) institute any action or proceeding against the Debtor or any of its assets including without limitation any possession, sale or foreclosure action or proceeding; or
 - (iii) contest, protest or object to any enforcement proceeding or other action commenced by the Agent, any other exercise by the Agent of any right or remedy under any Agent Security or at law, or any application by the Agent of monies or proceeds; and
- (b) the Agent shall have the exclusive right to enforce rights and remedies with respect to the property and assets charged by the Agent Security and the Agent shall not be required to marshal any of such property and assets. In exercising any such rights and remedies, the Agent may enforce the provisions of any Agent Security and exercise the remedies

thereunder in such order and such manner as the Agent may determine in its sole discretion.

8. As long as any Agent Indebtedness remains outstanding or the Agent or Lenders are committed to extend any credit to or on behalf of the Debtor, the Subordinator shall not, without the prior written consent of the Agent, amend, supplement, restate or replace the Subordinator Indebtedness or any terms thereof in any manner materially adverse to the Agent, including for greater certainty, converting any amount of the Subordinator Indebtedness into equity of the Debtor. The Subordinator confirms, covenants and agrees to provide copies of any and all amendments, supplements, restatements, replacements or other modifications of any Subordinator Indebtedness (whether or not such changes are materially adverse to the Agent) to the Agent immediately upon any such amendment, supplement, restatement, replacement or other modification being made to any Subordinator Indebtedness.

9. As long as any Agent Indebtedness remains outstanding or the Agent or Lenders are committed to extend any credit to or on behalf of the Debtor, the Subordinator shall not, without the prior written consent of the Agent, sell, assign or otherwise transfer, in whole or in part, any Subordinator Indebtedness or any Subordinator Security or any interest therein to any person, or create, incur or permit to exist any security interest, lien, charge, hypothecary interest or other encumbrance whatsoever in or affecting any Subordinator Indebtedness or Subordinator Security in favour of any person unless:

- (a) such action is made expressly subject to this agreement; and
- (b) such person delivers to the Agent a written agreement, in form and substance satisfactory to the Agent, to be bound by all provisions of this agreement.

The Agent may assign, transfer and deliver to any transferee any Agent Indebtedness, Agent Security or any other security, documents or instruments held by the Agent in respect thereof and no such assignment, transfer or delivery shall release the Subordinator from their obligations pursuant to this agreement. Such transferee shall be vested with all powers and rights of the Agent under such security, documents or instruments but the Agent shall retain all rights and powers with respect to any security, documents or instruments not so assigned, transferred or delivered.

10. For so long as any of the Agent Indebtedness remains unpaid, the Subordinator irrevocably appoints the Agent as the Subordinator's attorney in fact, and grants to the Agent a power of attorney with full power of substitution, in the name of the Subordinator or in the name of the Agent, for the use and benefit of the Agent, without notice to the Subordinator, to perform at the Agent's option the following acts in any bankruptcy, insolvency or similar proceeding involving the Debtor:

- (a) to file the appropriate claim or claims in respect of the Subordinator Indebtedness on behalf of the Subordinator if the Subordinator do not do so prior to thirty (30) days before the expiration of the time to file claims

in such proceeding and if the Agent elects, in its sole discretion, to file such claim or claims; and

- (b) to accept or reject any plan of reorganization or arrangement on behalf of the Subordinator and to otherwise vote the Subordinator's claims in respect of any Subordinator Indebtedness in any manner that the Agent deems appropriate for the enforcement of its rights hereunder.

11. For so long as any of the Agent Indebtedness remains unpaid, the Subordinator agrees that it will not object to or oppose (i) the sale of the Debtor, or (ii) the sale or other disposition of any property of the Debtor, if the Agent has consented to such sale of the Debtor or sale or disposition of any property of the Debtor. If requested by the Agent, the Subordinator shall affirmatively consent to such sale or disposition and shall take all necessary actions and execute such documents and instruments as the Agent may reasonably request in connection with and to manifest such consent.

12. The Subordinator hereby authorizes the Agent to collect and receive any dividends or other payments which may be payable to the Subordinator in the course of any receivership, bankruptcy, liquidation or winding-up of the Debtor or any similar proceeding and, in the event that the Agent Indebtedness at such time has not been paid in full, the Subordinator hereby irrevocably authorizes the Agent to apply such dividends or other payments so collected by the Agent to reduce Agent Indebtedness.

13. The Subordinator shall be subrogated to the rights of the Agent to receive payments and distribution of cash and other property of the Debtor in respect of and on account of Agent Indebtedness to the extent of the previous application to reduce Agent Indebtedness of moneys or other property which would, but for this agreement, have been received and applied by the Subordinator to reduce Subordinator Indebtedness, until the Subordinator Indebtedness has been paid in full, provided that such right of subrogation (and any other existing or future right of subrogation the Subordinator may have) shall not arise and shall not be exercised until the Agent has received payment in full in cash of all Agent Indebtedness.

14. This agreement is in addition to, not in substitution for and shall not be merged in any other agreement, security, document and instrument now or hereafter held by the Agent.

15. Nothing in this agreement shall confer any right on the Debtor or any person not a party to this agreement or amend any agreement between the Debtor and the Agent or the Debtor and the Subordinator.

16. This agreement constitutes the entire agreement between the Subordinator and the Agent with respect to the subject matter hereof and may not be amended, waived or modified in any manner except by written agreement signed by the Agent and the Subordinators.

17. No failure by the Agent to exercise any right, power, remedy or privilege (whether in whole or in part) shall operate as a waiver thereof. No single or partial exercise of any right, power, remedy or privilege shall preclude any other or further exercise thereof or the exercise of any further right, power or privilege. The rights and remedies herein provided are cumulative,

may be exercised singly or concurrently, and are not exclusive of any other rights or remedies provided by law.

18. If the Agent receives any payment on, or proceeds of any property or assets of the Debtor on account of any Agent Indebtedness and such payment or proceeds are subsequently invalidated, declared to be fraudulent or preferential, or required to be repaid to the Debtor, a trustee, receiver, receiver and manager or any other person under any applicable law, then to the extent of such payment or proceeds received by the Agent and required to be repaid, the Agent Indebtedness, or such part thereof, intended to be satisfied by such payment or proceeds shall be revived and shall continue in full force and effect as if such payment or proceeds had not been received by the Agent.

19. This agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein and for the purpose of legal proceedings this agreement shall be deemed to have been made in the Province of Ontario and to be performed there. The courts of the Province of Ontario shall have jurisdiction over all disputes which may arise under this agreement and each Subordinator hereby irrevocably and unconditionally submits to the non-exclusive jurisdiction of such courts, provided that nothing herein shall prevent the Agent from proceeding at its election against the Subordinator in the courts of any other province, country or jurisdiction.

20. If one or more of the provisions of this agreement shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions of this agreement shall not in any way be affected or impaired thereby.

21. Any notice, demand or other communication permitted or required to be given hereunder shall be given in writing and may be effectively given by delivering it to the following applicable address or by sending it by email or fax (as applicable) to such address. Any notice, demand or other communication so given prior to 5:00 p.m. (Toronto time) on a Business Day by personal delivery or by email or fax (as applicable) shall be deemed to have been given, received and made on such Business Day and, if so given after 5:00 p.m. (Toronto time) on a Business Day or on a day which is not a Business Day, such notice, demand or other communication shall be deemed to have been given, received and made on the next following Business Day. The addresses of the parties for the purposes hereof shall be:

(a) in the case of the Agent, as follows:

Cortland Credit Lending Corporation

Royal Bank Plaza - North Tower
South Tower, 200 Bay St. Suite 3230
Toronto, ON M5J 2J2,

Attention: Sean Rogister
Email: srogister@cortlandcredit.ca

(b) in the case of the Subordinator, as follows:

Stone Pine Capital Ltd.
Victoria Place, 5th Floor
31 Victoria Street
Hamilton, HM 10, Bermuda

Attention: Alberto Montagne
Email: accounting@cycadmanagement.com and
amontagne@cycadmanagement.com

From time to time, the Agent, the Subordinator, or the Debtor may notify one another, in accordance with the provisions hereof, of any change of address which thereafter, until changed by like notice, shall be the address of such party for all purposes of this agreement. In this agreement, "**Business Day**" shall mean any day, other than a Saturday, Sunday or statutory holiday in Toronto, Ontario, on which the Agent's office is open for normal business.

22. This Agreement is in addition to and not in substitution of the Existing Subordination Agreements and the Existing Subordination Agreements shall remain in full force and effect, unamended, notwithstanding the entering into of this Agreement.

23. For the purposes of this agreement, words importing the singular shall include the plural and vice versa; and words importing gender shall include all genders.

24. This agreement shall be binding on the parties hereto and their respective successors and permitted assigns including any successor by reason of amalgamation and shall enure to the benefit of the other parties hereto and the successors and assigns.

25. This agreement may be executed by the parties hereto in any number of separate counterparts, and all of said counterparts when taken together shall deem to constitute one and the same agreement. This agreement may also be executed and delivered by any electronic means.

[Remainder of page intentionally left blank; signature page follows.]

DATED the 30th day of November, 2023.

STONE PINE CAPITAL LTD.



Per: _____
Name: BASSAM K. ALGHAMDI
Title: Director

CORTLAND CREDIT LENDING CORPORATION

Per: _____
Name: _____
Title: _____


Per: _____
Name: _____
Title: _____

DATED the 30th day of November, 2023.

STONE PINE CAPITAL LTD.

Per: _____
Name:
Title:

CORTLAND CREDIT LENDING CORPORATION

DocuSigned by:

Per: _____
Name: Sean Register
Title: CEO

Per: _____
Name:
Title:

TO: Cortland Credit Lending Corporation (the "Agent")


DEBTOR'S AGREEMENT

The undersigned acknowledges receipt of a copy of the foregoing postponement and subordination agreement (the "Agreement"; capitalized terms not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement) and agrees as follows:

- (a) the Debtor shall comply with the Agreement and not take any action inconsistent therewith and, without limiting the generality of the foregoing, the Debtor agrees not to pay any amount to the Subordinator except as expressly permitted by the Agreement;
- (b) the Debtor agrees that it acquires no rights pursuant to the Agreement and consents to the exchange of information by the Subordinator and the Agent; and
- (c) the Debtor confirms, covenants and agrees to provide copies of any and all amendments, supplements, restatements, replacements or other modifications of the Subordinator Indebtedness (whether or not such changes are materially adverse to the Agent) to the Agent immediately upon any such amendment, supplement, restatement, replacement or other modification being made to the Subordinator Indebtedness


DATED the 30^h day of November, 2023.

BZAM LTD.

Per: 
Name: Matt Milich
Title: CEO

Per: _____
Name:
Title:

THE GREEN ORGANIC DUTCHMAN LTD.

Per: 
Name: Sean Bovingdon
Title: CFO

Per: _____
Name:
Title:

POSTPONEMENT AND SUBORDINATION AGREEMENT

WHEREAS each of The Green Organic Dutchman Ltd. (“**TGOD**”) and BZAM Ltd. (“**BZAM**” and together with TGOD, collectively, the “**Debtor**”), is indebted or liable and may hereafter become further indebted or liable to the Cortland Credit Lending Corporation (the “**Agent**”) and the Lenders pursuant to an amended and restated credit agreement dated September 29, 2021, as amended by a first amendment dated as of November 30, 2021, a second amendment dated as of March 9, 2022, a third amendment dated as of April 29, 2022, a fourth amendment dated as of November 3, 2022, a fifth amendment dated as of June 30, 2023 and a sixth amendment dated as of August 30, 2023 (as the same may be further amended, amended and restated, renewed, extended, supplemented, replaced, or otherwise modified from time to time, collectively, the “**Credit Agreement**”), between, among others, the Debtor, as borrower, and the Agent, as agent for the Lenders (as defined therein) and the other documents delivered in connection therewith.

AND WHEREAS BZAM is indebted or liable, and may hereafter become further indebted or liable, to Stone Pine Capital Ltd. (the “**Subordinator**”).

AND WHEREAS the Agent had previously consented to the incurrence of: (i) the secured, demand promissory note in the principal amount of CAD \$2,500,000.00 dated as of March 3, 2023 (“**Subordinated Promissory Note #1**”); (ii) the secured, demand promissory note in the principal amount of CAD \$1,325,000.00 dated as of August 30, 2023 (“**Subordinated Promissory Note #2**”); (iii) the secured, demand promissory note in the principal amount of CAD \$1,190,000 dated as of October 27, 2023 (“**Subordinated Promissory Note #3**”); (iv) the secured, demand promissory note in the principal amount of \$600,000 dated as of November 8, 2023 (“**Subordinated Promissory Note #4**”); and (v) the secured, demand promissory note in the principal amount of \$2,000,000 dated as of November 30, 2023 (“**Subordinated Promissory Note #5**”, and together with Subordinated Promissory Note #1, Subordinated Promissory Note #2, Subordinated Promissory Note #3, and Subordinated Promissory Note #4, collectively, the “**Existing Subordinated Promissory Notes**”) and together with all payments of principal and interest relating thereto (collectively, the “**Existing Subordinator Indebtedness**”)

AND WHEREAS and the Agent has agreed to the incurrence of the Subordinator Indebtedness (as hereinafter defined) relating to Subordinated Promissory Note #6 (as hereinafter defined) pursuant to, among other things, the terms and conditions of a consent agreement between, among others, the Debtor and the Agent dated as of the date hereof (as the same may be further amended, amended and restated, renewed, extended, supplemented, replaced, or otherwise modified from time to time, collectively, the “**Consent Agreement**”).

AND WHEREAS the Subordinator and the Agent are party to: (i) an amended and restated subordination agreement dated on or about August 30, 2023 relating to Subordinated Promissory Note #1 and Subordinated Promissory Note #2; (ii) a subordination agreement dated on or about October 27, 2023 relating to Subordinated Promissory Note #3; (iii) a subordination agreement dated on or about November 8, 2023 relating to Subordinated Promissory Note #4; and (iv) a subordination agreement dated on or around November 30, 2023 relating to Subordinated Promissory Note #5 (collectively, the “**Existing Subordination Agreements**”) and the Agent and the Subordinator have each agreed that the Existing Subordination Agreements shall remain in full force and effect, unamended notwithstanding the entering into of this

postponement and subordination agreement (this "**Agreement**") relating to the Subordinated Promissory Note #6 (as hereinafter defined) and that this Agreement shall be in addition to, and not in substitution of, the Existing Subordination Agreement.

NOW THEREFORE for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Subordinator, the Subordinator agrees with the Agent as follows:

1. Any and all present and future direct, indirect or contingent indebtedness and liability owing by the Debtor to the Subordinator under or in connection with the secured, demand promissory note in the principal amount of CAD \$900,000.00 dated as of the date hereof ("**Subordinated Promissory Note #6**"), including without limitation, any payments of principal and interest due and owing thereunder ("**Subordinator Indebtedness**") are hereby postponed and subordinated to all present and future direct, indirect and contingent indebtedness and liability owing by the Debtor to the Agent and the Lenders under or pursuant to the Credit Agreement (collectively, the "**Agent Indebtedness**"). Until the Agent Indebtedness has been paid in full and any obligation of the Agent or the Lenders to extend credit to the Debtor or an affiliate of the Debtor has been irrevocably terminated, the Subordinator shall not, without the prior written consent of the Agent, claim, demand or receive from the Debtor or any other source (including any guarantor of the Debtor), payment of any Subordinator Indebtedness.
2. Any and all security (including without limitation hypothecary interests) now or hereafter held by the Subordinator as security for all or any Subordinated Promissory Note #5 Indebtedness (collectively, the "**Subordinator Security**") are hereby postponed and subordinated to all security (including without limitation hypothecary interests) now or hereafter held by the Agent as security for all or any Agent Indebtedness (collectively, the "**Agent Security**").
3. The Subordinator shall at all times and from time to time do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every such further act, deed, transfer, assignment, assurance, proof of claim, direction, document or instrument as the Agent may reasonably require for the better accomplishing and effectuating of the purpose and intent of this agreement.
4. For greater certainty and notwithstanding any other provision of this agreement:
 - (a) save and except for Permitted Payments, the Subordinator shall not be entitled to receive any payment from the Debtor and all amounts owing or which may hereafter become owing by the Debtor to the Subordinator, including principal and interest on any Subordinator Indebtedness, shall not be paid, forgiven or otherwise satisfied but shall either remain unpaid by the Debtor or be paid to the Agent pursuant to this agreement;
 - (b) any amounts received by the Subordinator or by any agent of the Subordinator on account of any Subordinator Indebtedness shall be held in trust for the Agent and forthwith paid to the Agent, other than in respect of Permitted Payments; and

- (c) the Subordinator shall not be entitled to exercise any right of set-off or combination of accounts it now has or hereafter may have in respect of any Subordinator Indebtedness.

5. In the event that any Subordinator Indebtedness obligations are breached or are unable to be satisfied, payments pursuant thereto shall be postponed to payment of the Agent Indebtedness and for greater certainty:

- (a) the Subordinator shall provide notice of such breach, or the inability to satisfy such obligations, to the Agent;
- (b) the Subordinator shall not receive any payments in respect of the Subordinator Indebtedness (other than Permitted Payments), or exercise any right of set-off it now has or hereafter may have in respect of the Subordinator Indebtedness, until the Agent Indebtedness has been paid and satisfied in full unless the Agent agrees otherwise in writing; and
- (c) if any amount in respect of the Subordinator Indebtedness is received the Subordinator (other than Permitted Payments), such amount shall be held by such Subordinator in trust for the Agent and shall be immediately paid to the Agent.

6. The Subordinator hereby consents to the Debtor's incurring the Agent Indebtedness and delivering the Agent Security and acknowledges the existence, validity and enforceability of the Agent Security. The Agent hereby consents to the Debtor's incurring the Subordinator Indebtedness and delivering the Subordinator Security and acknowledges the existence of the Subordinator Security. The postponements and subordinations contained in this agreement shall apply in all events and circumstances regardless of:

- (a) the date or dates or time or times of creation, execution, delivery, attachment, registration or perfection of any or all of the security interests, charges or hypothecary interests created by any Agent Security or Subordinator Security;
- (b) the date or dates of the loan or loans or advance or advances made to the Debtor by the Agent or the Subordinator;
- (c) the date or dates of any demand for, or acceleration of payment of any Agent Indebtedness or Subordinator Indebtedness;
- (d) the date or dates of any default by the Debtor under either or both of the Agent Security or the Subordinator Security;
- (e) any priority granted by any principle of law or by any statute;
- (f) the date of commencement of any enforcement proceedings under any Agent Security or Subordinator Security;

- (g) the validity, invalidity, perfection, lack of perfection, enforceability or unenforceability of any Agent Security or Subordinator Security;
- (h) the execution or delivery of, or any amendment to or termination of any existing or future agreement or other document evidencing, creating or related to any Agent Indebtedness, Subordinator Indebtedness, Agent Security or Subordinator Security;
- (i) any act or omission of the Agent, the Subordinator, the Debtor, any agent of any of them, or any other person; or
- (j) any other matter whatsoever.

The Subordinator agrees that any and all proceeds resulting from the enforcement or realization of any Subordinator Security and any and all proceeds received or receivable by such Subordinator from or in respect of the Debtor or the Debtor's assets including, without limitation, bankruptcy dividends, insurance proceeds, expropriation proceeds and proceeds derived from any compromise, reorganization, restructuring, arrangement, proposal or other adjustment of the Debtor's debt, shall be paid to the Agent and dealt with in such a manner as to give effect to the provisions of this agreement. The Subordinator further agrees that the priorities contained in this agreement shall extend to and include all principal, interest, fees, indemnity obligations, reimbursement obligations and costs (including costs of collection, legal fees and disbursements and fees and disbursements of any receiver, receiver and manager or agent) owing to such Subordinator.

7. As long as any Agent Indebtedness remains outstanding or the Agent or Lenders are committed to extend any credit to or on behalf of the Debtor:

- (a) the Subordinator shall not, without the Agent's prior written consent in its sole discretion:
 - (i) exercise or seek to exercise any right or remedy with respect to Subordinator Indebtedness or Subordinator Security including any collection or enforcement right or remedy (regardless of whether such enforcement right or remedy is on demand); or
 - (ii) institute any action or proceeding against the Debtor or any of its assets including without limitation any possession, sale or foreclosure action or proceeding; or
 - (iii) contest, protest or object to any enforcement proceeding or other action commenced by the Agent, any other exercise by the Agent of any right or remedy under any Agent Security or at law, or any application by the Agent of monies or proceeds; and
- (b) the Agent shall have the exclusive right to enforce rights and remedies with respect to the property and assets charged by the Agent Security

and the Agent shall not be required to marshal any of such property and assets. In exercising any such rights and remedies, the Agent may enforce the provisions of any Agent Security and exercise the remedies thereunder in such order and such manner as the Agent may determine in its sole discretion.

8. As long as any Agent Indebtedness remains outstanding or the Agent or Lenders are committed to extend any credit to or on behalf of the Debtor, the Subordinator shall not, without the prior written consent of the Agent, amend, supplement, restate or replace the Subordinator Indebtedness or any terms thereof in any manner materially adverse to the Agent, including for greater certainty, converting any amount of the Subordinator Indebtedness into equity of the Debtor. The Subordinator confirms, covenants and agrees to provide copies of any and all amendments, supplements, restatements, replacements or other modifications of any Subordinator Indebtedness (whether or not such changes are materially adverse to the Agent) to the Agent immediately upon any such amendment, supplement, restatement, replacement or other modification being made to any Subordinator Indebtedness.

9. As long as any Agent Indebtedness remains outstanding or the Agent or Lenders are committed to extend any credit to or on behalf of the Debtor, the Subordinator shall not, without the prior written consent of the Agent, sell, assign or otherwise transfer, in whole or in part, any Subordinator Indebtedness or any Subordinator Security or any interest therein to any person, or create, incur or permit to exist any security interest, lien, charge, hypothecary interest or other encumbrance whatsoever in or affecting any Subordinator Indebtedness or Subordinator Security in favour of any person unless:

- (a) such action is made expressly subject to this agreement; and
- (b) such person delivers to the Agent a written agreement, in form and substance satisfactory to the Agent, to be bound by all provisions of this agreement.

The Agent may assign, transfer and deliver to any transferee any Agent Indebtedness, Agent Security or any other security, documents or instruments held by the Agent in respect thereof and no such assignment, transfer or delivery shall release the Subordinator from their obligations pursuant to this agreement. Such transferee shall be vested with all powers and rights of the Agent under such security, documents or instruments but the Agent shall retain all rights and powers with respect to any security, documents or instruments not so assigned, transferred or delivered.

10. For so long as any of the Agent Indebtedness remains unpaid, the Subordinator irrevocably appoints the Agent as the Subordinator's attorney in fact, and grants to the Agent a power of attorney with full power of substitution, in the name of the Subordinator or in the name of the Agent, for the use and benefit of the Agent, without notice to the Subordinator, to perform at the Agent's option the following acts in any bankruptcy, insolvency or similar proceeding involving the Debtor:

- (a) to file the appropriate claim or claims in respect of the Subordinator Indebtedness on behalf of the Subordinator if the Subordinator do not do so prior to thirty (30) days before the expiration of the time to file claims in such proceeding and if the Agent elects, in its sole discretion, to file such claim or claims; and
- (b) to accept or reject any plan of reorganization or arrangement on behalf of the Subordinator and to otherwise vote the Subordinator's claims in respect of any Subordinator Indebtedness in any manner that the Agent deems appropriate for the enforcement of its rights hereunder.

11. For so long as any of the Agent Indebtedness remains unpaid, the Subordinator agrees that it will not object to or oppose (i) the sale of the Debtor, or (ii) the sale or other disposition of any property of the Debtor, if the Agent has consented to such sale of the Debtor or sale or disposition of any property of the Debtor. If requested by the Agent, the Subordinator shall affirmatively consent to such sale or disposition and shall take all necessary actions and execute such documents and instruments as the Agent may reasonably request in connection with and to manifest such consent.

12. The Subordinator hereby authorizes the Agent to collect and receive any dividends or other payments which may be payable to the Subordinator in the course of any receivership, bankruptcy, liquidation or winding-up of the Debtor or any similar proceeding and, in the event that the Agent Indebtedness at such time has not been paid in full, the Subordinator hereby irrevocably authorizes the Agent to apply such dividends or other payments so collected by the Agent to reduce Agent Indebtedness.

13. The Subordinator shall be subrogated to the rights of the Agent to receive payments and distribution of cash and other property of the Debtor in respect of and on account of Agent Indebtedness to the extent of the previous application to reduce Agent Indebtedness of moneys or other property which would, but for this agreement, have been received and applied by the Subordinator to reduce Subordinator Indebtedness, until the Subordinator Indebtedness has been paid in full, provided that such right of subrogation (and any other existing or future right of subrogation the Subordinator may have) shall not arise and shall not be exercised until the Agent has received payment in full in cash of all Agent Indebtedness.

14. This agreement is in addition to, not in substitution for and shall not be merged in any other agreement, security, document and instrument now or hereafter held by the Agent.

15. Nothing in this agreement shall confer any right on the Debtor or any person not a party to this agreement or amend any agreement between the Debtor and the Agent or the Debtor and the Subordinator.

16. This agreement constitutes the entire agreement between the Subordinator and the Agent with respect to the subject matter hereof and may not be amended, waived or modified in any manner except by written agreement signed by the Agent and the Subordinators.

17. No failure by the Agent to exercise any right, power, remedy or privilege (whether in whole or in part) shall operate as a waiver thereof. No single or partial exercise of any right, power, remedy or privilege shall preclude any other or further exercise thereof or the exercise of any further right, power or privilege. The rights and remedies herein provided are cumulative, may be exercised singly or concurrently, and are not exclusive of any other rights or remedies provided by law.

18. If the Agent receives any payment on, or proceeds of any property or assets of the Debtor on account of any Agent Indebtedness and such payment or proceeds are subsequently invalidated, declared to be fraudulent or preferential, or required to be repaid to the Debtor, a trustee, receiver, receiver and manager or any other person under any applicable law, then to the extent of such payment or proceeds received by the Agent and required to be repaid, the Agent Indebtedness, or such part thereof, intended to be satisfied by such payment or proceeds shall be revived and shall continue in full force and effect as if such payment or proceeds had not been received by the Agent.

19. This agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein and for the purpose of legal proceedings this agreement shall be deemed to have been made in the Province of Ontario and to be performed there. The courts of the Province of Ontario shall have jurisdiction over all disputes which may arise under this agreement and each Subordinator hereby irrevocably and unconditionally submits to the non-exclusive jurisdiction of such courts, provided that nothing herein shall prevent the Agent from proceeding at its election against the Subordinator in the courts of any other province, country or jurisdiction.

20. If one or more of the provisions of this agreement shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions of this agreement shall not in any way be affected or impaired thereby.

21. Any notice, demand or other communication permitted or required to be given hereunder shall be given in writing and may be effectively given by delivering it to the following applicable address or by sending it by email or fax (as applicable) to such address. Any notice, demand or other communication so given prior to 5:00 p.m. (Toronto time) on a Business Day by personal delivery or by email or fax (as applicable) shall be deemed to have been given, received and made on such Business Day and, if so given after 5:00 p.m. (Toronto time) on a Business Day or on a day which is not a Business Day, such notice, demand or other communication shall be deemed to have been given, received and made on the next following Business Day. The addresses of the parties for the purposes hereof shall be:

- (a) in the case of the Agent, as follows:

Cortland Credit Lending Corporation

Royal Bank Plaza - North Tower
South Tower, 200 Bay St. Suite 3230
Toronto, ON M5J 2J2,

Attention: Sean Rogister
Email: srogister@cortlandcredit.ca

(b) in the case of the Subordinator, as follows:

Stone Pine Capital Ltd.
Victoria Place, 5th Floor
31 Victoria Street
Hamilton, HM 10, Bermuda

Attention: Alberto Montagne
Email: accounting@cycadmanagement.com and
amontagne@cycadmanagement.com

From time to time, the Agent, the Subordinator, or the Debtor may notify one another, in accordance with the provisions hereof, of any change of address which thereafter, until changed by like notice, shall be the address of such party for all purposes of this agreement. In this agreement, "**Business Day**" shall mean any day, other than a Saturday, Sunday or statutory holiday in Toronto, Ontario, on which the Agent's office is open for normal business.

22. This Agreement is in addition to and not in substitution of the Existing Subordination Agreements and the Existing Subordination Agreements shall remain in full force and effect, unamended, notwithstanding the entering into of this Agreement.

23. For the purposes of this agreement, words importing the singular shall include the plural and vice versa; and words importing gender shall include all genders.


24. This agreement shall be binding on the parties hereto and their respective successors and permitted assigns including any successor by reason of amalgamation and shall enure to the benefit of the other parties hereto and the successors and assigns.

25. This agreement may be executed by the parties hereto in any number of separate counterparts, and all of said counterparts when taken together shall deem to constitute one and the same agreement. This agreement may also be executed and delivered by any electronic means.

[Remainder of page intentionally left blank; signature page follows.]

DATED the 4th day of December, 2023.

STONE PINE CAPITAL LTD.

Per: 
Name: Bassam Y. Alghani
Title: Director

CORTLAND CREDIT LENDING CORPORATION

Per: _____
Name: _____
Title: _____

Per: _____
Name: _____
Title: _____

DATED the 4th day of December, 2023.

STONE PINE CAPITAL LTD.

Per: _____

Name:

Title:

CORTLAND CREDIT LENDING CORPORATION

DocuSigned by:



Per: _____
376FEFF2EF6A46C...

Name: Sean Register

Title: CEO

Per: _____

Name:

Title:

TO: Cortland Credit Lending Corporation (the "Agent")


DEBTOR'S AGREEMENT

The undersigned acknowledges receipt of a copy of the foregoing postponement and subordination agreement (the "Agreement"; capitalized terms not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement) and agrees as follows:

- (a) the Debtor shall comply with the Agreement and not take any action inconsistent therewith and, without limiting the generality of the foregoing, the Debtor agrees not to pay any amount to the Subordinator except as expressly permitted by the Agreement;
- (b) the Debtor agrees that it acquires no rights pursuant to the Agreement and consents to the exchange of information by the Subordinator and the Agent; and
- (c) the Debtor confirms, covenants and agrees to provide copies of any and all amendments, supplements, restatements, replacements or other modifications of the Subordinator Indebtedness (whether or not such changes are materially adverse to the Agent) to the Agent immediately upon any such amendment, supplement, restatement, replacement or other modification being made to the Subordinator Indebtedness

DATED the 4th day of December, 2023.

BZAM LTD.

Per: 
Name: Matt Milich
Title: CEO

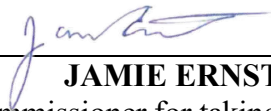
Per: _____
Name:
Title:

THE GREEN ORGANIC DUTCHMAN LTD.

Per: 
Name: Sean Bovingdon
Title: CFO

Per: _____
Name:
Title:

THIS IS **EXHIBIT "GG"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.



JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)

CONSENT AGREEMENT

THIS CONSENT AGREEMENT (“Agreement”) dated as of March 3, 2023, is made, among others, by **Cortland Credit Lending Corporation**, in its capacity as agent (the **“Agent”**) for and on behalf of the Lenders under the Credit Agreement (as defined below) and The Green Organic Dutchman Ltd. as borrower (the **“Borrower”**).

WHEREAS:

- A. The Borrower and the Agent are parties to an amended and restated credit agreement dated September 29, 2021, as amended by a first amendment dated as of November 30, 2021, a second amendment dated as of March 9, 2022, a third amendment dated as of April 29, 2022, and a fourth amendment dated as of November 3, 2023 (as the same may be amended, amended and restated, renewed, extended, supplemented, replaced, or otherwise modified from time to time, the **“Credit Agreement”**).
- B. The Borrower owns the real property located at 13325 Cedar Way, Maple Ridge, British Columbia, V4R 2T4, legally described as LOT 7, PLAN NWP18761, SECTION 30, TOWNSHIP 12, GROUP 1, NEW WESTMINSTER LAND DISTRICT (the **“Cedar Way Property”**).
- C. The Borrower has requested and Stone Pine Capital Ltd. (**“Stone Pine”**) has agreed to provide certain secured interim financing to BZAM Ltd. (**“BZAM”**) in accordance with a secured demand promissory note (the **“Stone Pine Note”**) in the principal amount of Cdn. \$2,500,000.00 dated on or about the date hereof (the **“Stone Pine Indebtedness”**).
- D. As security for the payment and performance of the BZAM’s obligations under the Stone Pine Indebtedness, Stone Pine has requested and BZAM has agreed to provide a general security agreement and the corresponding security registrations, to the extent made (collectively, the **“Stone Pine Security”**).
- E. Pursuant to Sections 8(j) and 8(p) of the Credit Agreement, the Stone Pine Security and the Stone Pine Indebtedness is not permitted.
- F. The Borrower has requested the consent of the Agent to the Stone Pine Security and the Stone Pine Indebtedness.

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged:

- 1. Capitalized terms not otherwise defined herein shall have the respective meanings assigned to such terms in the Credit Agreement.
- 2. The Agent consents to the Stone Pine Security and the Stone Pine Indebtedness provided that the Agent shall have received:
 - (a) an executed copy of the Stone Pine Note;
 - (b) executed copies of the Stone Pine Security; and

(c) a subordination and postponement agreement from Stone Pine in form and substance satisfactory to the Agent in its reasonable discretion (the “**Stone Pine Subordination and Postponement Agreement**” and together with the Stone Pine Note and the Stone Pine Security, collectively, the “**Stone Pine Documentation**”).

3. The Borrower hereby acknowledges and agrees that:

(a) any default in the observance or performance of any of the obligations owing by BZAM pursuant to the Stone Pine Indebtedness (each, a “**Stone Pine Breach**”) shall constitute a Default under the Credit Agreement;

(b) BZAM shall not be permitted to repay the Stone Pine Indebtedness unless:

(i) the Cedar Way Property is sold for no less than CAD \$3,000,000 and the proceeds thereof are used to repay the Stone Pine Indebtedness in full (the “**Cedar Way Sale**”) and any excess proceeds may be retained by the Borrower to be used for working capital and other general corporate purposes; and

(ii) the Borrower has provided the Agent with satisfactory evidence of the Cedar Way Sale, repayment in full of the Stone Pine Indebtedness and release of the Stone Pine Security (including discharges of any security registrations made in respect thereof); and

(c) effective as of the closing date of the Cedar Way Sale, the parties agree that the Base Facility Amount shall be reduced to \$22,000,000 and the Borrower shall provide the Agent with a duly executed copy of an amendment to the Credit Agreement reflecting, among other things, the changes in this section substantially in the form attached hereto as Schedule “A” within one (1) Business Day of the closing date of the Cedar Way Sale.

4. The consent set forth in section 2 above shall be limited precisely as written and in the manner and to the extent described above and nothing in this Agreement shall be deemed to:

(a) prejudice any right or remedy that the Agent or any Person that is a Lender at any time under the Credit Agreement may now have or may have in the future under or in connection with the Credit Agreement or any other Transaction Document, or any other instrument or agreement referred to therein; or

(b) be a consent to any future forbearance, waiver or modification of any other term or condition of the Credit Agreement, any Transaction Document or of any instrument or agreement referred to therein; or

(c) limit or impair the right of the Agent or any Person that is a Lender at any time under the Credit Agreement to demand strict performance of all terms and covenants of the Credit Agreement or any other Transaction Document, or any other instrument or agreement referred to therein as of any date.

5. The Borrower hereby acknowledges, covenants and agrees that it shall provide prompt written notice of any Stone Pine Breach to the Agent.

6. This Agreement shall become effective upon the date (the “**Effective Date**”) on which the Agent shall have received:

- (a) this Agreement, duly executed and delivered by the parties hereto; and
- (b) the Stone Pine Documentation.

7. Nothing contained in this Agreement shall be deemed or construed to amend, supplement or modify the Credit Agreement (including, without limitation, the provisions of “Events of Default” thereof), any Transaction Document or of any other instrument or agreement referred to therein, or otherwise affect the rights and obligations of any party thereto, all of which remain in full force and effect.

8. The Borrower hereby represents, warrants and covenants to the Agent and the Lenders that, after giving effect to this Agreement:

- (a) no Event of Default has occurred and is continuing; and
- (b) the representations and warranties in the Credit Agreement and the other Transaction Documents are true and correct in all respects on and as of the Effective Date.

9. The Borrower shall promptly on demand pay to the Agent the amount of all reasonable out-of-pocket costs and expenses (including reasonable legal fees) which are incurred by the Agent in connection with the negotiation, execution and delivery of this Agreement and any related documents.

10. This Agreement is binding upon and shall enure to the benefit of the parties hereto and each of their respective permitted successors and permitted assigns.

11. This Agreement is governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable in therein.


12. This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. A signed copy of this agreement delivered by facsimile, email or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF the parties hereto have executed this Agreement.

BORROWER:

THE GREEN ORGANIC DUTCHMAN LTD.

Per:  _____


Name: Sean Bovingdon

Title: CEO

I have the authority to bind the corporation.

Acknowledged and agreed to by:

BZAM LTD.


Per:  _____

Name: Sean Bovingdon

Title: CFO

I have the authority to bind the corporation.

MEDICAN ORGANIC INC.

Per:  _____

Name: Sean Bovingdon

Title: CEO

I have the authority to bind the corporation.

GALAXIE BRANDS CORPORATION

Per:



Name: Sean Bovingdon

Title: CFO

Per: _____

Name:

Title:

I/we have the authority to bind the corporation.

BZAM HOLDINGS INC.

Per:



Name: Sean Bovingdon

Title: CFO

Per: _____

Name:

Title:

I/we have the authority to bind the corporation.

FOLIUM LIFE SCIENCE INC.

Per:



Name: Matt Milich

Title: President

Per: _____

Name:

Title:

I/we have the authority to bind the corporation.

BZAM MANAGEMENT INC.

Per:  _____

Name: Sean Bovingdon
Title: CFO


Per: _____

Name:

Title:

I/we have the authority to bind the corporation.

BZAM CANNABIS CORP.

Per:  _____

Name: Sean Bovingdon
Title: CFO

Per: _____

Name:

Title:

I/we have the authority to bind the corporation.

10050999 MANITOBA LTD.

Per:  _____

Name: Sean Bovingdon
Title: CFO

Per: _____

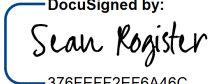
Name:

Title:

I/we have the authority to bind the corporation.

AGENT:

CORTLAND CREDIT LENDING CORPORATION, as Agent

Per:  376FEFF2EF6A46C...

Name:

Title:

I have the authority to bind the Agent.

Schedule "A"

Form Amending Agreement

(See Attached)

FIFTH AMENDMENT
dated as of _____
to
AMENDED AND RESTATED CREDIT AGREEMENT
dated as of September 29, 2021

THIS FIFTH AMENDMENT (this “**Amendment**”) dated as of _____ is entered into between, among others, The Green Organic Dutchman Ltd. (the “**Borrower**”), and Cortland Credit Lending Corporation, in its capacity as agent (the “**Agent**”), for the lenders from time to time party to the Credit Agreement (as hereinafter defined).

RECITALS

WHEREAS the Borrower and the Agent are parties to an amended and restated credit agreement dated September 29, 2021, as amended by a first amendment dated November 30, 2021, a second amendment dated March 9, 2022, a third amendment dated as of April 29, 2022, and a fourth amendment dated as of November 3, 2022 (collectively, the “**Credit Agreement**”);

AND WHEREAS the Borrower and the Agent have agreed to amend the Credit Agreement, from and after the Amendment Effective Date (as hereinafter defined), on the terms and condition more particularly described herein;

NOW THEREFORE, in consideration of the premises and mutual agreements contained herein and in the Credit Agreement, the parties hereto agree as follows:

Article 1 – Definitions

All capitalized terms not otherwise defined herein (including the recitals above) are used as defined in the Credit Agreement, as amended hereby.

Article 2 – Amendments

As of the Amendment Effective Date, the Credit Agreement is hereby amended as follows:

- 2.1 Schedule “C” to the Credit Agreement is hereby amended by adding the following definitions, in alphabetical order:

“**ARCA Amendment No. 5**” means the fifth amendment to this Agreement dated _____

“**ARCA Amendment No. 5 Effective Date**” means the date upon which all of the conditions precedent to the effectiveness of Amendment No. 5 shall have been satisfied.

- 2.2 The definition of “Base Facility Amount” in Schedule “C” of the Credit Agreement is hereby

deleted in its entirety and replaced with the following:

“Base Facility Amount” means Twenty-Two Million Dollars (\$22,000,000), as such amount may be reduced in accordance with this Agreement;”

Article 3 – Confirmation of Guarantee and Security

- 3.1 The Borrower and each of the other Obligors hereby confirms to the Agent that all Security Agreements (including, for greater certainty, Guarantees) previously executed by each of them, respectively, continue in full force and effect.

Article 4 – Representations and Warranties

- 4.1 Each of the parties hereby represents and warrants that:
- (a) it has full power, authority and capacity to enter into and to perform all its obligations contemplated by this Amendment;
 - (b) the execution, delivery and performance by it of this Amendment: (i) has been duly authorized by all necessary action; and (ii) will not conflict with, result in a breach of, or constitute a default under, its charter documents;
 - (c) this Amendment constitutes a legal, binding and valid obligation enforceable against it in accordance with the terms subject to (i) the extent that enforceability may be limited by applicable bankruptcy, insolvency, reorganization and other similar laws affecting creditors' rights generally; and (ii) the extent that equitable principles may limit the availability of certain remedies including remedies of specific performance and injunctive relief, which equitable remedies may only be granted in the discretion of a court;
 - (d) the representations and warranties made by it in the Credit Agreement, other than those expressly stated to be made as of a specific date, are true and correct in all material respects as of the date hereof with the same effect as if such representations and warranties had been made on and as of the date hereof; and
 - (e) no Default or Event of Default has occurred or is continuing.

Article 5 – Miscellaneous

- 5.1 Effectiveness. Article 2 of this Amendment shall become effective as of the date hereof, provided that the following conditions have been satisfied on or before the date hereof (the **“Amendment Effective Date”**):
- (a) each of the parties hereto shall have received duly executed counterparts of this Amendment; and
 - (b) such other documents and information which the Agent may reasonably request.
- 5.2 References to Credit Agreement. Upon the effectiveness of this Amendment, each reference

in the Credit Agreement to “this Agreement”, “hereunder”, “hereof”, “herein” or words of like import shall mean and be a reference to the Credit Agreement as amended by this Amendment, and each reference to the Credit Agreement in any other document, instrument or agreement executed and/or delivered in connection with the Credit Agreement shall mean and be a reference to the Credit Agreement as amended by this Amendment.

- 5.3 Effect on Credit Agreement. The Credit Agreement, as amended and modified hereby, and all other documents, instruments and agreements executed and/or delivered in connection therewith shall remain in full force and effect and are hereby ratified and confirmed.
- 5.4 No Waiver. The execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of any party under the Credit Agreement or any other document, instrument or agreement executed in connection therewith, nor constitute a waiver of any provision contained therein, except as specifically set forth herein.
- 5.5 Governing Law. This Amendment, including the rights and duties of the parties hereto, shall be governed by, and construed in accordance with, the laws of the Province of Ontario (without giving effect to the conflict of laws principles thereof).
- 5.6 Successors and Assigns. This Amendment shall be binding upon and shall enure to the benefit of the parties hereto and their respective successors and assigns.
- 5.7 Headings. The section headings in this Amendment are inserted for convenience of reference only and shall not affect the meaning or interpretation of this Amendment or any provision hereof.
- 5.8 Counterparts. This Amendment may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement. Delivery by facsimile or email of an executed signature page of this Amendment shall be as effective as delivery of an original executed counterpart thereof.

(The remainder of this page is intentionally blank; signature page follows.)

IN WITNESS WHEREOF the parties hereto have executed this Amendment.

BORROWER:

THE GREEN ORGANIC DUTCHMAN LTD.

Per: _____

Name: Sean Bovingdon

Title: CEO

Per: _____

Name:

Title:

I/we have the authority to bind the corporation.

OTHER OBLIGORS:

BZAM LTD.

Per: _____

Name: Matt Milich

Title: CEO

Per: _____

Name:

Title:

I/we have the authority to bind the corporation.

MEDICAN ORGANIC INC.

Per: _____

Name: Sean Bovingdon

Title: CEO

Per: _____

Name:

Title:

I/we have the authority to bind the corporation.

GALAXIE BRANDS CORPORATION

Per: _____

Name:

Title:

Per: _____

Name:

Title:

I/we have the authority to bind the corporation.

BZAM HOLDINGS INC.

Per: _____

Name:

Title:

Per: _____

Name:

Title:

I/we have the authority to bind the corporation.

FOLIUM LIFE SCEINCE INC.

Per: _____

Name:

Title:

Per: _____

Name:

Title:

I/we have the authority to bind the corporation.

BZAM MANAGEMENT INC.

Per: _____

Name:

Title:

Per: _____

Name:

Title:

I/we have the authority to bind the corporation.

BZAM CANNABIS CORP.

Per: _____

Name:

Title:

Per: _____

Name:

Title:

I/we have the authority to bind the corporation.

10050999 MANITOBA LTD.

Per: _____

Name:

Title:

Per: _____

Name:

Title:

I/we have the authority to bind the corporation.

AGENT:

CORTLAND CREDIT LENDING CORPORATION, as Agent

Per: _____

Name:

Title:

Per: _____

Name:

Title:

I/we have the authority to bind the Agent.

CONSENT AGREEMENT

THIS CONSENT AGREEMENT (“Agreement”) dated as of August ____, 2023, is made, among others, by **Cortland Credit Lending Corporation**, in its capacity as agent (the “**Agent**”) for and on behalf of the Lenders under the Credit Agreement (as defined below) and The Green Organic Dutchman Ltd. as borrower (the “**Borrower**”).

WHEREAS:

- A. The Borrower and the Agent are parties to an amended and restated credit agreement dated September 29, 2021, as amended by a first amendment dated as of November 30, 2021, a second amendment dated as of March 9, 2022, a third amendment dated as of April 29, 2022, a fourth amendment dated as of November 3, 2022 and a fifth amendment dated as of June 30, 2023 (as the same may be amended, amended and restated, renewed, extended, supplemented, replaced, or otherwise modified from time to time, the “**Credit Agreement**”).
- B. On or after August 31, 2023 (and provided the Effective Date (as hereinafter defined) has occurred) the Agent has agreed to provide the Borrower with an overadvance under the Credit Agreement in an amount equal to CAD \$3,000,000 (the “**Overadvance**”).
- C. BZAM Ltd. (“**BZAM**”) owns the real property located at 8770 24th Street, Edmonton, AB, Canada, T6P 1X8, legally described as PLAN 8720213, BLOCK 5, LOT 4, Excepting Thereout All Mines and Minerals (the “**Edmonton Property**”).
- D. Stone Pine Capital Ltd. (“**Stone Pine**”), with the consent of the Agent, provided BZAM certain secured interim financing in accordance with a secured, demand promissory note (“**Stone Pine Note #1**”) in the principal amount of CAD \$2,500,000.00 dated on or about March 3, 2023. The amounts owing to Stone Pine under Stone Pine Note #1 are hereinafter referred to collectively as the “**Stone Pine Note #1 Indebtedness**”.
- E. With the consent of the Agent, and as security for the payment and performance by BZAM’s of the Stone Pine Note #1 Indebtedness, BZAM provided a separate general security agreement and the corresponding security registrations, to the extent made, in favour of Stone Pine, on or about March 3, 2023 (collectively, the “**Stone Pine Note #1 Security**”).
- F. BZAM has requested and Stone has agreed to provide certain further secured interim financing to BZAM in accordance with a further secured, demand promissory note (the “**Stone Pine Note #2**”) in the principal amount of CAD \$1,325,000.00 dated on or about the date hereof. The amounts owing to Stone Pine under Stone Pine Note #2 are hereinafter referred to collectively as the “**Stone Pine Note #2 Indebtedness**” and together with the Stone Pine Note #1 Indebtedness, collectively, the “**Stone Pine Indebtedness**”.
- G. As security for the payment and performance by BZAM’s of the Stone Pine Note #2 Indebtedness, Stone Pine has requested and BZAM has agreed to provide a separate general security agreement and the corresponding security registrations, to the extent made (collectively, the “**Stone Pine Note #2 Security**”).
- H. Pursuant to Sections 8(j) and 8(p) of the Credit Agreement, the Stone Pine Note #2 Security and the Stone Pine Note #2 Indebtedness is not permitted.

- I. The Borrower has requested the consent of the Agent to the Stone Pine Note #2 Security and the Stone Pine Note #2 Indebtedness.

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged:

1. Capitalized terms not otherwise defined herein shall have the respective meanings assigned to such terms in the Credit Agreement.

2. The Agent consents to the Stone Pine Note #2 Security and the Stone Pine Note #2 Indebtedness as of the Effective Date (as hereinafter defined)

3. Each of the Borrower and BZAM hereby acknowledges and agrees that:

- (a) any default in the observance or performance of any of the obligations owing by BZAM pursuant to the Stone Pine Indebtedness (each, a “**Stone Pine Breach**”) shall constitute a Default under the Credit Agreement;

- (b) BZAM shall not be permitted to repay the Stone Pine Indebtedness unless:

- (i) the net proceeds from the sale of the Edmonton Property (the “**Edmonton Sale**”) are no less than CAD \$4,000,000 and the proceeds therefrom are used to: (X) first, repay amounts outstanding under the Overadvance; and (Y) second, make a Base Facility Prepayment in an amount not less than CAD \$1,000,000 such that the Base Facility Amount shall be less than or equal to Twenty Million Canadian Dollars (Cdn. \$20,000,0000);

- (ii) the Borrower has provided the Agent with satisfactory evidence of the Edmonton Sale, evidence of the amount of the Stone Pine Indebtedness repayment, and, if repayment of the Stone Pine Indebtedness (or any one of the Stone Pine #1 Indebtedness of Stone Pine #2 Indebtedness) is made in full, evidence of the release of the Stone Pine Security relating thereto (including discharges of any security registrations made in respect thereof);

- (iii) at the time of any such repayment no Default or Event of Default has occurred and is continuing or would result from the making of such repayment.

4. The consent set forth in section 2 above shall be limited precisely as written and in the manner and to the extent described above and nothing in this Agreement shall be deemed to:

- (a) prejudice any right or remedy that the Agent or any Person that is a Lender at any time under the Credit Agreement may now have or may have in the future under or in connection with the Credit Agreement or any other Transaction Document, or any other instrument or agreement referred to therein; or

- (b) be a consent to any future forbearance, waiver or modification of any other term or condition of the Credit Agreement, any Transaction Document or of any instrument or agreement referred to therein; or

- (c) limit or impair the right of the Agent or any Person that is a Lender at any time under the Credit Agreement to demand strict performance of all terms and covenants of the Credit Agreement or any other Transaction Document, or any other instrument or agreement referred to therein as of any date.

5. The Borrower hereby acknowledges, covenants and agrees that it shall provide prompt written notice of any Stone Pine Breach to the Agent.

6. This Agreement shall become effective upon the date (the “**Effective Date**”) on which the Agent shall have received, in each case, in form and substance satisfactory to the Agent:

- (a) an executed copy of Stone Pine Note #2;
- (b) executed copies of the Stone Pine Note #2 Security;
- (c) receipt by BZAM of the proceeds of Stone Pine Note #2;
- (d) a subordination and postponement agreement from Stone Pine; and
- (e) an executed copy of amendment no. 6 to the Credit Agreement.

7. Nothing contained in this Agreement shall be deemed or construed to amend, supplement or modify the Credit Agreement (including, without limitation, the provisions of “Events of Default” thereof), any Transaction Document or of any other instrument or agreement referred to therein, or otherwise affect the rights and obligations of any party thereto, all of which remain in full force and effect.

8. The Borrower hereby represents, warrants and covenants to the Agent and the Lenders that, after giving effect to this Agreement:

- (a) no Default or Event of Default has occurred and is continuing; and
- (b) the representations and warranties in the Credit Agreement and the other Transaction Documents are true and correct in all respects on and as of the Effective Date.

9. The Borrower shall promptly on demand pay to the Agent the amount of all reasonable out-of-pocket costs and expenses (including reasonable legal fees) which are incurred by the Agent in connection with the negotiation, execution and delivery of this Agreement and any related documents.

10. This Agreement is binding upon and shall enure to the benefit of the parties hereto and each of their respective permitted successors and permitted assigns.


11. This Agreement is governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable in therein.

12. This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. A signed copy of this agreement delivered by facsimile, email or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Agreement.

BORROWER:

THE GREEN ORGANIC DUTCHMAN LTD.


Per:  _____

Name: Matthew Milich
Title: President

I have the authority to bind the corporation.

Acknowledged and agreed to by:


BZAM LTD.

Per:  _____

Name: Matthew Milich
Title: CEO

I have the authority to bind the corporation.

MEDICAN ORGANIC INC.

Per:  _____

Name: Matthew Milich
Title: President

I have the authority to bind the corporation.

BZAM HOLDINGS INC.

Per:  _____

Name: Matthew Milich
Title: President

I/we have the authority to bind the corporation.


FOLIUM LIFE SCIENCE INC.

Per:  _____

Name: Matthew Milich
Title: President

I/we have the authority to bind the corporation.

BZAM MANAGEMENT INC.

Per:  _____

Name: Matthew Milich
Title: President

I/we have the authority to bind the corporation.

BZAM CANNABIS CORP.

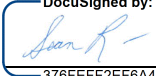
Per:  _____

Name: Matthew Milich
Title: President

I/we have the authority to bind the corporation.

AGENT:

CORTLAND CREDIT LENDING CORPORATION, as Agent

Per:  376FEFF2EF6A46C...

Name: Sean Register

Title: CEO

I have the authority to bind the Agent.

CONSENT AGREEMENT

THIS CONSENT AGREEMENT (“Agreement”) dated as of October 27, 2023, is made, among others, by Cortland Credit Lending Corporation, in its capacity as agent (the “**Agent**”) for and on behalf of the Lenders under the Credit Agreement (as defined below) and The Green Organic Dutchman Ltd. as borrower (the “**Borrower**”).

WHEREAS:

- A. The Borrower and the Agent are parties to an amended and restated credit agreement dated September 29, 2021, as amended by a first amendment dated as of November 30, 2021, a second amendment dated as of March 9, 2022, a third amendment dated as of April 29, 2022, a fourth amendment dated as of November 3, 2022, a fifth amendment dated as of June 30, 2023 and a sixth amendment dated as of August 30, 2023 (as the same may be amended, amended and restated, renewed, extended, supplemented, replaced, or otherwise modified from time to time, the “**Credit Agreement**”).
- B. Stone Pine Capital Ltd. (“**Stone Pine**”), with the consent of the Agent, provided BZAM certain secured interim financing in accordance with a secured, demand promissory note (“**Stone Pine Note #1**”) in the principal amount of CAD \$2,500,000.00 dated on or about March 3, 2023. The amounts owing to Stone Pine under Stone Pine Note #1 are hereinafter referred to collectively as the “**Stone Pine Note #1 Indebtedness**”.
- C. With the consent of the Agent, and as security for the payment and performance by BZAM’s of the Stone Pine Note #1 Indebtedness, BZAM provided a separate general security agreement and the corresponding security registrations, to the extent made, in favour of Stone Pine, on or about March 3, 2023 (collectively, the “**Stone Pine Note #1 Security**”).
- D. BZAM has requested and Stone Pine has agreed to provide certain further secured interim financing to BZAM in accordance with a further secured, demand promissory note (the “**Stone Pine Note #2**”) in the principal amount of CAD \$1,325,000.00 dated on or about the date hereof. The amounts owing to Stone Pine under Stone Pine Note #2 are hereinafter referred to collectively as the “**Stone Pine Note #2 Indebtedness**”.
- E. As security for the payment and performance by BZAM’s of the Stone Pine Note #2 Indebtedness, Stone Pine has requested and BZAM has agreed to provide a separate general security agreement and the corresponding security registrations, to the extent made (collectively, the “**Stone Pine Note #2 Security**”).
- F. BZAM has requested and Stone Pine has agreed to provide certain further secured interim financing to BZAM in accordance with a further secured, demand promissory note (the “**Stone Pine Note #3**”) in the principal amount of CAD \$1,190,000.00 dated on or about the date hereof. The amounts owing to Stone Pine under Stone Pine Note #3 are hereinafter referred to collectively as the “**Stone Pine Note #3 Indebtedness**” and together with the Stone Pine Note #1 Indebtedness and the Stone Pine Note #2 Indebtedness, collectively, the “**Stone Pine Note Indebtedness**”.
- G. As security for the payment and performance by BZAM’s of the Stone Pine Note #3 Indebtedness, Stone Pine has requested and BZAM has agreed to provide a separate general security agreement

and the corresponding security registrations, to the extent made (collectively, the “**Stone Pine Note #3 Security**” and together with the Stone Pine Note #1 Security and the Stone Pine Note #2 Security, collectively, the “**Stone Pine Note Security**”).

- H. Pursuant to Sections 8(j) and 8(p) of the Credit Agreement, the Stone Pine Note Indebtedness and the Stone Pine Note Security is not permitted.
- I. The Agent has previously consented to the Stone Pine Note #1 Indebtedness, the Stone Pine Note #2 Indebtedness, the Stone Pine Note #1 Security and the Stone Pine Note #2 Security.
- J. The Borrower has requested the consent of the Agent to the Stone Pine Note #3 Security and the Stone Pine Note #3 Indebtedness.

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged:

1. Capitalized terms not otherwise defined herein shall have the respective meanings assigned to such terms in the Credit Agreement.
2. The Agent consents to the Stone Pine Note #3 Security and the Stone Pine Note #3 Indebtedness as of the Effective Date (as hereinafter defined)
3. Each of the Borrower and BZAM hereby acknowledges and agrees that:
 - (a) any default in the observance or performance of any of the obligations owing by BZAM pursuant to the Stone Pine Note Indebtedness (each, a “**Stone Pine Breach**”) shall constitute a Default under the Credit Agreement;
 - (b) BZAM shall not be permitted to repay the Stone Pine Note #3 Indebtedness until after the Maturity Date; and
 - (c) For greater certainty, BZAM shall not be permitted to repay the Stone Pine Note #1 Indebtedness and the Stone Pine Note #2 Indebtedness unless the conditions precedent to such repayments contained in: (i) the consent agreement dated August 30, 2023 made among the parties hereto; and (ii) the amended & restated postponement and subordination agreement dated August 30, 2023 between Stone Pine and the Agent and acknowledged by the Borrower and BZAM; have been met.
4. The consent set forth in section 2 above shall be limited precisely as written and in the manner and to the extent described above and nothing in this Agreement shall be deemed to:
 - (a) prejudice any right or remedy that the Agent or any Person that is a Lender at any time under the Credit Agreement may now have or may have in the future under or in connection with the Credit Agreement or any other Transaction Document, or any other instrument or agreement referred to therein; or

- (b) be a consent to any future forbearance, waiver or modification of any other term or condition of the Credit Agreement, any Transaction Document or of any instrument or agreement referred to therein; or
 - (c) limit or impair the right of the Agent or any Person that is a Lender at any time under the Credit Agreement to demand strict performance of all terms and covenants of the Credit Agreement or any other Transaction Document, or any other instrument or agreement referred to therein as of any date.
5. The Borrower hereby acknowledges, covenants and agrees that it shall provide prompt written notice of any Stone Pine Breach to the Agent.
6. This Agreement shall become effective upon the date (the “**Effective Date**”) on which the Agent shall have received, in each case, in form and substance satisfactory to the Agent:
- (a) an executed copy of Stone Pine Note #3;
 - (b) executed copies of the Stone Pine Note #3 Security;
 - (c) receipt by BZAM of the proceeds of Stone Pine Note #3;
 - (d) a subordination and postponement agreement from Stone Pine in respect of Stone Pine Note #3.
7. Nothing contained in this Agreement shall be deemed or construed to amend, supplement or modify the Credit Agreement (including, without limitation, the provisions of “Events of Default” thereof), any Transaction Document or of any other instrument or agreement referred to therein, or otherwise affect the rights and obligations of any party thereto, all of which remain in full force and effect.
8. The Borrower hereby represents, warrants and covenants to the Agent and the Lenders that, after giving effect to this Agreement:
- (a) no Default or Event of Default has occurred and is continuing; and
 - (b) the representations and warranties in the Credit Agreement and the other Transaction Documents are true and correct in all respects on and as of the Effective Date.
9. The Borrower shall promptly on demand pay to the Agent the amount of all reasonable out-of-pocket costs and expenses (including reasonable legal fees) which are incurred by the Agent in connection with the negotiation, execution and delivery of this Agreement and any related documents.
10. This Agreement is binding upon and shall enure to the benefit of the parties hereto and each of their respective permitted successors and permitted assigns.
11. This Agreement is governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable in therein.

12. This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. A signed copy of this agreement delivered by facsimile, email or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF the parties hereto have executed this Agreement.

BORROWER:

THE GREEN ORGANIC DUTCHMAN LTD.

Per: Sean Bovingdon

Name: Sean Bovingdon

Title: CFO

I have the authority to bind the corporation.

Acknowledged and agreed to by:

BZAM LTD.

Per: M

Name: Matt Milich

Title: CEO

I have the authority to bind the corporation.

MEDICAN ORGANIC INC.


Per: Sean Bovingdon

Name: Sean Bovingdon

Title: CFO

I have the authority to bind the corporation.

BZAM HOLDINGS INC.

Per:  _____

Name: Matt Milich

Title: President

I/we have the authority to bind the corporation.

FOLIUM LIFE SCIENCE INC.


Per:  _____

Name: Matt Milich

Title: President

I/we have the authority to bind the corporation.

BZAM MANAGEMENT INC.

Per:  _____

Name: Matt Milich

Title: CEO

I/we have the authority to bind the corporation.

BZAM CANNABIS CORP.

Per:  _____

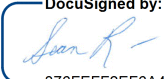
Name: Matt Milich

Title: President

I/we have the authority to bind the corporation.

AGENT:

CORTLAND CREDIT LENDING CORPORATION, as Agent

Per: 
376FEFF2EF6A40C...

Name: Sean Register

Title: CEO

I have the authority to bind the Agent.

CONSENT AGREEMENT

THIS CONSENT AGREEMENT (“Agreement”) dated as of November 8, 2023, is made, among others, by Cortland Credit Lending Corporation, in its capacity as agent (the “**Agent**”) for and on behalf of the Lenders under the Credit Agreement (as defined below) and The Green Organic Dutchman Ltd. as borrower (the “**Borrower**”).

WHEREAS:

- A. The Borrower and the Agent are parties to an amended and restated credit agreement dated September 29, 2021, as amended by a first amendment dated as of November 30, 2021, a second amendment dated as of March 9, 2022, a third amendment dated as of April 29, 2022, a fourth amendment dated as of November 3, 2022, a fifth amendment dated as of June 30, 2023 and a sixth amendment dated as of August 30, 2023 (as the same may be amended, amended and restated, renewed, extended, supplemented, replaced, or otherwise modified from time to time, the “**Credit Agreement**”).
- B. Stone Pine Capital Ltd. (“**Stone Pine**”), with the consent of the Agent, provided BZAM certain secured interim financing in accordance with a secured, demand promissory note (“**Stone Pine Note #1**”) in the principal amount of CAD \$2,500,000.00 dated on or about March 3, 2023. The amounts owing to Stone Pine under Stone Pine Note #1 are hereinafter referred to collectively as the “**Stone Pine Note #1 Indebtedness**”.
- C. With the consent of the Agent, and as security for the payment and performance by BZAM’s of the Stone Pine Note #1 Indebtedness, BZAM provided a separate general security agreement and the corresponding security registrations, to the extent made, in favour of Stone Pine, on or about March 3, 2023 (collectively, the “**Stone Pine Note #1 Security**”).
- D. BZAM has requested and Stone Pine has agreed to provide certain further secured interim financing to BZAM in accordance with a further secured, demand promissory note (the “**Stone Pine Note #2**”) in the principal amount of CAD \$1,325,000.00 dated on or about August 30, 2023. The amounts owing to Stone Pine under Stone Pine Note #2 are hereinafter referred to collectively as the “**Stone Pine Note #2 Indebtedness**”.
- E. As security for the payment and performance by BZAM’s of the Stone Pine Note #2 Indebtedness, Stone Pine has requested and BZAM has agreed to provide a separate general security agreement and the corresponding security registrations, to the extent made (collectively, the “**Stone Pine Note #2 Security**”).
- F. BZAM has requested and Stone Pine has agreed to provide certain further secured interim financing to BZAM in accordance with a further secured, demand promissory note (the “**Stone Pine Note #3**”) in the principal amount of CAD \$1,190,000.00 dated on or about October 27, 2023. The amounts owing to Stone Pine under Stone Pine Note #3 are hereinafter referred to collectively as the “**Stone Pine Note #3 Indebtedness**”.
- G. As security for the payment and performance by BZAM’s of the Stone Pine Note #3 Indebtedness, Stone Pine has requested and BZAM has agreed to provide a separate general security agreement and the corresponding security registrations, to the extent made (collectively, the “**Stone Pine Note #3 Security**”).

- H. BZAM has requested and Stone Pine has agreed to provide certain further secured interim financing to BZAM in accordance with a further secured, demand promissory note (the “**Stone Pine Note #4**”) in the principal amount of CAD \$600,000.00 dated on or about the date hereof. The amounts owing to Stone Pine under Stone Pine Note #4 are hereinafter referred to collectively as the “**Stone Pine Note #4 Indebtedness**” and together with the Stone Pine Note #1 Indebtedness, the Stone Pine Note #2 Indebtedness, and the Stone Pine Note #3 Indebtedness, collectively, the “**Stone Pine Note Indebtedness**”.
- I. As security for the payment and performance by BZAM’s of the Stone Pine Note #4 Indebtedness, Stone Pine has requested and BZAM has agreed to provide a separate general security agreement and the corresponding security registrations, to the extent made (collectively, the “**Stone Pine Note #4 Security**” and together with the Stone Pine Note #1 Security, the Stone Pine Note #2 Security and the Stone Pine Note #3 Security, collectively, the “**Stone Pine Note Security**”).
- J. Pursuant to Sections 8(j) and 8(p) of the Credit Agreement, the Stone Pine Note Indebtedness and the Stone Pine Note Security is not permitted.
- K. The Agent has previously consented to the Stone Pine Note #1 Indebtedness, the Stone Pine Note #2 Indebtedness, the Stone Pine Note #3 Indebtedness, the Stone Pine Note #1 Security, the Stone Pine Note #2 Security and the Stone Pine Note #3 Security.
- L. The Borrower has requested the consent of the Agent to the Stone Pine Note #4 Security and the Stone Pine Note #4 Indebtedness.

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged:

1. Capitalized terms not otherwise defined herein shall have the respective meanings assigned to such terms in the Credit Agreement.
2. The Agent consents to the Stone Pine Note #4 Security and the Stone Pine Note #4 Indebtedness as of the Effective Date (as hereinafter defined)
3. Each of the Borrower and BZAM hereby acknowledges and agrees that:
 - (a) any default in the observance or performance of any of the obligations owing by BZAM pursuant to the Stone Pine Note Indebtedness (each, a “**Stone Pine Breach**”) shall constitute a Default under the Credit Agreement;
 - (b) BZAM shall not be permitted to repay the Stone Pine Note #4 Indebtedness until after the Maturity Date; and
 - (c) for greater certainty, BZAM shall not be permitted to repay the Stone Pine Note #1 Indebtedness and/or the Stone Pine Note #2 Indebtedness unless the conditions precedent to such repayments contained in: (i) the consent agreement dated August 30, 2023 made among the parties hereto; and (ii) the amended & restated postponement and subordination agreement dated August 30, 2023 between Stone Pine and the Agent and acknowledged by the Borrower and BZAM; have been met; and

(d) for greater certainty, BZAM shall not be permitted to repay the Stone Pine Note #3 Indebtedness unless the conditions precedent to such repayments contained in: (i) the consent agreement dated October 27, 2023 made among the parties hereto; and (ii) the postponement and subordination agreement dated October 27, 2023 between Stone Pine and the Agent and acknowledged by the Borrower and BZAM; have been met;

4. The consent set forth in section 2 above shall be limited precisely as written and in the manner and to the extent described above and nothing in this Agreement shall be deemed to:

- (a) prejudice any right or remedy that the Agent or any Person that is a Lender at any time under the Credit Agreement may now have or may have in the future under or in connection with the Credit Agreement or any other Transaction Document, or any other instrument or agreement referred to therein; or
- (b) be a consent to any future forbearance, waiver or modification of any other term or condition of the Credit Agreement, any Transaction Document or of any instrument or agreement referred to therein; or
- (c) limit or impair the right of the Agent or any Person that is a Lender at any time under the Credit Agreement to demand strict performance of all terms and covenants of the Credit Agreement or any other Transaction Document, or any other instrument or agreement referred to therein as of any date.

5. The Borrower hereby acknowledges, covenants and agrees that it shall provide prompt written notice of any Stone Pine Breach to the Agent.

6. This Agreement shall become effective upon the date (the “**Effective Date**”) on which the Agent shall have received, in each case, in form and substance satisfactory to the Agent:

- (a) an executed copy of Stone Pine Note #4;
- (b) executed copies of the Stone Pine Note #4 Security;
- (c) receipt by BZAM of the proceeds of Stone Pine Note #4;
- (d) a subordination and postponement agreement from Stone Pine in respect of Stone Pine Note #4.

7. Nothing contained in this Agreement shall be deemed or construed to amend, supplement or modify the Credit Agreement (including, without limitation, the provisions of “Events of Default” thereof), any Transaction Document or of any other instrument or agreement referred to therein, or otherwise affect the rights and obligations of any party thereto, all of which remain in full force and effect.

8. The Borrower hereby represents, warrants and covenants to the Agent and the Lenders that, after giving effect to this Agreement:

- (a) no Default or Event of Default has occurred and is continuing; and

(b) the representations and warranties in the Credit Agreement and the other Transaction Documents are true and correct in all respects on and as of the Effective Date.

9. The Borrower shall promptly on demand pay to the Agent the amount of all reasonable out-of-pocket costs and expenses (including reasonable legal fees) which are incurred by the Agent in connection with the negotiation, execution and delivery of this Agreement and any related documents.

10. This Agreement is binding upon and shall enure to the benefit of the parties hereto and each of their respective permitted successors and permitted assigns.

11. This Agreement is governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable in therein.

12. This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. A signed copy of this agreement delivered by facsimile, email or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF the parties hereto have executed this Agreement.

BORROWER:

THE GREEN ORGANIC DUTCHMAN LTD.

Per: Sean Bovingdon

Name: Sean Bovingdon

Title: CFO

I have the authority to bind the corporation.

Acknowledged and agreed to by:

BZAM LTD.

Per: M

Name: Matt Milich

Title: CEO

I have the authority to bind the corporation.

MEDICAN ORGANIC INC.


Per: Sean Bovingdon

Name: Sean Bovingdon

Title: CFO

I have the authority to bind the corporation.

BZAM HOLDINGS INC.

Per:  _____

Name: Matt Milich

Title: President

I/we have the authority to bind the corporation.

FOLIUM LIFE SCIENCE INC.


Per:  _____

Name: Matt Milich

Title: President

I/we have the authority to bind the corporation.

BZAM MANAGEMENT INC.

Per:  _____

Name: Sean Bovingdon

Title: CFO

I/we have the authority to bind the corporation.

BZAM CANNABIS CORP.

Per:  _____

Name: Matt Milich

Title: President

I/we have the authority to bind the corporation.

AGENT:

CORTLAND CREDIT LENDING CORPORATION, as Agent

Per: _____

Name:

Title:

I have the authority to bind the Agent.

CONSENT AGREEMENT

THIS CONSENT AGREEMENT (“Agreement”) dated as of November 30, 2023, is made, among others, by Cortland Credit Lending Corporation, in its capacity as agent (the “**Agent**”) for and on behalf of the Lenders under the Credit Agreement (as defined below) and The Green Organic Dutchman Ltd. as borrower (the “**Borrower**”).

WHEREAS:

- A. The Borrower and the Agent are parties to an amended and restated credit agreement dated September 29, 2021, as amended by a first amendment dated as of November 30, 2021, a second amendment dated as of March 9, 2022, a third amendment dated as of April 29, 2022, a fourth amendment dated as of November 3, 2022, a fifth amendment dated as of June 30, 2023 and a sixth amendment dated as of August 30, 2023 (as the same may be amended, amended and restated, renewed, extended, supplemented, replaced, or otherwise modified from time to time, the “**Credit Agreement**”).
- B. Stone Pine Capital Ltd. (“**Stone Pine**”), with the consent of the Agent, provided BZAM certain secured interim financing in accordance with a secured, demand promissory note (“**Stone Pine Note #1**”) in the principal amount of CAD \$2,500,000.00 dated on or about March 3, 2023. The amounts owing to Stone Pine under Stone Pine Note #1 are hereinafter referred to collectively as the “**Stone Pine Note #1 Indebtedness**”.
- C. With the consent of the Agent, and as security for the payment and performance by BZAM’s of the Stone Pine Note #1 Indebtedness, BZAM provided a separate general security agreement and the corresponding security registrations, to the extent made, in favour of Stone Pine, on or about March 3, 2023 (collectively, the “**Stone Pine Note #1 Security**”).
- D. BZAM has requested and Stone Pine has agreed to provide certain further secured interim financing to BZAM in accordance with a further secured, demand promissory note (the “**Stone Pine Note #2**”) in the principal amount of CAD \$1,325,000.00 dated on or about August 30, 2023. The amounts owing to Stone Pine under Stone Pine Note #2 are hereinafter referred to collectively as the “**Stone Pine Note #2 Indebtedness**”.
- E. As security for the payment and performance by BZAM’s of the Stone Pine Note #2 Indebtedness, Stone Pine has requested and BZAM has agreed to provide a separate general security agreement and the corresponding security registrations, to the extent made (collectively, the “**Stone Pine Note #2 Security**”).
- F. BZAM has requested and Stone Pine has agreed to provide certain further secured interim financing to BZAM in accordance with a further secured, demand promissory note (the “**Stone Pine Note #3**”) in the principal amount of CAD \$1,190,000.00 dated on or about October 27, 2023. The amounts owing to Stone Pine under Stone Pine Note #3 are hereinafter referred to collectively as the “**Stone Pine Note #3 Indebtedness**”.
- G. As security for the payment and performance by BZAM’s of the Stone Pine Note #3 Indebtedness, Stone Pine has requested and BZAM has agreed to provide a separate general security agreement and the corresponding security registrations, to the extent made (collectively, the “**Stone Pine Note #3 Security**”).

- H. BZAM has requested and Stone Pine has agreed to provide certain further secured interim financing to BZAM in accordance with a further secured, demand promissory note (the “**Stone Pine Note #4**”) in the principal amount of CAD \$600,000.00 dated on or about November 8, 2023. The amounts owing to Stone Pine under Stone Pine Note #4 are hereinafter referred to collectively as the “**Stone Pine Note #4 Indebtedness**”
- I. As security for the payment and performance by BZAM’s of the Stone Pine Note #4 Indebtedness, Stone Pine has requested and BZAM has agreed to provide a separate general security agreement and the corresponding security registrations, to the extent made (collectively, the “**Stone Pine Note #4 Security**”).
- J. BZAM has requested and Stone Pine has agreed to provide certain further secured interim financing to BZAM in accordance with a further secured, demand promissory note (the “**Stone Pine Note #5**”) in the principal amount of CAD \$2,000,000.00 dated on or about the date hereof. The amounts owing to Stone Pine under Stone Pine Note #5 are hereinafter referred to collectively as the “**Stone Pine Note #5 Indebtedness**” and together with the Stone Pine Note #1 Indebtedness, the Stone Pine Note #2 Indebtedness, the Stone Pine Note #3 Indebtedness, and the Stone Pine Note #4 Indebtedness, collectively, the “**Stone Pine Note Indebtedness**”.
- K. As security for the payment and performance by BZAM’s of the Stone Pine Note #5 Indebtedness, Stone Pine has requested and BZAM has agreed to provide a separate general security agreement and the corresponding security registrations, to the extent made (collectively, the “**Stone Pine Note #5 Security**” and together with the Stone Pine Note #1 Security, the Stone Pine Note #2 Security, the Stone Pine Note #3 Security and the Stone Pine #4 Security, collectively, the “**Stone Pine Note Security**”).
- L. Pursuant to Sections 8(j) and 8(p) of the Credit Agreement, the Stone Pine Note Indebtedness and the Stone Pine Note Security is not permitted.
- M. The Agent has previously consented to the Stone Pine Note #1 Indebtedness, the Stone Pine Note #2 Indebtedness, the Stone Pine Note #3 Indebtedness, the Stone Pine Note #4 Indebtedness, the Stone Pine Note #1 Security, the Stone Pine Note #2 Security, the Stone Pine Note #3 Security and the Stone Pine Note #4 Security.
- N. The Borrower has requested the consent of the Agent to the Stone Pine Note #5 Security and the Stone Pine Note #5 Indebtedness.

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged:

1. Capitalized terms not otherwise defined herein shall have the respective meanings assigned to such terms in the Credit Agreement.
2. The Agent consents to the Stone Pine Note #5 Security and the Stone Pine Note #5 Indebtedness as of the Effective Date (as hereinafter defined)
3. Each of the Borrower and BZAM hereby acknowledges and agrees that:

(a) any default in the observance or performance of any of the obligations owing by BZAM pursuant to the Stone Pine Note Indebtedness (each, a “**Stone Pine Breach**”) shall constitute a Default under the Credit Agreement;

(b) BZAM shall not be permitted to repay the Stone Pine Note #5 Indebtedness until after the Maturity Date; and

(c) for greater certainty, BZAM shall not be permitted to repay the Stone Pine Note #1 Indebtedness and/or the Stone Pine Note #2 Indebtedness unless the conditions precedent to such repayments contained in: (i) the consent agreement dated August 30, 2023 made among the parties hereto; and (ii) the amended & restated postponement and subordination agreement dated August 30, 2023 between Stone Pine and the Agent and acknowledged by the Borrower and BZAM; have been met;

(d) for greater certainty, BZAM shall not be permitted to repay the Stone Pine Note #3 Indebtedness unless the conditions precedent to such repayments contained in: (i) the consent agreement dated October 27, 2023 made among the parties hereto; and (ii) the postponement and subordination agreement dated October 27, 2023 between Stone Pine and the Agent and acknowledged by the Borrower and BZAM; have been met; and

(e) for greater certainty, BZAM shall not be permitted to repay the Stone Pine Note #4 Indebtedness unless the conditions precedent to such repayments contained in: (i) the consent agreement dated November 8, 2023 made among the parties hereto; and (ii) the postponement and subordination agreement dated November 8, 2023 between Stone Pine and the Agent and acknowledged by the Borrower and BZAM; have been met.

4. The consent set forth in section 2 above shall be limited precisely as written and in the manner and to the extent described above and nothing in this Agreement shall be deemed to:

(a) prejudice any right or remedy that the Agent or any Person that is a Lender at any time under the Credit Agreement may now have or may have in the future under or in connection with the Credit Agreement or any other Transaction Document, or any other instrument or agreement referred to therein; or

(b) be a consent to any future forbearance, waiver or modification of any other term or condition of the Credit Agreement, any Transaction Document or of any instrument or agreement referred to therein; or

(c) limit or impair the right of the Agent or any Person that is a Lender at any time under the Credit Agreement to demand strict performance of all terms and covenants of the Credit Agreement or any other Transaction Document, or any other instrument or agreement referred to therein as of any date.

5. The Borrower hereby acknowledges, covenants and agrees that it shall provide prompt written notice of any Stone Pine Breach to the Agent.

6. This Agreement shall become effective upon the date (the “**Effective Date**”) on which the Agent shall have received, in each case, in form and substance satisfactory to the Agent:

- (a) an executed copy of Stone Pine Note #5;
- (b) executed copies of the Stone Pine Note #5 Security;
- (c) receipt by BZAM of the proceeds of Stone Pine Note #5;
- (d) a subordination and postponement agreement from Stone Pine in respect of Stone Pine Note #5.

7. Nothing contained in this Agreement shall be deemed or construed to amend, supplement or modify the Credit Agreement (including, without limitation, the provisions of "Events of Default" thereof), any Transaction Document or of any other instrument or agreement referred to therein, or otherwise affect the rights and obligations of any party thereto, all of which remain in full force and effect.

8. The Borrower hereby represents, warrants and covenants to the Agent and the Lenders that, after giving effect to this Agreement:

- (a) no Default or Event of Default has occurred and is continuing; and
- (b) the representations and warranties in the Credit Agreement and the other Transaction Documents are true and correct in all respects on and as of the Effective Date.

9. The Borrower shall promptly on demand pay to the Agent the amount of all reasonable out-of-pocket costs and expenses (including reasonable legal fees) which are incurred by the Agent in connection with the negotiation, execution and delivery of this Agreement and any related documents.

10. This Agreement is binding upon and shall enure to the benefit of the parties hereto and each of their respective permitted successors and permitted assigns.

11. This Agreement is governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable in therein.

12. This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. A signed copy of this agreement delivered by facsimile, email or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF the parties hereto have executed this Agreement.

BORROWER:

THE GREEN ORGANIC DUTCHMAN LTD.

Per: Sean Bovingdon

Name: Sean Bovingdon

Title: CFO

I have the authority to bind the corporation.

Acknowledged and agreed to by:

BZAM LTD.

Per: Milich

Name: Matt Milich

Title: CEO

I have the authority to bind the corporation.

MEDICAN ORGANIC INC.

Per: Sean Bovingdon

Name: Sean Bovingdon

Title: CFO

I have the authority to bind the corporation.

BZAM HOLDINGS INC.

Per:  _____

Name: Matt Milich

Title: President

I/we have the authority to bind the corporation.

FOLIUM LIFE SCIENCE INC.

Per:  _____

Name: Matt Milich

Title: President

I/we have the authority to bind the corporation.

BZAM MANAGEMENT INC.

Per:  _____

Name: Matt Milich

Title: CEO

I/we have the authority to bind the corporation.

BZAM CANNABIS CORP.

Per:  _____

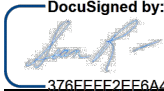
Name: Matt Milich

Title: President

I/we have the authority to bind the corporation.

AGENT:

CORTLAND CREDIT LENDING CORPORATION, as Agent

Per:  376FEE2FE6A46C

Name: Sean Register

Title: CEO

I have the authority to bind the Agent.

CONSENT AGREEMENT

THIS CONSENT AGREEMENT (“Agreement”) dated as of December 4, 2023, is made, among others, by Cortland Credit Lending Corporation, in its capacity as agent (the “**Agent**”) for and on behalf of the Lenders under the Credit Agreement (as defined below) and The Green Organic Dutchman Ltd. as borrower (the “**Borrower**”).

WHEREAS:

- A. The Borrower and the Agent are parties to an amended and restated credit agreement dated September 29, 2021, as amended by a first amendment dated as of November 30, 2021, a second amendment dated as of March 9, 2022, a third amendment dated as of April 29, 2022, a fourth amendment dated as of November 3, 2022, a fifth amendment dated as of June 30, 2023 and a sixth amendment dated as of August 30, 2023 (as the same may be amended, amended and restated, renewed, extended, supplemented, replaced, or otherwise modified from time to time, the “**Credit Agreement**”).
- B. Stone Pine Capital Ltd. (“**Stone Pine**”), with the consent of the Agent, provided BZAM certain secured interim financing in accordance with a secured, demand promissory note (“**Stone Pine Note #1**”) in the principal amount of CAD \$2,500,000.00 dated on or about March 3, 2023. The amounts owing to Stone Pine under Stone Pine Note #1 are hereinafter referred to collectively as the “**Stone Pine Note #1 Indebtedness**”.
- C. With the consent of the Agent, and as security for the payment and performance by BZAM of the Stone Pine Note #1 Indebtedness, BZAM provided a separate general security agreement and the corresponding security registrations, to the extent made, in favour of Stone Pine, on or about March 3, 2023 (collectively, the “**Stone Pine Note #1 Security**”).
- D. Stone Pine, with the consent of the Agent, provided BZAM certain further secured interim financing to BZAM in accordance with a further secured, demand promissory note (the “**Stone Pine Note #2**”) in the principal amount of CAD \$1,325,000.00 dated on or about August 30, 2023. The amounts owing to Stone Pine under Stone Pine Note #2 are hereinafter referred to collectively as the “**Stone Pine Note #2 Indebtedness**”.
- E. With consent of the Agent, and as security for the payment and performance by BZAM of the Stone Pine Note #2 Indebtedness, BZAM provided a separate general security agreement and the corresponding security registrations, to the extent made, in favour of Stone Pine, on or about August 30, 2023 (collectively, the “**Stone Pine Note #2 Security**”).
- F. Stone Pine, with the consent of the Agent, provided BZAM certain further secured interim financing to BZAM in accordance with a further secured, demand promissory note (the “**Stone Pine Note #3**”) in the principal amount of CAD \$1,190,000.00 dated on or about October 27, 2023. The amounts owing to Stone Pine under Stone Pine Note #3 are hereinafter referred to collectively as the “**Stone Pine Note #3 Indebtedness**”.
- G. With consent of the Agent, and as security for the payment and performance by BZAM of the Stone Pine Note #3 Indebtedness, BZAM provided a separate general security agreement and the corresponding security registrations, to the extent made, in favour of Stone Pine, on or about October 27, 2023 (collectively, the “**Stone Pine Note #3 Security**”).

- H. Stone Pine, with the consent of the Agent, provided BZAM certain further secured interim financing to BZAM in accordance with a further secured, demand promissory note (the “**Stone Pine Note #4**”) in the principal amount of CAD \$600,000.00 dated on or about November 8, 2023. The amounts owing to Stone Pine under Stone Pine Note #4 are hereinafter referred to collectively as the “**Stone Pine Note #4 Indebtedness**”.
- I. With consent of the Agent, and as security for the payment and performance by BZAM of the Stone Pine Note #4 Indebtedness, BZAM provided a separate general security agreement and the corresponding security registrations, to the extent made, in favour of Stone Pine, on or about November 8, 2023 (collectively, the “**Stone Pine Note #4 Security**”).
- J. Stone Pine, with the consent of the Agent, provided BZAM certain further secured interim financing to BZAM in accordance with a further secured, demand promissory note (the “**Stone Pine Note #5**”) in the principal amount of CAD \$2,000,000.00 dated on or about November 30, 2023. The amounts owing to Stone Pine under Stone Pine Note #5 are hereinafter referred to collectively as the “**Stone Pine Note #5 Indebtedness**”.
- K. With consent of the Agent, and as security for the payment and performance by BZAM of the Stone Pine Note #5 Indebtedness, BZAM provided a separate general security agreement and the corresponding security registrations, to the extent made, in favour of Stone Pine, on or about November 30, 2023 (collectively, the “**Stone Pine Note #5 Security**”).
- L. BZAM has requested and Stone Pine has agreed to provide certain further secured interim financing to BZAM in accordance with a further secured, demand promissory note (the “**Stone Pine Note #6**”) in the principal amount of CAD \$900,000.00 dated on or about the date hereof. The amounts owing to Stone Pine under Stone Pine Note #6 are hereinafter referred to collectively as the “**Stone Pine Note #6 Indebtedness**” and together with the Stone Pine Note #1 Indebtedness, the Stone Pine Note #2 Indebtedness, the Stone Pine Note #3 Indebtedness, the Stone Pine Note #4 Indebtedness, and Stone Pine Note #5 Indebtedness, collectively, the “**Stone Pine Note Indebtedness**”.
- M. As security for the payment and performance by BZAM’s of the Stone Pine Note #6 Indebtedness, Stone Pine has requested and BZAM has agreed to provide a separate general security agreement and the corresponding security registrations, to the extent made (collectively, the “**Stone Pine Note #6 Security**” and together with the Stone Pine Note #1 Security, the Stone Pine Note #2 Security, the Stone Pine Note #3 Security, the Stone Pine #4 Security, and the Stone Pine #5 Security, collectively, the “**Stone Pine Note Security**”).
- N. Pursuant to Sections 8(j) and 8(p) of the Credit Agreement, the Stone Pine Note Indebtedness and the Stone Pine Note Security is not permitted.
- O. The Agent has previously consented to the Stone Pine Note #1 Indebtedness, the Stone Pine Note #2 Indebtedness, the Stone Pine Note #3 Indebtedness, the Stone Pine Note #4 Indebtedness, the Stone Pine #5 Indebtedness, the Stone Pine Note #1 Security, the Stone Pine Note #2 Security, the Stone Pine Note #3 Security, the Stone Pine Note #4 Security, and the Stone Pine Note #5 Security.
- P. The Borrower has requested the consent of the Agent to the Stone Pine Note #6 Security and the Stone Pine Note #6 Indebtedness.

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged:

1. Capitalized terms not otherwise defined herein shall have the respective meanings assigned to such terms in the Credit Agreement.
2. The Agent consents to the Stone Pine Note #6 Security and the Stone Pine Note #6 Indebtedness as of the Effective Date (as hereinafter defined)
3. Each of the Borrower and BZAM hereby acknowledges and agrees that:
 - (a) any default in the observance or performance of any of the obligations owing by BZAM pursuant to the Stone Pine Note Indebtedness (each, a “**Stone Pine Breach**”) shall constitute a Default under the Credit Agreement;
 - (b) BZAM shall not be permitted to repay the Stone Pine Note #6 Indebtedness until after the Maturity Date; and
 - (c) for greater certainty, BZAM shall not be permitted to repay the Stone Pine Note #1 Indebtedness and/or the Stone Pine Note #2 Indebtedness unless the conditions precedent to such repayments contained in: (i) the consent agreement dated August 30, 2023 made among the parties hereto; and (ii) the amended & restated postponement and subordination agreement dated August 30, 2023 between Stone Pine and the Agent and acknowledged by the Borrower and BZAM; have been met;
 - (d) for greater certainty, BZAM shall not be permitted to repay the Stone Pine Note #3 Indebtedness unless the conditions precedent to such repayments contained in: (i) the consent agreement dated October 27, 2023 made among the parties hereto; and (ii) the postponement and subordination agreement dated October 27, 2023 between Stone Pine and the Agent and acknowledged by the Borrower and BZAM; have been met;
 - (e) for greater certainty, BZAM shall not be permitted to repay the Stone Pine Note #4 Indebtedness unless the conditions precedent to such repayments contained in: (i) the consent agreement dated November 8, 2023 made among the parties hereto; and (ii) the postponement and subordination agreement dated November 8, 2023 between Stone Pine and the Agent and acknowledged by the Borrower and BZAM; have been met; and
 - (f) for greater certainty, BZAM shall not be permitted to repay the Stone Pine Note #5 Indebtedness unless the conditions precedent to such repayments contained in: (i) the consent agreement dated November 30, 2023 made among the parties hereto; and (ii) the postponement and subordination agreement dated November 30, 2023 between Stone Pine and the Agent and acknowledged by the Borrower and BZAM; have been met.
4. The consent set forth in section 2 above shall be limited precisely as written and in the manner and to the extent described above and nothing in this Agreement shall be deemed to:
 - (a) prejudice any right or remedy that the Agent or any Person that is a Lender at any time under the Credit Agreement may now have or may have in the future under or in

connection with the Credit Agreement or any other Transaction Document, or any other instrument or agreement referred to therein; or

- (b) be a consent to any future forbearance, waiver or modification of any other term or condition of the Credit Agreement, any Transaction Document or of any instrument or agreement referred to therein; or
- (c) limit or impair the right of the Agent or any Person that is a Lender at any time under the Credit Agreement to demand strict performance of all terms and covenants of the Credit Agreement or any other Transaction Document, or any other instrument or agreement referred to therein as of any date.

5. The Borrower hereby acknowledges, covenants and agrees that it shall provide prompt written notice of any Stone Pine Breach to the Agent.

6. This Agreement shall become effective upon the date (the “**Effective Date**”) on which the Agent shall have received, in each case, in form and substance satisfactory to the Agent:

- (a) an executed copy of Stone Pine Note #6;
- (b) executed copies of the Stone Pine Note #6 Security;
- (c) receipt by BZAM of the proceeds of Stone Pine Note #6;
- (d) a subordination and postponement agreement from Stone Pine in respect of Stone Pine Note #6.

7. Nothing contained in this Agreement shall be deemed or construed to amend, supplement or modify the Credit Agreement (including, without limitation, the provisions of “Events of Default” thereof), any Transaction Document or of any other instrument or agreement referred to therein, or otherwise affect the rights and obligations of any party thereto, all of which remain in full force and effect.

8. The Borrower hereby represents, warrants and covenants to the Agent and the Lenders that, after giving effect to this Agreement:

- (a) no Default or Event of Default has occurred and is continuing; and
- (b) the representations and warranties in the Credit Agreement and the other Transaction Documents are true and correct in all respects on and as of the Effective Date.

9. The Borrower shall promptly on demand pay to the Agent the amount of all reasonable out-of-pocket costs and expenses (including reasonable legal fees) which are incurred by the Agent in connection with the negotiation, execution and delivery of this Agreement and any related documents.

10. This Agreement is binding upon and shall enure to the benefit of the parties hereto and each of their respective permitted successors and permitted assigns.

11. This Agreement is governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable in therein.

12. This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. A signed copy of this agreement delivered by facsimile, email or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF the parties hereto have executed this Agreement.

BORROWER:

THE GREEN ORGANIC DUTCHMAN LTD.

Per: Sean Bovingdon

Name: Sean Bovingdon

Title: CFO

I have the authority to bind the corporation.

Acknowledged and agreed to by:

BZAM LTD.

Per: Matt Milich

Name: Matt Milich

Title: CEO

I have the authority to bind the corporation.

MEDICAN ORGANIC INC.

Per: Sean Bovingdon

Name: Sean Bovingdon

Title: CFO

I have the authority to bind the corporation.

BZAM HOLDINGS INC.

Per:  _____

Name: Matt Milich

Title: President

I/we have the authority to bind the corporation.

FOLIUM LIFE SCIENCE INC.

Per:  _____

Name: Matt Milich

Title: President

I/we have the authority to bind the corporation.

BZAM MANAGEMENT INC.

Per:  _____

Name: Matt Milich

Title: CEO

I/we have the authority to bind the corporation.

BZAM CANNABIS CORP.

Per:  _____


Name: Matt Milich

Title: President

I/we have the authority to bind the corporation.

AGENT:

CORTLAND CREDIT LENDING CORPORATION, as Agent

Per:  376FFF2EF6A46C...

Name: Sean Register

Title: CEO

I have the authority to bind the Agent.

THIS IS **EXHIBIT "HH"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.



JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)

MORTGAGE COMMITMENT

May 19, 2021

Bzam Cannabis Corp.
8770 – 24th Street
Sherwood Park, Alberta, T6P 1X8

RE: \$5,000,000.00 first mortgage secured against 8770 – 24th Street, Sherwood Park, Alberta (the "Property")

Gillridge Family Trust, Ranjit Gill, Gurpreet Sangha and Jeff Douglas (collectively, the "**Lenders**" and each individually, a "**Lender**") are pleased to advise that the following mortgage loan has been approved on the terms and conditions set forth below in this Mortgage Commitment (this "**Commitment Letter**"). If you agree with these terms and conditions, please sign the duplicate copy of this Commitment Letter in the space provided below and return it to the Lenders as soon as possible:

- 1. Borrower:** Bzam Cannabis Corp. (the "**Borrower**")
- 2. Lenders:** Gillridge Family Trust, Ranjit Gill, Gurpreet Sangha and Jeff Douglas
- 3. Loan:** \$5,000,000.00 (the "**Loan**") to be made available to the Borrower by way of a single advance on or before May 31, 2021, subject to satisfaction of the Conditions contained herein.
- 4. Appointment of Agent:** Each Lender hereby designates, appoints and authorizes Manjinder Singh Gill (in such capacity, the "**Agent**") as its agent to: (a) receive and distribute payments hereunder (in accordance with each Lender's contribution); (b) hold, execute and deliver the Security Documents (as hereinafter defined) for and on behalf of the Lenders on a *pari passu* basis; (c) enforce this Commitment Letter or any Security Document and apply the proceeds of such enforcement (in accordance with each Lender's contribution), in each case, in accordance with the terms hereof; and (d) exercise such powers, perform such duties and take such actions under the Security Documents as are required to be exercised, performed, taken or otherwise carried out thereunder in accordance with the terms hereof, together with all powers reasonably incidental thereto, and the Borrower hereby acknowledges such appointment. The Agent hereby acknowledges and accepts its appointment as agent for and on behalf of the Lenders in accordance with the terms hereof.
- 5. Maturity Date:** The Loan shall mature and become due and payable sixty (60) months following the date the Loan is advanced to the Borrower (the "**Maturity Date**").
- 6. Renewal Fees:** Should the Borrower wish to renew the Loan beyond the Maturity Date, the Lenders may, at their sole discretion, grant up to an additional sixty (60) month extension of the Maturity Date. The fee for renewal will be 2% of the outstanding principal amount of the Loan owing to the Agent at the time of any such renewal.
- 7. Interest Rate:** The Borrower shall pay interest on the outstanding principal amount of the Loan from time to time at a rate of 10% per annum (the "**Interest Rate**"). Interest shall be calculated and compounded monthly and payable monthly on the last business day of each month, with such payments commencing on the last day of the month in which the Loan was advanced to the Borrower and, subject to Section 6 above, ceasing on the Maturity Date.
- 8. Repayment:** Provided that an Event of Default (as hereinafter defined) has not occurred, the entire outstanding principal amount of the Loan (together with all accrued and unpaid interest thereon) shall be due and payable to the Agent, for and on behalf of the Lenders, on the Maturity Date. Prior thereto, the Borrower shall pay to the Agent, for and on behalf of the Lenders, interest-only payments on the last business day of each month at the rate and in accordance with the terms of this Commitment Letter.

- 9. Prepayment:** The Borrower may prepay the Loan (in whole, but not in part) (the "**Prepayment**") upon thirty (30) days prior written notice to the Agent, by paying the Agent, for and on behalf of the Lenders, a prepayment fee (the "**Prepayment Fee**") equal to the greater of:
- (a) three (3) months interest, calculated on the then outstanding principal amount under the Loan at the Interest Rate; and
 - (b) the aggregate amount of the Agent's and the Lenders' cost of funds incurred (or reasonably expected to be incurred) as a result of the Prepayment (including, without limitation, any penalties, prepayment fees, or other similar fees or charges incurred by the Agent and/or any of the Lenders in connection with any prepayment or payout of any of their respective credit or loan facilities, it being acknowledged and agreed that the Agent and/or Lenders may, in their sole discretion, pay out any such credit or loan facilities with any funds received from the Prepayment).

The Borrower's obligation to pay the Prepayment Fee is in addition to the concurrent payment in full by the Borrower of: (i) the outstanding principal amount of the Loan; and (ii) all accrued and unpaid interest thereon.

- 10. Commitment Fee:** The Borrower shall pay to the Agent, for and on behalf of the Lenders, a sum equal to 0.5% of the Loan within two (2) days of the Borrower's acceptance of this Commitment Letter. The Commitment Fee will be used to pay for the Lenders costs of conducting due diligence and any fees in connection with considering the Borrower's loan application.

- 11. Security:** the following security (collectively, the "**Security Documents**") shall be completed, duly executed, delivered and registered, where necessary, to the entire satisfaction of the Lenders and their counsel. All of the Security Documents shall be granted by the Borrower (and any guarantors, as applicable), in favour of the Agent, for and on behalf of the Lenders:

- (a) first mortgage over the Property (the "**Mortgage**") which is legally described as Lot 4, Block 5, Plan 8720213;
- (b) general assignment of rents and leases in respect of the Property;
- (c) general security agreement over all Borrower's present and after acquired personal property,
- (d) corporate guarantee of Bzam Management Inc.; and
- (e) such other documents containing assurances, information and covenants as the Agent, the Lenders' or their solicitor may require from time to time.

- 12. Use of Loan Proceeds:** To refinance the Property and payout existing financial charges on title.

- 13. Conditions:** The Lenders' obligations under this Commitment Letter are subject to the following conditions precedent occurring or being fulfilled to the full satisfaction of the Lenders in their sole discretion on or before May 31, 2021 and all such conditions precedent are for the sole benefit of the Lenders and may be waived by the Lenders in writing:

- (a) the Lender's being satisfied with their due diligence investigations, including, satisfactory review of the title to the Property;
- (b) the Borrower providing the Lenders with a current real property report in respect of the Property with evidence of municipal compliance and the Lender's being satisfied with their review thereof;
- (c) the Lenders having reviewed and approved the terms of this Commitment Letter;
- (d) the Borrower providing proof of fire insurance naming the Agent as a first loss payable, in a form satisfactory to the Lenders;

- (e) the Borrower providing a lender's title insurance policy in favour of the Lenders in connection with the Mortgage, on a form satisfactory to the Lenders;
- (f) the Lenders being satisfied with a physical inspection of the Property;
- (g) the delivery of a duly executed copy of this Commitment Letter;
- (h) all Security Documents being duly completed, authorized, executed and delivered by the parties thereto, in each case, on forms satisfactory to the Lenders and their solicitor; and
- (i) all Security Documents that are required to be registered in order to protect or perfect the security interest granted thereby or which is required to be registered in order to obtain a priority over another creditor shall have been duly registered to the satisfaction of the Lenders free and clear of all liens, mortgages, pledges, security interests, assignments, encumbrances, charges and other interests in property of any nature whatsoever, howsoever created or arising, and other adverse claims, other than those encumbrances agreed to in writing by the Agent.

14. Taxes: The Borrower will pay all real property taxes assessed or payable in respect of the Property when they are due. During the term of the Loan, should the Borrower not pay real property taxes when due, the Lenders, may, but are not obligated to, attend to payment of the real property taxes on behalf of the Borrower, and charge the amount of the real property taxes payment plus an additional \$5,000.00 service fee to the outstanding principal balance of the Loan.

15. Insurance: The Borrower shall insure the property in favour of the Agent to the amount of a sum not less than the total of the principal sum of money being secured or, to the amount of its full insurable value if such sum be greater than the insurable value. It is further agreed that should the insurance policy expire during the term of the Loan and not be replaced with satisfactory coverage, then the Agent may place insurance with its own carriers and charge the premium plus an additional \$5,000.00 service fee to the outstanding principal balance of the Loan.

16. Events of Default: The occurrence of any one or more of the following events or circumstances constitutes an "**Event of Default**" under this Commitment Letter:

- (a) the failure of the Borrower to pay the principal amount of the Loan when due hereunder;
- (b) the failure of the Borrower to pay any interest when due hereunder if such default shall remain unremedied for a period of five (5) business days;
- (c) if there is a breach or failure of due performance or observance by the Borrower of any covenant or provision under this Commitment Letter (other than those otherwise dealt with in this Section 16) or any other Security Document to which it is a party, unless such breach or failure is cured to the satisfaction of the Lenders, acting reasonably, within five (5) business days after written notice thereof by the Agent to the Borrower;
- (d) if the Borrower shall: (i) institute or commence proceedings to be adjudicated a bankrupt or insolvent or consent to the filing of a bankruptcy or insolvency proceeding against it, (ii) file, institute or commence or otherwise take any proceeding relating to reorganization, adjustment, arrangement, composition, compromise, stay of proceedings or relief similar to any of the foregoing under any applicable laws regarding bankruptcy, insolvency, reorganization or relief of debtors (including under the *Companies' Creditors Arrangement Act* (Canada) or the *Bankruptcy and Insolvency Act* (Canada)), (iii) consent to the filing of any such proceeding, (iv) consent to the appointment of a receiver, liquidator, trustee or assignee in bankruptcy or similar official or to the liquidation, dissolution or winding-up of the Borrower or of all or a substantial part of its property and assets, (v) make an assignment for the benefit of creditors, (vi) admit in writing its inability to pay its debts generally as they become due, (vii) generally not pay its debts as they come due or otherwise be insolvent, or (viii) take any action authorizing or in furtherance of any of the foregoing; or
- (e) if any proceeding is filed, instituted or commenced by any person seeking: (i) to adjudicate the Borrower a bankrupt or insolvent or the liquidation, reorganization, winding-up, adjustment,

arrangement, compromise, composition, stay of proceedings or similar relief of or for the Borrower under any applicable laws regarding bankruptcy, insolvency, reorganization or relief of debtors (including under the *Companies' Creditors Arrangement Act* (Canada) or the *Bankruptcy and Insolvency Act* (Canada)), or (ii) to appoint a receiver, liquidator, trustee or assignee in bankruptcy or similar official of any Borrower or of all or a material part of its property and assets, if such proceeding shall continue undismissed or unstayed for a period of 30 days.

17. Acceleration and Remedies: Upon the occurrence of:

- (a) an Event of Default, other than an Event of Default specified in Sections 16(d) or 16(e) above, the Agent, upon receipt of written instructions from the Lenders, shall have the option (if so instructed by the Lenders), upon notice to the Borrower, to declare the outstanding principal amount of the Loan together with all accrued and unpaid interest thereon to be immediately due and payable to the Agent, for and on behalf of each Lender (in accordance with each Lender's contribution), with interest at the Interest Rate thereafter; and
- (b) an Event of Default specified in Sections 16(d) or 16(e) above, the outstanding principal amount of the Loan together with all accrued and unpaid interest thereon shall automatically become due and payable to the Agent, for and on behalf of each Lender (in accordance with each Lender's contribution), with interest at the Interest Rate thereafter,

and the exercise by the Agent of such option, or the occurrence of an Event of Default specified in Sections 16(d) or 16(e) above, shall be deemed to constitute due demand for payment hereunder and the Agent, acting on behalf of all of the Lenders, shall have all rights and remedies available to it under this Commitment Letter, the Security Documents, at law, in equity or otherwise.

18. Borrower's Counsel: Fasken LLP.

19. Documentation: The Security Documents set out in this Commitment Letter shall be in all respects satisfactory to the Lenders and their solicitor in their absolute discretion. The costs of preparation of the Security Documents will be to the account of the Borrower and deducted from the Loan proceeds in the initial advance.

20. Evidence of Accounts: The Agent's accounts and records of amounts settled or stated between the Borrower and the Agent shall be accepted by the Borrower as *prima facie* evidence (absent manifest error) that the amount thereby appearing due by the Borrower to the Agent is so due.

21. Notice: All notices which may or are required to be given pursuant to this Commitment Letter shall be in writing and may be made or given by personal deliver or email and shall be addressed as follows:

If to the Borrower:

Bzam Cannabis Corp.
8770 – 24th Street
Sherwood Park, Alberta, T6P 1X8

Attention: Matt Milich
Email: mmilich@bzam.com

If to the Agent:

Manjinder Gill
6676 Knight Drive
Delta, BC V4E 1S5

Attention: Manjinder Gill
Email: mannyg73@gmail.com



- 22. Assignment:** This Commitment Letter is not assignable by the Borrower without the prior written consent of the Lenders.
- 23. Governing Law:** This Commitment Letter shall be governed by and interpreted in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein. The parties hereto do hereby irrevocably submit and attorn to the non-exclusive jurisdiction of the courts of the Province of Alberta for all matters arising out of or relating to this Commitment Letter or any of the transactions contemplated hereby or by any thereof, without prejudice to the rights of the Agent or any Lender to take proceedings in other jurisdictions.
- 24. Amendments:** No provision of this Commitment Letter may be amended verbally and any such amendment may only be made by way of an instrument in writing signed by each of the Borrower, the Lenders and the Agent.
- 25. Severability:** Any provision of this Commitment Letter which is or becomes prohibited or unenforceable in any jurisdiction does not invalidate, affect or impair the remaining provisions hereof in such jurisdiction and any such prohibition or unenforceability in any jurisdiction does not invalidate or render unenforceable such provision in any other jurisdiction.
- 26. Counterparts:** This Commitment Letter may be executed in several counterparts and delivered electronically, each of which, when so executed and delivered, shall be deemed to be an original and such counterparts together shall constitute one and the same instrument and shall be effective as of the date hereof.
- 27. Expiry Date:** This Commitment Letter is open for acceptance until 4:00pm on May 21, 2021, after which date this commitment expires.

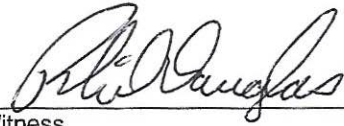
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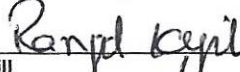
If the foregoing terms and conditions are acceptable then, in order to accept, please sign and return a copy of this Commitment Letter to the Lenders.

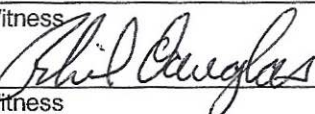
Sincerely,

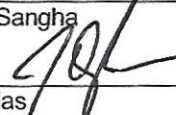
GILLRIDGE FAMILY TRUST

Per:  & 
Authorized Signatory


Witness


Ranjit Gill


Witness


Gurpreet Sangha

Witness


Jeff Douglas

Accepted and agreed to by the undersigned, in his capacity as the Agent:


Witness


Manjinder Singh Gill

[Borrower's signature page follows]

If the foregoing terms and conditions are acceptable then, in order to accept, please sign and return a copy of this Commitment Letter to the Lenders.


Sincerely,

GILLRIDGE FAMILY TRUST

Per: _____
Authorized Signatory

Witness _____


Ranjit Gill


Gurpreet Sangha

Witness _____

Jeff Douglas

Accepted and agreed to by the undersigned, in his capacity as the Agent:

Witness _____

Manjinder Singh Gill

[Borrower's signature page follows]

ACCEPTANCE

Acceptance of this letter provides full and sufficient acknowledgment that the Lenders have no obligation to advance any funds under this Commitment Letter and if, in the opinion of the Lenders and/or its assigns, any material adverse change in risk occurs, including without limiting the generality of the foregoing, any material adverse change in the financial condition of the Borrower or the Property, the approved Loan may be withdrawn or cancelled at the sole discretion of the Lenders.

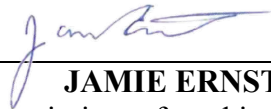
BZAM CANNABIS CORP.

Per:  _____

Name: Matthew Milich

Title: President

THIS IS **EXHIBIT "II"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.



JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)

GENERAL ASSIGNMENT OF LEASES AND RENTS

THIS ASSIGNMENT made the 31 day of May, 2021.

BETWEEN:

BZAM CANNABIS CORP. (the "Borrower")

and

MANJINDER SINGH GILL ("Assignor")

RECITAL:

- A. The Borrower and Assignor are parties to a commitment letter dated May 19, 2021 (the "**Commitment Letter**"), among, *inter alios*, the Borrower, as borrower, and Assignor, as agent for and on behalf of the Lenders.
- B. As continuing security for the payment and performance of all debts, liabilities and obligations of the Borrower to Assignor and/or the Lenders howsoever arising (present and future, absolute and contingent, direct and indirect) (the "Indebtedness") and for value received, the receipt and sufficiency of which the Borrower acknowledges, the Borrower has agreed to assign to Assignor all leases, licenses, tenancy agreements or rights of use or occupation of every kind, now or hereafter in existence, in respect of the lands described in Schedule "A" hereto (the "Premises") or any part thereof (which, as may be amended, extended, renewed or replaced from time to time are herein individually called a "Lease" and collectively the "Leases") and all rents and other payments now or hereafter due under the Leases (the "Rents");

AGREEMENT:

The Borrower agrees with Assignor as follows:


1. Capitalized terms used herein and not otherwise defined herein shall have the respective meanings given to such terms in the Commitment Letter.
2. This Assignment and the security contemplated herein is granted to Assignor in its capacity as agent for and on behalf of the Lenders, and all of the charges, security interests, covenants, representations, warranties, rights, benefits and protections made or given in favour of Assignor hereunder are acknowledged to be for the benefit of Assignor and the joint and several benefit of each of the Lenders.
3. The Borrower assigns to Assignor:
 - (a) all Leases;
 - (b) all Rents;
 - (c) the benefit of all guarantees of the Leases; and
 - (d) the benefit of all covenants by all tenants, lessees, users, occupiers and licencees of the Premises (collectively called the "Lessees");with full power and authority to demand, collect, sue for, distrain for, recover, receive and give receipts for the Rents, to enforce payment thereof and to enforce performance of all the Leases in the name of and as agent for the Borrower.
4. All Rents shall be recoverable as rent in arrears. Wherever Assignor is entitled to levy distress against the goods and personal property of any of the Lessees or to re-enter the premises described in any Lease, Assignor may use such force as it sees fit without being liable to any action in respect thereof or for any loss or damage occasioned thereby. The Borrower releases Assignor from all actions, proceedings, claims or demands in respect of any such forceable entry or any loss or damage sustained by the Borrower in respect thereof.
5. Notwithstanding any variation of the terms of any agreement or arrangement with the Borrower or any extension of time for payment or any release of part or parts of the Premises, or of any collateral security, this Assignment shall continue as security until the Indebtedness and all terms of any agreement or agreements between the Borrower and Assignor in respect of the Indebtedness are fully paid and satisfied.
6. Although this is a present Assignment, Assignor shall not exercise its rights hereunder until Assignor determines that default has been made in payment of the Indebtedness, or any part thereof, or in the performance of any term contained in any agreement between Assignor and the Borrower in respect of the Indebtedness.
7. Assignor may waive any default and shall not be bound to serve any notice on any Lessees on the happening of any default. No waiver shall extend to any subsequent default.
8. Assignor is not responsible for collecting any Rents or performing any terms under any Lease. Assignor shall not be a mortgagee in possession of the Premises by virtue of this Assignment or by virtue of anything done or omitted to be done by Assignor in respect of this Assignment. Assignor is not under any obligation to take any action or exercise any remedy in the collection or recovery of any Rents or to see to or enforce the performance of any terms of any Lease.
9. Assignor shall only be liable to account for moneys which actually come into its hands by virtue of this Assignment, after deduction of all collection charges, inspection fees and other expenses (including legal fees as between a solicitor and his own client on a full indemnity basis) to which Assignor may be put in respect of this Assignment and all moneys received by Assignor shall be applied on account of any such part of the Indebtedness.
10. The Borrower shall not, without the consent in writing of Assignor:

- (a) assign, pledge or hypothecate the whole or any part of any Leases or Rents other than to Assignor;
 - (b) do or permit or omit to do or permit any act to be done which either directly or indirectly has the effect of waiving, releasing, reducing or abating any rights or remedies of the Borrower or obligations of any other party under or in respect of any Lease;
 - (c) terminate, accept a surrender of or amend in any material manner any Lease other than month to month tenancies; or
 - (d) receive or permit the prepayment of any Rent for more than two months in advance.
11. The Borrower will from time to time on demand furnish to Assignor a current list of all Leases in such detail as Assignor requires.
 12. The Borrower shall execute such further documents as are required by Assignor from time to time to perfect this Assignment.
 13. This Assignment is taken by way of additional security only. Neither the taking of this Assignment nor anything done in respect of this Assignment shall in any way prejudice or limit the rights of Assignor or the obligations of the Borrower under any agreement between the Borrower and Assignor or any collateral security thereto.
 14. The Borrower will at the request of Assignor from time to time give any of the Lessees notice of this Assignment and will obtain from those Lessees acknowledgement of such notice. The notice and acknowledgement shall be in the form required by Assignor and such notice (or any notice of this Assignment given by Assignor) shall be effective and binding on each Lessee upon Assignor giving the Lessee notice that the Borrower has defaulted under the terms of any agreement between Assignor and the Borrower.
 15. The rights and remedies given to Assignor hereunder are in addition to and not in substitution for and shall not in any way derogate from or delay or prejudice any rights or remedies to which Assignor may be entitled under or in respect of any other agreement between the Borrower and Assignor.
 16. The Borrower warrants and represents to Assignor that, as of the date hereof, there are no Leases.
 17. The Borrower charges the Premises to Assignor to secure the due performance of this Assignment and the payment of all Rents to Assignor.
 18. Assignor or its agent may forthwith register this Assignment at such Registry Offices as Assignor sees fit. The Borrower shall not take any steps to challenge or remove any instrument or notice filed in respect of this Assignment until the Indebtedness and all terms of any agreement between the Borrower and Assignor in respect of the Indebtedness are fully paid and satisfied.
 19. In this Assignment, "Borrower" and "Assignor" include the heirs, executors, administrators, successors and assigns of the Borrower and Assignor respectively; the singular number and masculine and neuter genders include the masculine, feminine and neuter genders and the plural number when the context so requires; and "term" or "terms" include conditions, covenants, agreements, stipulations, provisions and obligations. If this Assignment is executed by more than one person as Borrower, all terms herein contained are binding on all Borrowers jointly and severally.

[Signature page follows]

The Borrower has executed this Assignment the day and year first above written.

BZAM CANNABIS CORP.

Per:  _____
Authorized Signatory

SCHEDULE "A"

(Legal description of the Premises)

PLAN 8720213
BLOCK 5
LOT 4
EXCEPTING THEREOUT ALL MINES AND MINERALS
AREA: 2.02 HECTARES (5 ACRES) MORE OR LESS

COLLATERAL MORTGAGE

BZAM CANNABIS CORP. (the "**Mortgagor**"), having an office at 8770 – 24th Street Sherwood Park, Alberta, T6P 1X8, is party, as borrower, to a commitment letter dated May 19, 2021 (the "**Commitment Letter**"), among, *inter alios*, **MANJINDER SINGH GILL** (the "**Mortgagee**"), as agent for and on behalf of the Lenders, having an address of 6676 Knight Dr. Delta, BC V4E 1S5.

Capitalized terms used herein and not otherwise defined herein shall have the respective meanings given to such terms in the Commitment Letter.

As collateral security for all indebtedness, obligations and liabilities of the Mortgagor to the Mortgagee and/or the Lenders, whether direct or indirect, absolute or contingent, due or to become due, extended or renewed, or now existing or hereafter incurred and whether incurred or arising before, during or after the time that the Mortgagor is the owner of the Lands, in each case, arising under, out of, or in connection with, the Commitment Letter (as amended, restated, supplemented, modified, or replaced from time to time), or any security provided in connection with the Commitment Letter (collectively, the "**Indebtedness**"), the Mortgagor has agreed to execute and deliver this mortgage. This mortgage is granted to the Mortgagee in its capacity as agent for and on behalf of the Lenders, and all of the charges, security interests, covenants, representations, warranties, rights, benefits and protections made or given in favour of the Mortgagee hereunder are acknowledged to be for the benefit of the Mortgagee and the joint and several benefit of each of the Lenders.

The Mortgagor, being or being entitled to become registered as owner of an estate in fee simple possession, subject however to such encumbrances, liens and interests as are notified on the attached Schedule "A" and any other encumbrances, liens and interests consented to in writing by the Agent in accordance with the terms and conditions of the Commitment Letter (collectively, the "**Permitted Encumbrances**"), in those lands located in the Province of Alberta and described in Schedule "A" attached hereto (which, with the buildings and improvements located thereon, are collectively called the "**Lands**"), in consideration of the premises, COVENANTS with the Mortgagee as follows:

1. **PAYMENT**

The Mortgagor hereby acknowledges that the Mortgagor is or may become obligated to pay the Indebtedness, whether on account of principal, interest, reimbursement obligations, fees, indemnities, costs, expenses or otherwise, and the Mortgagor covenants to pay the same as and when due.

2. **AMOUNT SECURED**

The Mortgagor hereby encumbers, mortgages and charges the Lands with payment of the Indebtedness, up to: (a) the principal sum of FIVE MILLION (\$5,000,000.00) DOLLARS, plus (b) interest thereon, before and after maturity, default and judgement, until paid, calculated at a rate equal to 10% per annum (the "**Interest Rate**") calculated and compounded monthly and payable monthly, not in advance, with interest on overdue interest at the same rate, and (c) all further monies which may become payable pursuant to the terms of this mortgage and interest thereon as herein provided.

This mortgage is given and taken as general and continuing collateral security to secure payment and performance of the Indebtedness and this mortgage shall obtain priority for all Indebtedness notwithstanding that at any time or from time to time there may not be any Indebtedness then outstanding or the amount of the Indebtedness may fluctuate from time to time.

3. **NO MERGER**

The taking of a judgment or judgments under any of the covenants contained in this mortgage, in the Commitment Letter or in any other security for payment of the Indebtedness or the execution or registration of this Mortgage will not operate as a merger of such covenants or of the Mortgagee's security by way of a charge against the Lands or affect the Mortgagee's right to interest hereunder at the Interest Rate. All agreements and security now or hereafter entered into by the Mortgagor with or in favour of the Mortgagee and/or any of the Lenders will be in addition to and not in substitution for any agreements or security previously granted.

4. **TAXES, CLAIMS AND COSTS**

- (a) The Mortgagor will pay all taxes, rates, levies, assessments and impositions of the municipality or any other taxing authority which are now or may hereafter be levied, charged, assessed, imposed or payable against or in respect of the Lands, or any part thereof, or on this mortgage or on the Mortgagee in respect of this mortgage, when the same become due, and will, upon the Mortgagee's request, provide the Mortgagee with the receipts therefor.
- (b) The Mortgagor will pay and discharge when due all claims of and obligations to labourers, builders, material suppliers and others and all other claims, debts and obligations which by the law of Canada or of the Province of Alberta have or might have priority over the security hereby created, and will, upon the Mortgagee's request, provide the Mortgagee with the receipts therefor.
- (c) If the Mortgagor fails to pay when due any of the items required to be paid by the Mortgagor pursuant to any provision of this mortgage, the Mortgagee may, but will not be obligated to, pay such items.
- (d) If the Mortgagor fails to repair as provided by this mortgage, the Mortgagee may, but will not be obligated to, at such time or times as it deems necessary and without the concurrence of any other person, make arrangements for maintaining, restoring, repairing, finishing, adding to, or putting in order the Lands, and for managing, improving, and taking care of them.
- (e) All solicitor's, inspector's, valuator's, surveyor's and other fees and expenses for drawing and registering this mortgage, for examining the Lands and the title thereto, and for making or maintaining this mortgage a first charge, or if approved by the Mortgagee, a subsequent charge, on the Lands, and in exercising or enforcing or attempting to enforce or in pursuance of any right, power, remedy or purpose hereunder or subsisting (including legal costs as between a solicitor and his own client on a full indemnity basis and also an allowance for the time, work and expenses of the Mortgagee or of any agent, solicitor or servant of the Mortgagee for any purpose herein provided), together with all sums which the Mortgagee from time to time advances, expends or incurs pursuant to any provision contained in this mortgage, whether such sums are advanced or incurred with the knowledge, consent, concurrence or acquiescence of the Mortgagor or otherwise, are to be secured hereby and will be a charge on the Lands, together with interest thereon at the Interest Rate calculated from the date of advance or expenditure by the Mortgagee to the date of payment to the Mortgagee. All such monies will be payable to the Mortgagee on demand.

5. **INSURANCE**

- (a) The Mortgagor will immediately insure and keep insured during the continuance of this security the Lands to their full insurable value, with an insurer or insurers approved by the Mortgagee, against loss or damage by fire, lightning and tempest, and such other risks as the Mortgagee may require. The Mortgagor will also obtain such other insurance, of kinds and in amounts required by the Mortgagee (including but not limited to business interruption or rental loss insurance if appropriate). The Mortgagor will not do or permit anything which might impair, reduce or void such insurance.
- (b) The Mortgagor will deliver to the Mortgagee confirmation of the insurance required under paragraph 5(a) above, which confirmation of insurance shall bear, to the extent applicable, endorsements in a form satisfactory to the Mortgagee, making any loss and all proceeds thereunder payable to the Mortgagee as first loss payee or otherwise as its interest may appear on title to the Lands. All policies of insurance shall contain the Insurance Bureau of Canada standard mortgage clause (or such other mortgage clause as the Mortgagee may reasonably require).
- (c) The Mortgagor will pay all premiums and sums of money necessary for such purpose as the same become due and, if requested by the Mortgagee, will immediately after payment deliver to the Mortgagee the receipts therefor. Evidence of the renewal of such insurance will, if requested by the Mortgagee, be provided to the Mortgagee at least fifteen business days before the insurance then existing expires; otherwise the Mortgagee may insure as herein provided.
- (d) If there is loss or damage from any of the risks insured against, the Mortgagor will furnish proof of loss at its own expense and do all necessary acts to enable the Mortgagee to obtain payment of the insurance

monies and in respect of any such insurance monies received by the Mortgagee the Mortgagee may at its option:

- (i) apply the same in or towards substantially rebuilding, reinstating or repairing the Lands; or
 - (ii) apply the same in the manner set forth in paragraph 19(c) hereof; or
 - (iii) pay the same in whole or in part to the Mortgagor, but no such payment will operate as payment or a novation of the Mortgagor's indebtedness hereunder or as a reduction of this Mortgage; or
 - (iv) apply the same partly in one way and partly in another as the Mortgagee in its sole discretion determines.
- (e) The Mortgagor hereby constitutes and appoints the Mortgagee as its attorney for the purpose of demanding, recovering and receiving payment of all insurance monies to which it may become entitled. Without limiting the generality of the foregoing, the Mortgagee may, in the name of the Mortgagor, file proofs of claim with any insurer who insures the Lands, settle or compromise any claim for insurance proceeds in respect of the Lands, commence and prosecute any action for recovery of insurance proceeds in respect of the Lands, and settle or compromise any such action. Notwithstanding the foregoing, it will remain the Mortgagor's responsibility to demand, recover and receive such payments and nothing herein will render the Mortgagee liable to the Mortgagor for any act done by it in pursuance of the power of attorney granted in this paragraph 5(e) or for its failure to do any act or take any step permitted herein.
- (f) Pending application of any insurance monies by the Mortgagee, the same will be deemed to form part of the Lands and be subject to the charge hereby created. To ensure that the Mortgagee may apply such insurance monies in the manner aforesaid, the Mortgagor assigns and releases to the Mortgagee all rights of the Mortgagor to receive the insurance monies and expressly waives all rights and benefits, to the extent that the same is permitted by law, pursuant to any legislation which provides for a contrary application of such insurance monies.
- (g) If the Mortgagor neglects to keep the Lands or any part of them insured as aforesaid or to pay the said premiums and sums of money necessary for such purpose or to deliver the policy or policies or receipts as aforesaid then the Mortgagee will be entitled, but will not be obliged, to insure the Lands in the manner aforesaid.

6. IMPROVEMENTS TO BE FIXTURES

All improvements, fixed or otherwise, now on or hereafter put on the Lands (including but not limited to all buildings, mobile homes, machinery, plant, fences, furnaces, boilers, water heaters, heating, plumbing, air conditioning, cooking, refrigerating, ventilating, lighting and water-heating equipment, window blinds, storm windows, storm doors, window screens and screen doors, and all apparatus and equipment appurtenant thereto, whether movable or stationary, with the proper, usual and necessary gears, construction and appliances) are and will, in addition to other fixtures thereon, be and become fixtures and become part of the realty and of the security and are included in the expression the "Lands".

7. USE OF THE LANDS

- (a) The Mortgagor will not commit or permit any act of waste on the Lands or any portion thereof or do or permit anything which might impair the value thereof.
- (b) The Mortgagor will at all times during the continuance of this mortgage well and sufficiently repair, maintain, restore, amend and keep the Lands and every part thereof in good and substantial repair.
- (c) The Mortgagee by its agents, solicitors or inspectors may enter upon the Lands or any part thereof at any reasonable time and upon twenty-four (24) hours prior notice to the Mortgagor to view their state of repair.

- (d) If in the reasonable opinion of the Mortgagee, the Lands or any part thereof are not in a proper state of repair it may serve notice upon the Mortgagor to make such repairs or replacements as the Mortgagee deems proper within a time limited by such notice. If the Mortgagor fails to comply with such notice such failure will constitute a breach of covenant hereunder and in such event the Mortgagee or its agents, employees or contractors may enter upon the Lands and proceed to repair as provided in this mortgage and will have all the remedies set forth herein.
- (e) The Mortgagor will not make, or permit to be made, any material alterations or additions to the Lands, or change their present use thereof, without the consent of the Mortgagee, which consent shall not be unreasonably withheld or delayed. The Mortgagee hereby consents to the phase 3 alterations to the Lands as planned and proposed by the Mortgagor as of the date hereof.
- (f) If the Mortgagor rents out all or any portion of the Lands, the Mortgagor will faithfully perform any landlord's covenants which it may have undertaken or which it may hereafter undertake as landlord under any such leases and will neither do, neglect to do, nor permit to be done, anything (other than pursuing the enforcement of the terms of such leases in accordance with the terms thereof) which may cause a material modification or termination of any such leases or which may diminish the value of any leases, the rents provided for therein, or the interest of the Mortgagor or Mortgagee herein. The Mortgagor will not assign its interest in any such leases. The Mortgagor will give the Mortgagee immediate notice of any material default or notice of cancellation under any such leases.
- (g) In its ownership, operation and management of the Lands, the Mortgagor will observe and comply with all applicable federal, provincial and municipal by-laws, statutes, ordinances, regulations, orders and restrictions including but not limited to all health, fire safety and land use by-laws and all building codes affecting the Lands.
- (h) In this mortgage:
- (i) "**environment**" includes the Lands and surroundings;
- (ii) "**pollutant**" means any substance, class of substances, mixture of substances, form of energy or combination thereof that is capable of entering the environment in a quantity or concentration or under condition that may cause an immediate or long term adverse effect, and includes anything defined as a hazardous substance, hazardous waste, toxic substance, dangerous goods, hazardous chemical, contaminant, or agricultural chemical under any federal, provincial or municipal laws or by-laws now or hereafter in force;
- (iii) "**release**" includes the noun or verb form of spill, discharge, spray, inject, abandon, deposit, leak, seep, pour, emit, empty, throw, dump, place, exhaust and words of like or similar meaning.

Neither the Mortgagor, nor, to the knowledge of the Mortgagor any other person, has ever caused or permitted any pollutant to be placed, handled, stored or disposed of on, under or at the Lands, or on, under or at adjacent lands, except in compliance with all environmental, health or safety laws or as disclosed to the Mortgagee in writing. The Mortgagor will not allow any pollutant to be placed, handled, stored or disposed of on, under or at the Lands, except in compliance with all environmental, health or safety laws, without the prior written consent of the Mortgagee, which consent may be arbitrarily or unreasonably withheld. In the event of a release, the Mortgagor will promptly take any and all necessary remedial action; provided, however, that the Mortgagor will not, without the Mortgagee's prior written consent, take any such remedial action nor enter into any settlement agreement, consent decree, or other compromise in respect of any related claims, proceedings, lawsuits or action commenced or threatened pursuant to any environmental, health or safety laws or in connection with any third party, if such remedial action, settlement, consent or compromise might impair the value of the Mortgagee's security hereunder. The Mortgagee's prior consent will not, however, be necessary if the release either poses an immediate threat to the health, safety or welfare of any individual or is of such a nature that an immediate remedial response is necessary and it is not possible to obtain the Mortgagee's consent prior to undertaking such action. If the Mortgagor undertakes any remedial action the Mortgagor will immediately notify the Mortgagee of any such remedial action in compliance with all applicable federal,

provincial and municipal laws and by-laws, and in accordance with the orders and directives of all federal, provincial and municipal governmental authorities, to the satisfaction of the Mortgagee.

- (i) The Mortgagor agrees to defend, indemnify, and hold the Mortgagee harmless from and against any and all claims, losses, liabilities, damages and expenses (including, without limitation, legal costs as between a solicitor and his own client on a full indemnity basis, including those arising by reason of any of the aforesaid or an action under this indemnity) arising directly or indirectly from, out of or by reason of any release, environmental complaint, or any environmental health, fire, safety, and land use law governing the Mortgagor, its operations or the Lands. This indemnity will apply notwithstanding any negligent or other contributory conduct by or on the part of the Mortgagee or any one or more other parties or third parties and will survive the payment of and the satisfaction of this mortgage.

8. COVENANTS UNDER THE *LAND TITLES ACT*

- (a) The Mortgagor has a good title to the Lands;
- (b) The Mortgagor has the right to mortgage the Lands;
- (c) On default the Mortgagee will have quiet possession of the Lands;
- (d) The Lands are free from all encumbrances except the Permitted Encumbrances;
- (e) The Mortgagor will execute such further assurances of the Lands as may be required by the Mortgagee; and
- (f) The Mortgagor has done no act to encumber the Lands except the Permitted Encumbrances.

9. DEFAULT AND ACCELERATION

- (a) The security of this mortgage will, at the option of the Mortgagee, immediately become enforceable and may be enforced without the requirement of any or any further notice from the Mortgagee to the Mortgagor, in each of the following events, each of which shall constitute an event of default:
 - (i) if the Mortgagor defaults in payment or in the observance or performance of any obligation, covenant or liability of the Mortgagor to the Mortgagee, whether contained herein, the Commitment Letter, or any other security for payment of the Indebtedness;
 - (ii) if an Event of Default (as defined in the Commitment Letter) occurs;
 - (iii) if any warranty, representation or statement made or furnished to the Mortgagee by or on behalf of the Mortgagor in respect of the Lands or the Mortgagor proves to have been false or misleading in any material respect when made or furnished;
 - (iv) if the Lands are capable of generating income and there is loss or damage to the Lands or any part thereof which materially adversely affects their income-generating ability thereof in the reasonable opinion of the Mortgagee, and such loss or damage cannot be repaired or replaced so as to re-establish the income-generating ability of the Lands within a reasonable time and in any case within 180 days following such loss or damage;
 - (v) if there is a seizure or attachment to or on the Lands;
 - (vi) if any charge or encumbrance created or issued by the Mortgagor becomes enforceable and any step is taken to enforce the same;
 - (vii) if an order is made, an effective resolution is passed or a petition is filed for the winding up of the Mortgagor, or receiver of the Mortgagor or the Lands is appointed;

- (viii) if the Mortgagor becomes insolvent, makes a general assignment for the benefit of its creditors or otherwise acknowledges insolvency, or a bankruptcy petition or receiving order is filed or made against the Mortgagor;
 - (ix) if the Mortgagor ceases or threatens to cease to carry on its business, makes a bulk sale of its assets or commits or threatens to commit any act of bankruptcy;
 - (x) if any other mortgagee, encumbrancee or other party having a charge on the Lands commences proceedings to enforce its rights or security in such mortgage, encumbrance or charge or takes steps to collect all or any of the income generated from the Lands, or any part thereof;
 - (xi) if the Mortgagor grants or attempts to grant any form of security to any person other than the Mortgagee ranking or purporting to rank in priority to or equally with the security held by the Mortgagee on the Lands;
 - (xii) if the Mortgagor abandons the Lands or any part thereof; or
 - (xiii) if for any other reason the Mortgagee determines that its security under this mortgage is in jeopardy.
- (b) In addition to any other rights or remedies of the Mortgagee contained herein or at law, upon the occurrence of an event of default as described in Subsection 9(a) hereof:
- (i) the Mortgagee may, at its option, and at the Mortgagor's expense and when and to extent as the Mortgagee deems advisable, observe and perform or cause to be observed and performed any covenant, agreement, proviso or stipulation contained herein;
 - (ii) the Mortgagee may without further consent or concurrence on the part of the Mortgagor, enter into possession of the Lands and receive and take rents, issues and profits thereof, and whether in or out of possession thereof may make any lease of the same or of any part thereof as the Mortgagee may see fit, and the Mortgagee is hereby authorized and empowered to sell the Lands or any part thereof and all the estate and interest therein of the Mortgagor and the Mortgagor hereby irrevocably assigns to the Mortgagee the rents and profits of the Lands without any obligation on the part of the Mortgagee to collect the same or any part thereof;
 - (iii) the Mortgagee may lease or sell as aforesaid without entering into possession of the Lands;
 - (iv) the Mortgagee may sell the whole or any part or parts of the Lands by public auction or private contract, or partly one and partly the other, on such terms as to credit and otherwise as to the Mortgagee shall appear most advantageous and for such prices as can reasonably be obtained therefor and the Mortgagee may make any stipulations as to title, or evidence of commencement of title, or otherwise, as the Mortgagee shall deem proper; and
 - (v) the whole of the Indebtedness shall, at the option of the Mortgagee, become due and payable.

No purchaser under any sale or lessee in any lease purporting to be made in pursuance of any of the aforesaid powers shall be bound or concerned to see or enquire whether any such event of default has been made or continues, or whether any such notice has been given as aforesaid, or as to the necessity or expediency or existence of the stipulations subject to which such sale or lease shall have been made, or otherwise as to the propriety of such sale or lease or the regularity of the proceedings, or to be affected by notice that any event of default has not been made or does not continue or that notice was not given as aforesaid, or that the sale or lease has been otherwise unnecessary, improper or irregular, nor shall irregularity or want of notice invalidate any such sale or lease. Any such sale or lease may be on such terms and subject to such conditions as the Mortgagee shall deem fit.

10. **POWER OF ATTORNEY**

In addition to any other rights or remedies of the Mortgage hereunder or at law, upon the occurrence of an event of default pursuant to paragraph 9(a), the following power of attorney will take effect: the Mortgagor hereby

irrevocably appoints the Mortgagee, or such person or corporation as may be designated by the Mortgagee, as attorney on behalf of the Mortgagor to sell, lease, mortgage or otherwise dispose of or encumber the Lands or any part thereof, and to execute all instruments and do all acts, matters and things that may be necessary or convenient for carrying out the powers hereby given and for the recovery of all sums of money owing for or in respect of the Lands or any part thereof, and for the enforcement of all contracts and covenants in respect of the Lands or any part thereof, and for the taking and maintaining of possession of and the protection and preservation of the Lands or any part thereof.

11. **RIGHT TO SEIZE**

If the Mortgagor defaults in performing or fulfilling any of the covenants set forth in this mortgage it will be lawful, for, and the Mortgagor hereby grants full power and license to, the Mortgagee to enter, seize and distrain upon the Lands or any part thereof, and by distress warrant to recover by way of rent reserved as in the case of a demise of the Lands as much of the principal and interest and other monies as is from time to time in arrears, together with all costs, charges and expenses attending such levy or distress as in like cases of distress for rent.

12. **APPOINTMENT OF RECEIVER OR RECEIVER-MANAGER**

- (a) At any time there is a default under any of the provisions of this mortgage, the Mortgagee may, with or without entering into possession of the Lands or any part thereof, appoint in writing a receiver or a receiver/manager (the "**Receiver**") of the Lands or any part thereof and of the rents and revenues therefrom with or without security. The Mortgagee may from time to time by similar writing remove any Receiver and appoint another in its place. In making any such appointment or removal the Mortgagee will be deemed to be acting as agent or attorney for the Mortgagor. The statutory declaration of an officer of the Mortgagee as to the existence of such default will be conclusive evidence of such default. Every Receiver will be the irrevocable assignee or attorney of the Mortgagor for the collection of all rents falling due in respect of the Lands or any part of them. Every Receiver may, in the discretion of the Mortgagee and by writing under its corporate seal, be vested with all or any powers and discretions of the Mortgagee. The Mortgagee may from time to time fix the remuneration of every Receiver, who will be entitled to deduct the same from the income or proceeds of sale of the Lands. Every Receiver will, as far as concerns responsibility for his acts or omissions, be deemed the agent or attorney of the Mortgagor and in no event the agent of the Mortgagee. The appointment of every Receiver by the Mortgagee will not incur or create any liability on the part of the Mortgagee to the Receiver in any respect and such appointment or anything which may be done by the Receiver or the removal of any Receiver or the termination of any receivership will not have the effect of constituting the Mortgagee a mortgagee in possession of the Lands or any part of them. Every Receiver will from time to time have the power to rent any portion of the Lands which may become vacant for such term and subject to such provisions as it may deem advisable or expedient and in so doing every Receiver will act as the attorney or agent of the Mortgagor and will have the authority to execute under the Mortgagor's seal any lease of any such premises in the name of and on behalf of the Mortgagor. The Mortgagor undertakes to ratify and confirm whatever any Receiver may do in respect of the Lands. Every Receiver will have full power to manage, operate, amend, repair, alter or extend the Lands or any part thereof in the name of the Mortgagor for the purpose of securing the payment of rental for the Lands or any part of them. No Receiver will be liable to the Mortgagor to account for monies or damages other than cash received by it in respect of the Lands or any part thereof. Out of such cash so received every Receiver will in the following order pay:
- (i) its remuneration,
 - (ii) all payments made or incurred by it in connection with the management, operation, amendment, repair, alteration or extension of the Lands or any part of them, and
 - (iii) interest, principal and other money which may from time to time be charged upon the Lands in priority to this mortgage, and all taxes, insurance premiums and every other expenditure made or incurred by it in respect of the Lands or any part of them.
- (b) Notwithstanding the provisions of subparagraph (a) above, the Mortgagee, in addition to the right of private appointment contained therein, will have the right to apply to a court of competent jurisdiction for the appointment of a receiver or a receiver-manager, whether such application is made prior to or after the

appointment of a receiver pursuant to subparagraph (a). The right to apply to a court for the appointment of a receiver or receiver-manager will be in addition to the right to appoint a receiver pursuant to subparagraph (a) and may be exercised at any time by the Mortgagee in its sole discretion.

13. **DUE ON SALE**

If, without the prior written consent of the Mortgagee:

- (a) the Mortgagor sells, conveys, transfers, encumbers or assigns all or any part of its interest in the Lands, or
- (b) where the Mortgagor is a corporation, there is a change in the control of such corporation;

the full amount then secured by this mortgage shall, at the option of the Mortgagee, become immediately due and payable upon notice to the Mortgagor. For the purposes of this clause:

- (c) a change of control means the transfer or issue by sale, assignment, subscription, transmission on death, mortgage, charge, security interest, operation of law or otherwise, of any shares, voting rights or interest which would result in any change in the effective control of such corporation or partnership, unless such change occurs as a result of trading in the shares of a public corporation listed on a recognized stock exchange in Canada or the United States; and
- (d) the giving or withholding of consent shall be solely within the Mortgagee's discretion and as a condition of consent the Mortgagee may require or impose such conditions as it sees fit, including but not limited to the requirement that any purchaser, transferee or assignee execute an assumption agreement in favour of the Mortgagee on such terms and conditions as the Mortgagee may require.

14. **ASSIGNMENT OF RENTALS**

As further security to the Mortgagee for repayment and performance of its other obligations as aforesaid, the Mortgagor hereby assigns, transfers and sets over to the Mortgagee all rents and other revenues from the Lands now or hereafter due or to become due, provided that:

- (a) the Mortgagor will be entitled to receive and recover such rents and other revenues until default under this mortgage;
- (b) if the Mortgagor defaults, all monies received by the Mortgagor in respect of the Lands after the default will be received by the Mortgagor in trust for the Mortgagee. Immediately after receiving such monies the Mortgagor will pay them to the Mortgagee;
- (c) the Mortgagee will have no obligation to collect any such rents or other revenues at any time and will be liable only for monies actually received;
- (d) nothing contained in this clause nor the exercise by the Mortgagee of any rights or remedies arising herefrom will place or be deemed to place the Mortgagee in possession of the Lands;
- (e) neither this assignment, nor the collection of rents pursuant to it, will be construed as a recognition or acceptance of any lease with respect to the Lands or any part thereof;
- (f) the Mortgagor will not accept any rents in excess of one monthly instalment in advance;
- (g) whenever requested by the Mortgagee the Mortgagor will assign to the Mortgagee its interest in each specific lease of the Lands or any part thereof and will execute such further specific or general assignments as may be requested by the Mortgagee from time to time; and
- (h) the Mortgagee or its agents may, but will not be obligated to, register this assignment at such registry offices as the Mortgagee in its discretion deems appropriate.

15. **SUBROGATION**

The Mortgagee may pay off any charges or encumbrances against the Lands and in such cases will be subrogated to the rights of, stand in the position of, and be entitled to all the equities of the person so paid off, whether the same are or are not discharged.

16. **PRIOR CHARGE**

If the Mortgagor defaults in the performance of any covenants, payments or conditions contained in any mortgage, lien, agreement for sale, encumbrance, interest in land or other charge or claim upon or with respect to the Lands which has or may have or which may acquire priority to this mortgage (any and all of which are herein called the "**Prior Charge**") then such default will constitute a default under this mortgage and the Indebtedness will, at the option of the Mortgagee, become immediately due and payable without notice or demand. The Mortgagee will be entitled but not obligated to pay any arrears or other sums payable under the Prior Charge, or to pay off all or any portion of the amount thereby secured. For the purposes of tendering any arrears or other sums payable to a holder of a Prior Charge, the Mortgagor hereby irrevocably appoints the Mortgagee its agent and irrevocably directs the Mortgagee to tender such monies upon the holder of a Prior Charge in the name of and on behalf of the Mortgagor. In this regard the Mortgagor hereby assigns to the Mortgagee its equity of redemption, if any, with respect to the Prior Charge, together with the statutory right of redemption given to the Mortgagor by the provisions of Section 38 of the *Law of Property Act*, RSA 2000, c.L-17, as in force and amended from time to time. It is the intention of the parties that the Mortgagee will have the same rights and powers, but not the liabilities, as the Mortgagor under and pursuant to the terms of the Prior Charge so that the Mortgagee will be in a position to take whatever steps are necessary to bring the Prior Charge into good standing once default has occurred thereunder. This assignment is not intended to encompass the Mortgagor's entire interest in the Prior Charge, but only to the extent hereinbefore stipulated. Furthermore, nothing herein contained will create any obligation upon the Mortgagee to cure any default on behalf of the Mortgagor.

17. **PARTIAL RELEASE**

The Mortgagee may release any part of the Lands at any time at its discretion, or may release any person from this mortgage or from any of the covenants herein contained or contained in any collateral security, either with or without any consideration therefor, without responsibility therefor and without releasing any other part of the Lands, any other person or any collateral security.

18. **MORTGAGEE IN POSSESSION**

If the Mortgagee exercises any of its rights hereunder, or goes into possession of the Lands or any part thereof for any purpose under the powers conferred upon it by this mortgage or by law, it will not be deemed to be a mortgagee in possession nor responsible in any way for anything other than monies actually received by it.

19. **APPROPRIATION OF PAYMENTS**

(a) This mortgage is intended as collateral security to secure the Indebtedness and any other amounts owing under and secured hereby in accordance with the terms hereof, and will secure any ultimate balance owing. No payment by the Mortgagor will reduce the amount secured by this mortgage unless the Mortgagee so agrees in writing.

(b) Subject to clause (c) below, any amount received by the Mortgagee which reduces the gross amount secured by this mortgage will be applied in the order and in the manner set forth in the Commitment Letter.

20. **EXPROPRIATION**

The Borrower acknowledges that it is aware of the provisions of Sections 49 and 52 of the *Expropriation Act*, RSA 2000, c.E-13; and any amendments thereto, and hereby waives the benefit of such provisions or any legislation similar thereto or in replacement thereof.

21. **PARAMOUNTCY**

In the event of any conflict or inconsistency between the terms of this mortgage and the Commitment Letter, the terms of the Commitment Letter shall prevail to the extent of such conflict or inconsistency.

22. GENERAL CLAUSES

- (a) Any notice required or permitted to be given to the Mortgagor in connection with this mortgage may be delivered or mailed to it by registered mail addressed to it at its last address as shown on the records of the Mortgagee. Such notice will be conclusively deemed to have been received on the date of delivery or three business days after the date of mailing. No want of notice or publication when required by this mortgage or by any statute, nor any impropriety or irregularity, will invalidate any sale made or purported to be made under this mortgage.
- (b) No waiver by the Mortgagee of the performance of any covenant, proviso, condition or agreement herein contained will take effect or be binding on the Mortgagee unless the same is expressed in writing by the Mortgagee or its duly authorized agent. Such waiver will not nullify such covenant, proviso, condition or agreement, affect its future enforcement or be a waiver of any subsequent breach of the same.
- (c) A default in the due observance or performance by the Mortgagor of any of its covenants contained in the Commitment Letter or in any promissory notes, agreements, or other securities which may now or at any time be held or taken by the Mortgagee in respect of the Indebtedness will, in addition to its usual effect, have the same effect and give rise to the same rights and remedies as a default under the terms of this mortgage. If the Mortgagee becomes entitled to take legal proceedings of any nature whatsoever against the Mortgagor in respect of this mortgage or in respect of the Commitment Letter or any of the said promissory notes, agreements or other securities, the Mortgagee may either concurrently with such suit, successively or otherwise, pursue any or all of its other remedies. If the Mortgagee pursues one or other of the said remedies this will not constitute an election by the Mortgagee to abandon any of the other remedies.
- (d) The lien and charge hereby created will take effect immediately on the execution of this mortgage, and will secure the full amounts referenced in paragraph 2 hereof.
- (e) If the Mortgagor is a body corporate it will maintain its separate corporate existence and do all such things as are required in order to permit it to carry on its business.
- (f) If the Mortgagor operates a business on the lands or otherwise derives revenue therefrom the Mortgagor will:
 - (i) maintain proper records and books of account with respect to the operation of its business on the Lands and the income and expenses related thereto. The Mortgagor will allow the Mortgagee's representatives at all reasonable times to inspect all such records and books of account as such representatives may deem necessary; and
 - (ii) provide to the Mortgagee such information, financial or otherwise, as to the business and affairs of the Mortgagor, in relation to the Mortgagor being able to observe and perform its obligations to the Mortgagee under this mortgage, as the Mortgagee may from time to time request.

23. INTERPRETATION

- (a) If the context so requires, wherever the neuter is used it will include the feminine and masculine, and wherever the singular is used it will include the plural.
- (b) If there is more than one Mortgagor then all covenants and stipulations herein contained or implied will apply to and be binding upon all the Mortgagors jointly and severally; provided always, and it is expressly agreed, that all covenants, provisos, powers, privileges and licenses herein expressed or implied will be binding upon and enure to the benefit of the respective legal personal representatives, successors and assigns of the parties.
- (c) The provisions contained in any schedules to this mortgage are incorporated by reference and form a part of this mortgage as fully as if set out in the body of this mortgage. The covenants and obligations of the

Mortgagor and the rights and remedies of the Mortgagee contained in this mortgage are in addition to those granted or implied by statute or otherwise imposed or granted by law.

- (d) If any provision of this mortgage is held to be invalid or unenforceable by a Court of competent jurisdiction it will be deemed to have been deleted from the mortgage and the remaining provisions of this mortgage will continue in full force and effect and be enforceable to the greatest extent permitted by law.
- (e) The headings contained in this mortgage are inserted for ease of reference only and will not be construed so as to limit or restrict the obligations of the Mortgagor or the rights and remedies of the Mortgagee herein.
- (f) In addition to the Commitment Letter, this mortgage shall be held by the Mortgagee as security for other obligations of the Mortgagor to the Mortgagee and/or the Lenders from time to time. In such case, neither the execution nor registration of this mortgage or any additional or other security or documentation will act as a merger of or otherwise affect the enforceability thereof or hereof. All agreements and securities now or hereafter entered into by the Mortgagor with or in favour of the Mortgagee and/or the Lenders, whether related to the within transaction or otherwise, will be in addition to and not in substitution for any agreements or securities previously granted, unless expressly provided to the contrary therein. If the Mortgagor subsequently executes a new documentation in favour of the Mortgagee and/or the Lenders in respect of the Mortgagor's indebtedness to the Mortgagee and/or the Lenders, whether in addition to the Commitment Letter or in substitution therefor, this mortgage will continue in full force and effect and stand as collateral security in respect of all obligations and liabilities of the Mortgagor to the Mortgagee and/or the Lenders arising pursuant to such new documentation.

24. **CHARGE**

For better securing to the Mortgagee the repayment in the manner aforesaid of the said principal sum and interest and other charges and monies hereby secured, and for the due performance by the Mortgagor of all of the covenants, provisos and conditions herein expressed or implied, the Mortgagor hereby mortgages to the Mortgagee all its estate and interest in the Lands.

25. **DISCHARGE**

The Mortgagee will have a reasonable time to provide the Mortgagor with a registrable discharge of this mortgage, upon the Mortgagor becoming entitled to such discharge. All costs related to such discharge will be borne by the Mortgagor to the extent permitted by law.

[Signature page follows]

IN WITNESS WHEREOF the Mortgagor has executed this Collateral Mortgage on May 31, 2021.

BZAM CANNABIS CORP.

Per: 
Authorized Signatory

SCHEDULE "A"

LANDS

Lands:

PLAN 8720213

BLOCK 5

LOT 4

EXCEPTING THEREOUT ALL MINES AND MINERALS

AREA: 2.02 HECTARES (5 ACRES) MORE OR LESS

Permitted Encumbrances:

	Registration Number	Registration Date	Particulars
1.	192 072 676	27/03/2019	CAVEAT RE : UTILITY RIGHT OF WAY CAVEATOR - FORTISALBERTA INC.

GENERAL SECURITY AGREEMENT

This Security Agreement is dated as of May 31, 2021 and is made by Bzam Cannabis Corp., a corporation incorporated under the laws of Alberta and having its principal place of business in Calgary, Alberta (the "**Debtor**") in favour of Manjinder Singh Gill, an individual resident in Delta, British Columbia, in his capacity as agent for and on behalf of the Lenders under the Commitment Letter (the "**Secured Party**").

NOW THEREFORE, the Debtor covenants and agrees with the Secured Party and the Lenders as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement terms and expressions defined in the description of the parties and Schedule "A" shall have those meanings when used herein and, unless otherwise defined herein, terms and expressions defined in the Commitment Letter shall, when used herein, have the same meanings as are ascribed to them therein.

1.2 Schedules

The Definitions contained in Schedule "A" are incorporated into and made a part of this Agreement. Any reference to a Schedule in this Agreement includes, unless the context otherwise requires, such Schedule as amended from time to time by one or more agreements supplemental hereto.

1.3 Interpretation.

The words "hereto", "hereof", "hereunder" and similar expressions mean and refer to this Agreement. In this Agreement words importing the singular number include the plural and vice versa; words importing gender include masculine, feminine and neuter; where any term or expression is defined herein, derivations of such term or expression shall have a corresponding meaning; words and terms denoting inclusiveness (such as "include" or "includes" or "including") or particularity (such as "in particular" or "such as") are, whether or not so stated, not limited by their context or by the words or phrases which precede or succeed them; references to any statute, act or other legislative enactment shall be to such statute, act or other legislative enactment as amended from time to time or replaced by a statute, act or other legislative enactment dealing with substantially the same subject matter as the statute, act or other legislative enactment so replaced; and references to any agreement, contract, document, license or other instrument shall mean and refer to such agreement, contract, document, license or other instrument as amended, modified, replaced, restated, extended, renewed or supplemented from time to time. The headings and the Article and Section titles are inserted for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

1.4 Capacity of Agent

This Agreement is granted to the Secured Party in its capacity as agent for and on behalf of the Lenders, and all of the Security Interests, covenants, representations, warranties, rights, benefits and protections made or given in favour of the Secured Party hereunder are acknowledged to be for the benefit of the Secured Party and the joint and several benefit of each of the Lenders.

ARTICLE 2 SECURITY

2.1 Security

To secure the payment, performance and final and indefeasible satisfaction in full of each and every Obligation, the Debtor hereby (subject to the exceptions contained in Sections 2.3 and 2.4) assigns, transfers, pledges, mortgages and charges to and in favour of the Secured Party and grants to and in favour of the Secured Party a continuing first priority security interest in and to all of the Debtor's present and after-acquired personal property. Notwithstanding the foregoing, the Collateral does not include any Consumer Goods (as defined in the *Personal Property Security Act* (Ontario)) which are located in Ontario.

TO HAVE AND TO HOLD the Collateral and the Charge and all rights hereby conferred unto the Secured Party.

2.2 Attachment

The Debtor acknowledges conclusively that the Debtor and the Secured Party intend the Charge in the Collateral to attach immediately upon the execution of this Agreement, except in the case of Collateral in which the Debtor subsequently acquires rights, in which case the Charge shall attach contemporaneously with the Debtor acquiring rights therein without the need for any further or other deed, act or consideration. The Charge shall be effective and shall attach as of the date hereof whether the monies hereby secured or any part thereof shall become owing by the Debtor before or after or upon the date of execution of this Agreement. The Debtor acknowledges conclusively that value has been given.

2.3 Leases

The last day of any term reserved by any lease, oral or written, or any agreement therefor, now held or hereafter acquired by the Debtor, is hereby excepted out of the Charge and does not and shall not form part of the Collateral, but the Debtor shall stand possessed of the reversion remaining in the Debtor of any leasehold premises for the time being demised as aforesaid upon trust to assign and dispose thereof as the Secured Party shall direct and upon any sale of the leasehold premises, or any part thereof, the Secured Party, for the purpose of vesting the aforesaid reversion of any such term or any renewal thereof in any purchaser or purchasers thereof, shall be entitled by deed or writing to appoint such purchaser or purchasers or any other Person or Persons as trustee or trustees of the aforesaid reversion of any such term or any renewal thereof in the place of the Debtor and to vest same accordingly in the new trustee or trustees so appointed freed and discharged from any obligation respecting same.

2.4 Contractual Rights

In the event the validity and effectiveness of the Charge over any of the Collateral requires the consent, approval or waiver of a third person in order to be effective as against such third person, the Charge with respect to any such Collateral shall be effective as against the Debtor and all Persons other than such third person and shall be effective as against such third person when the applicable consent, approval or waiver is obtained, retroactively, to the fullest extent legally possible, to the later of the date hereof or the date such consent, approval or waiver is obtained or becomes effective, as applicable, and until such consent, approval or waiver is obtained, the Debtor shall (subject to the other terms hereof) stand possessed of such Collateral upon trust to assign and dispose thereof as the Secured Party shall for such purposes direct.

2.5 Negative Pledge

The Debtor covenants and agrees that it will not grant, create, incur, assume or permit or suffer to exist any Security Interest upon or with respect to any of the Collateral, except for Permitted Encumbrances. The fact that the Debtor is permitted to create or suffer to exist any Permitted Encumbrance shall not, in any circumstances, be taken to constitute a subordination of the Charge to any Permitted Encumbrance.

2.6 Permitted Activities

Until an Event of Default occurs, the Debtor shall be entitled to sell, assign, dispose of and otherwise deal with the Collateral in the ordinary course of business.

2.7 Investment Property

If the Collateral at anytime includes investment property which is or is to be credited to a securities account established by the Debtor with a securities intermediary, the Debtor shall notify the Secured Party and, at the request of the Secured Party, shall and shall procure that the relevant securities intermediary shall enter into an agreement with the Secured Party which includes such terms as may be required by the Secured Party to ensure that the Secured Party has exclusive control over all investment property held in the relevant securities account following the occurrence of an Event of Default including, but not limited to, an agreement of the securities intermediary that it will comply with entitlement orders that are originated by the Secured Party without the further consent of the Debtor.

2.8 British Columbia Floating Charges

For greater certainty, it is hereby confirmed that the floating charge created hereby is a floating charge within the meaning of Section 203 of the *Land Title Act* (British Columbia) and does not become a fixed charge on specific land until the occurrence of an Event of Default or until the Secured Party has made demand for payment of the Obligations.

ARTICLE 3 REPRESENTATIONS, WARRANTIES & COVENANTS

3.1 Representations and Warranties

The Debtor hereby represents and warrants to the Secured Party that:

- (a) the Debtor is a corporation duly created and validly existing under the laws of the Province of Alberta;
- (b) the Debtor has the power, capacity and authority to enter into this Agreement and to do all acts and execute and deliver all other documents as are required hereunder to be done, observed or performed by it in accordance with the terms hereof;
- (c) the Debtor has taken all necessary corporate action to authorize the creation, execution, delivery, observance and performance of this Agreement;
- (d) this Agreement constitutes the legal, valid and binding obligation of the Debtor, enforceable against the Debtor in accordance with its terms, except as enforceability may be limited by

general principles of equity and by bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally;

- (e) this Agreement and the execution and delivery by the Debtor of this Agreement do not, and the consummation of the transactions and performance of the obligations contemplated hereby will not violate any provision of or constitute a default (whether with notice or the lapse of time or both) or require any consent or waiver of rights of any Person, or any authorization or approval, under:
 - (i) any Applicable Laws to which the Debtor is subject;
 - (ii) any provision of any indenture, mortgage, lien, lease, agreement, instrument, order, judgment or decree to which the Debtor is a party or by which the assets or properties of the Debtor are bound; or
 - (iii) any other governing document of the Debtor or any applicable court order, judgment, injunction, award or decree;
- (f) there are no actions, suits or proceedings at law or in equity or by or before any court or governmental agency now pending, or, to the Debtor's knowledge, threatened against or affecting the Debtor or any of its properties or assets, which, if adversely determined, would impair the ability of the Debtor to carry out the transactions contemplated hereby;
- (g) all approvals, consents, licenses, authorizations and other actions of or filings or registrations with any department, agency or other administrative authority which are presently necessary under applicable law in order for the Debtor:
 - (i) to execute and deliver this Agreement and any other documents and instruments delivered or to be delivered by the Debtor hereunder upon or concurrently with the execution hereof;
 - (ii) to incur the obligations of the Debtor provided for by this Agreement; and
 - (iii) to perform and observe the terms and provisions of this Agreement;

have been duly obtained and are in full force and effect;
- (h) subject to Sections 2.3 and 2.4, the Borrower has the right to mortgage the Collateral as contemplated by this Agreement;
- (i) upon the occurrence of an Acceleration Event, the Agent shall be entitled to quiet possession of the Collateral, free from all Security Interests except Permitted Encumbrances;
- (j) the Debtor's place of business, or if more than one place of business, the Debtor's chief executive office, is located in the Province of Alberta; and
- (k) as of the date hereof, the Collateral is located in the following jurisdictions: Alberta, British Columbia and Ontario.

3.2 Survival

All representations and warranties of the Debtor made in this Agreement for the benefit of the Secured Party shall survive the issuance of this Agreement and shall continue in full force and effect without time limit. The Secured Party shall be deemed to have relied upon each such representation and warranty notwithstanding any investigation made by or on behalf of the Secured Party at any time.

3.3 Covenants

The Debtor hereby covenants with the Secured Party that:

- (a) the Debtor will maintain the Collateral in good condition and repair and will not allow the value of the Collateral to be materially impaired and will permit the Secured Party, the Lenders or such persons as the Secured Party or the Lenders may from time to time appoint to enter into any premises during business hours and on reasonable prior notice (or at such other time as may be reasonably requested by the Secured Party, the Lenders or such persons) where the Collateral may be kept to view its condition;
- (b) the Debtor will conduct its business in a proper and business-like manner and will keep proper books of account and records of its business, and upon request will furnish access to its books and records at all reasonable times, and will give to the Secured Party and the Lenders any information which it may reasonably require relating to the Debtor's business;
- (c) the Debtor will punctually pay all rents, taxes, rates and assessments lawfully assessed or imposed upon any property or income of the Debtor and will punctually pay all debts and obligations to labourers, workers, employees, contractors, subcontractors, suppliers of materials and other creditors which, when unpaid, might under applicable federal, provincial, state or other laws have priority over the Security Interest granted by this Agreement;
- (d) the Debtor will punctually make all payments and perform all of its obligations under any contracts under which any material Collateral is held or to which it is subject;
- (e) the Debtor will immediately give notice to the Secured Party of:
 - (i) any time the Collateral is relocated outside of the jurisdictions set forth in Section 3.1(k) above;
 - (ii) the details of any material acquisition or disposition of Collateral (whether authorized by the Secured Party or not);
 - (iii) any material loss of or damage to Collateral;
 - (iv) the details of any claims or litigation that could adversely affect the Debtor or the Collateral in any material way;
 - (v) any change of its name or of any trade or business name used by it;
 - (vi) any change of its place of business, or if it has more than one place of business, of its chief executive office; and

(vii) any merger or amalgamation of the Debtor with any person;

and the Debtor agrees not to effect or permit any of the changes referred to in clauses (i), (ii), (v), (vi) or (vii) above unless all filings have been made and all other actions have been taken that are required or desirable (as determined by the Secured Party) in order for the Secured Party to continue to have a valid and perfected Security Interest in respect of the Collateral at all times following such change;

- (f) the Debtor will observe the requirements of any regulatory or governmental authority with respect to the Collateral, except to the extent any failure to do so would not reasonably be expected to have a material adverse effect on its business, operations or financial condition or affect the priority of the Security Interest created hereunder or affect the rights and remedies of the Secured Party hereunder;
- (g) the Debtor will not permit the Collateral constituting personal property to become affixed to real or other personal property (unless the Debtor owns such real or other personal property, and the Secured Party has a Security Interest therein having the same priority as in respect of the Collateral becoming so affixed) without the prior consent of the Secured Party in writing, which consent shall not be unreasonably withheld, and will obtain and deliver to the Secured Party such waivers regarding the Collateral as the Secured Party may reasonably request from any owner, landlord or mortgagee of the premises where the Collateral is or may be located.

ARTICLE 4 REMEDIES

4.1 Acceleration

Upon the occurrence of an Event of Default (as defined in the Commitment Letter) other than an Event of Default specified in Sections **Error! Reference source not found.** and **Error! Reference source not found.** of the Commitment Letter, the Secured Party shall have the option (upon notice to the Debtor) to declare the Obligations to be immediately due and payable and the Debtor shall immediately pay to the Secured Party all of the outstanding Obligations. Upon the occurrence of an Event of Default specified in Sections **Error! Reference source not found.** and **Error! Reference source not found.** of the Commitment Letter, the Obligations shall automatically become due and payable to the Secured Party without any requirement that notice be given to the Debtor and the Debtor shall immediately pay to the Secured Party all of the outstanding Obligations.

4.2 Remedies - General

Upon the occurrence and during the continuance of an Acceleration Event, the Secured Party may, in its absolute discretion:

- (a) exercise such rights and remedies as are provided by the PPSA with respect to the Collateral or any part thereof that constitutes personalty and all other rights and remedies recognized under Applicable Law against the Debtor or in respect of the Collateral or any part thereof for the enforcement of full payment and performance of all the Obligations;
- (b) either with or without notice, enter into and upon and take possession of all or any part of the Collateral with full power to exclude the Debtor and additionally shall have full power and authority:

- (i) to carry on, manage and conduct the business operations of the Debtor respecting such Collateral and the power to borrow money in its own name or advance its own money for the purpose of such business operations, the maintenance and preservation of such Collateral or any part thereof and the making of such replacements thereof and additions thereto as it shall deem desirable and the payment of taxes, wages and other charges ranking in priority to the Charge; and
 - (ii) to receive the revenues, incomes, issues and profits of such Collateral and to pay therefrom the costs, charges and expenses of the Secured Party in carrying on the said business operations or otherwise, and to pay all taxes, assessments and other charges against such Collateral ranking in priority to the Charge the payment of which may be necessary to preserve such Collateral, and to apply the remainder of the monies so received in the same manner as if the same arose from a sale or realization of such Collateral;
- (c) either after entry as aforesaid or after other entries, or without any entry, sell or dispose of the Collateral, either as a whole or in separate parcels, by private contract, at public auction, by public tender, by lease or by deferred payment arrangement;
 - (d) make any such sale or disposition of the Collateral either for cash or upon credit and upon such reasonable conditions as to upset or reserve bid or price and terms of payment as it may deem proper; to rescind or vary any contract or sale that may have been entered into and re-sell with or under any of the powers conferred herein; to adjourn such sale from time to time; and to execute and deliver to the purchaser or purchasers of the Collateral or any part thereof, good and sufficient deed or deeds for the same, and any such sale or disposition made as aforesaid shall be a perpetual bar at law and in equity against the Debtor and all other Persons claiming the Collateral or any part or parcel thereof, by, from, through, or under the Debtor. The Secured Party may become a purchaser at any sale of the Collateral or any part thereof;
 - (e) with or without entry or sale as aforesaid, in its discretion, proceed to protect and enforce its rights under this Agreement by sale under judgment order in any judicial proceeding or by foreclosure or a suit or suits in equity or at law or otherwise whether for the specific performance of any covenant or agreement contained in this Agreement or in aid of the execution of any power granted in this Agreement or in aid of the execution of this Agreement or for the filing of such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claim of the Secured Party lodged in any bankruptcy, winding-up or other judicial proceeding, or for the enforcement of any other legal or equitable remedy as the Secured Party shall deem most effective to protect and enforce any of the rights or duties of the Secured Party; or
 - (f) in lieu of appointing a Receiver as provided in Section 4.6, apply to any court or courts of competent jurisdiction for the appointment of a Receiver of the Collateral or any part thereof, with such powers as the court or courts making such appointment or appointments shall confer.

4.3 Possession

The Debtor shall on demand by the Secured Party or any Receiver, following the occurrence of an Acceleration Event, yield up possession of the Collateral or any part thereof as demanded by the Secured Party and put no obstacle in the way of, but facilitate by all legal means, the actions of the Secured Party or any Receiver and not interfere with the carrying out of the powers hereby granted to the Secured Party or any Receiver.

4.4 Judgment

The Debtor covenants and agrees with the Secured Party that, in the case of any judicial or other proceeding to enforce the Charge or any part thereof, judgment may be rendered against the Debtor in favour of the Secured Party for any amount of the Obligations, after the application to the payment thereof of the proceeds of any sale of the Collateral or any part thereof. The covenant of the Debtor to pay interest at the rate provided in any agreement giving rise to the Obligations shall not merge in any such judgment and such judgment shall bear interest at the applicable rate of the Obligations until such judgment and all interest thereon has been paid in full.

4.5 Account Debtors and Securities Intermediaries

- (a) After the occurrence and during the continuance of an Event of Default, All Persons being a debtor on an intangible or chattel paper, an obligor on an instrument or any other Person being obligated to pay any account receivable or other debt due, owing or accruing due to the Debtor are entitled at all times to treat and regard the Secured Party as the assignee and transferee from the Debtor, entitled in the place and stead of the Debtor to receive such proceeds, accounts and other debts. After the occurrence and during the continuance of an Event of Default, the Secured Party may give notice to all or any of such Persons of the Charge and to remit all such proceeds, accounts and other debts directly to the Secured Party, whether or not the Debtor was making collections on such Collateral prior to notification by the Secured Party; and all such Persons shall be fully protected in so treating and regarding the Secured Party and shall be under no obligation to see to the application in any particular manner by the Secured Party of any such proceeds, accounts and other debts received by it. The Debtor will, at the request of the Secured Party, furnish the Secured Party with the names of all such Persons being indebted or obligated to the Debtor.
- (b) All securities intermediaries that are required to act upon entitlement orders of the Debtor are entitled to treat and regard the Secured Party as the entitlement holder, entitled in the place and stead of the Debtor to give entitlement orders. The Secured Party may give notice to each securities intermediary with whom the Debtor maintains a securities account and require each such securities intermediary to act in accordance with entitlement orders of the Secured Party in relation to the investment property held in such securities account; and all such securities intermediaries shall be fully protected in treating and regarding the Secured Party as the entitlement holder and will be under no obligation to see to the application in any particular manner by the Secured Party of any investment property of the Debtor held by the securities intermediary. The Debtor will, at the request of the Security Party, furnish the Secured Party with a list of all securities intermediaries with whom the Debtor maintains accounts together with all relevant account information.
- (c) Any money collected or received by the Secured Party pursuant to paragraph (a) or (b) above shall be applied in the manner set out in Section 4.8. The Secured Party shall not be liable or accountable for its failure to collect, realize, sell or obtain payment of accounts, chattel paper, instruments, intangibles, investment property, choses in action or rights to payment or any part thereof and shall not be bound to institute proceedings for the purpose of collecting, realizing or obtaining payment of the same or for the purpose of preserving any right to payment of the Secured Party, the Debtor or any other Person in respect thereof.
- (d) All money collected or received by the Debtor in respect of accounts, chattel paper, instruments, documents of title, intangibles, investment property, choses in action, rights to payment or other interests of the Debtor described herein shall, after the occurrence and during the continuance of

an Event of Default, be held by the Debtor in trust for the absolute use and benefit of the Secured Party and shall be paid or delivered over to the Secured Party upon demand in the identical form received and, until demand, shall be held by the Debtor separate and apart from any other funds belonging to the Debtor or any other funds over which it has possession or control.

4.6 Receiver

Upon the occurrence of an Acceleration Event, the Secured Party may in its absolute discretion appoint a Receiver of the Collateral or any part thereof and upon any such appointment by the Secured Party the following provisions shall apply:

- (a) such appointment shall be made in writing signed by the Secured Party and such writing shall be conclusive evidence for all purposes of such appointment; the Secured Party may from time to time in the same manner remove any Receiver so appointed and appoint another in its stead; in making any such appointment the Secured Party shall be deemed to be acting as the attorney for the Debtor and the Debtor hereby consents to the appointment of a Receiver;
- (b) any such appointment may be limited to any part or parts of the Collateral or may extend to the whole thereof;
- (c) every Receiver may, in the discretion of the Secured Party, be vested with all or any of the powers, rights, benefits, discretions, protection and relief of the Secured Party hereunder and shall be vested with all of the powers and protections afforded to a Receiver under Applicable Law;
- (d) the Secured Party may from time to time fix the reasonable remuneration of the Receiver and direct the payment thereof, in priority to the other Obligations, out of the Collateral, the income therefrom or the proceeds thereof;
- (e) the Secured Party may from time to time require any Receiver to give security for the performance of its duties and may fix the nature and amount thereof, but the Secured Party shall not be bound to require such security;
- (f) every such Receiver may, with the consent in writing of the Secured Party, borrow money for the purpose of carrying on the business of the Debtor in respect of any part of the Collateral or for the maintenance, protection or preservation of the Collateral or any part thereof, and any Receiver may issue certificates (in this Section called "**Receiver's Certificates**"), for such sums as will in the opinion of the Secured Party be sufficient for carrying out the foregoing, and such Receiver's Certificates may be payable either to order or bearer and may be payable at such time or times as the Secured Party may consider expedient, and shall bear such interest as shall therein be declared and the Receiver may sell, pledge or otherwise dispose of the same in such manner as the Secured Party may consider advisable and may pay such commission on the sale thereof as the Secured Party may consider reasonable, and the amounts from time to time payable by virtue of such Receiver's Certificates shall at the option of the Secured Party form a charge upon the Collateral in priority to this Agreement;
- (g) every Receiver shall, regarding its acts or omissions, be deemed the agent of the Debtor, and in no event the agent of the Secured Party and the Secured Party shall not, in making or consenting to such appointment, incur any liability to any Receiver for its remuneration or otherwise howsoever;

- (h) except as may be otherwise directed by the Secured Party, all monies from time to time received by any Receiver shall be paid over to the Secured Party at the place where this Agreement is payable; and
- (i) the Secured Party may pay over to any Receiver any monies constituting part of the Collateral to the extent that the same may be applied for the purposes hereof by such Receiver and the Secured Party may from time to time determine what funds any Receiver shall be at liberty to keep on hand with a view to the performance of its duties as such Receiver.

4.7 Remedies Not Exclusive

No right, power or remedy herein conferred upon or reserved to the Secured Party or any Receiver is intended to be exclusive of any other right, power or remedy or remedies, and each and every right, power and remedy shall, to the extent permitted by Applicable Law, be cumulative and shall be in addition to every other right, power or remedy given hereunder or now or hereafter existing at law, in equity or by statute. The Secured Party shall have the power to waive any default, provided no such waiver shall be effective unless made in writing and shall not constitute a waiver of any other or subsequent default. No delay or omission of the Secured Party in the exercise of any right, power or remedy accruing upon any default shall impair any such right, power or remedy or shall be construed to be a waiver of any such default or an acquiescence therein. Every right, power and remedy given to the Secured Party or to a Receiver by this Agreement or under Applicable Law may be exercised from time to time and as often as may be deemed expedient by the Secured Party or such Receiver, as applicable. In case the Secured Party shall have proceeded to enforce any right under this Agreement and the proceedings for the enforcement thereof shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Secured Party, then and in every such case the Debtor and the Secured Party shall, without any further action hereunder, to the fullest extent permitted by Applicable Law, subject to any determination in such proceedings, severally and respectively, be restored to their former positions and rights hereunder and thereafter all rights, remedies and powers of the Secured Party shall continue as though no such proceeding had been taken.

4.8 Application of Proceeds

Except as herein otherwise expressly provided, the monies arising from any enforcement in whole or in part of the Charge, or from any sale or realization of the whole or any part of the Collateral, whether under sale by the Secured Party or by judicial process or otherwise, and all incomes, rents and profits of the Collateral, together with any other monies then in the hands of the Secured Party or any Receiver available for such purpose, shall be applied against the Obligations in accordance with the terms of the Commitment Letter or in the order, manner and time as the Secured Party deems appropriate:

- (a) first, to pay or reimburse to the Secured Party and any Receiver for the costs, charges, expenses, borrowings, advances and reasonable compensation of the Secured Party and any Receiver in connection with the exercise and performance of their duties hereunder, with interest thereon as herein provided;
- (b) second, in or towards payment of the other Obligations; and
- (c) third, the surplus, if any, of such monies shall be paid to whomever may be legally entitled thereto.

4.9 Power of Attorney

The Debtor hereby irrevocably constitutes and appoints the Secured Party its true and lawful attorney and agent, with full power and authority in the Debtor's name, place and stead from time to time to do all acts and things and execute and deliver all share transfers, certificates, proxies, resolutions, consents, assignments, transfers, conveyances and agreements, in such form as the Secured Party considers necessary or desirable, and to do all things which the Debtor is required to sign, execute and do hereunder if the Debtor has failed to sign, execute or do the same and generally to use the name of the Debtor in the exercise of all or any of the powers hereby conferred on the Secured Party, with full powers of substitution and revocation; provided that this power of attorney may not be exercised by the Secured Party until an Event of Default shall have occurred and be continuing. Such appointment and power of attorney is hereby declared by the Debtor to be an irrevocable power coupled with an interest.

4.10 Deficiency

If there is any deficiency of payment in respect of the Obligations, the Debtor shall be and at all times remain liable for the payment thereof to the Secured Party.

**ARTICLE 5
LIABILITIES, WAIVERS AND EXPENSES****5.1 Liability of Secured Party**

Neither the Secured Party nor any Receiver shall (i) be responsible or liable for any debts contracted by it, for damages to Persons or property, for salaries or for non-fulfilment of contracts during any period when the Secured Party or any Receiver shall manage or be in possession of the Collateral; (ii) be liable to account as mortgagee in possession or for anything except actual receipts or be liable for any loss on realization or for any default or omission for which a mortgagee in possession may be liable; (iii) be bound to do, observe or perform or to see to the observance or performance by the Debtor of any obligations or covenants imposed upon the Debtor; or (iv) in the case of any chattel paper, security, investment property or instrument, be obligated to preserve rights against any other Persons. The Debtor hereby waives any provision of Applicable Law permitted to be waived by it which imposes higher or greater obligations upon the Secured Party or any Receiver than aforesaid.

5.2 Mandatory Provisions of Applicable Law

Subject to Section 5.3, all rights, remedies, and powers provided herein may be exercised only to the extent that the exercise thereof does not violate any mandatory provision of Applicable Law and all the provisions of this Agreement are intended to be subject to all mandatory provisions of Applicable Law which may be controlling in the premises and to be limited to the extent necessary so that they will not render this Agreement invalid, unenforceable or not entitled to be recorded, registered or filed under any mandatory provisions of Applicable Law. Subject to Section 5.3, if any mandatory provision of Applicable Law shall provide for different or additional requirements than or to those specified herein as prerequisites to or incidental to the realization, sale or foreclosure of the Charge or any part thereof, then, to that extent, such laws shall be deemed to have been set forth herein at length, and any conflicting provisions hereof shall be disregarded, and the method of realization, sale or foreclosure of the Charge required by any such laws shall, insofar as may be necessary, be substituted herein as the method of realization, sale or foreclosure in lieu of that set forth above. Any provision hereof contrary to mandatory provisions of Applicable Law shall be deemed to be ineffective and shall be severable from and not invalidate any other provision of this Agreement.

5.3 Waivers of Applicable Laws

- (a) To the extent not prohibited by Applicable Law, the Debtor hereby waives its rights, if any, under all provisions of Applicable Law that would in any manner, limit, restrict or otherwise affect the Secured Party's rights and remedies hereunder or impose any additional obligations on the Secured Party. The Debtor waives the right to receive any amount which it may now or hereafter be entitled to receive (whether by way of damages, fine, penalty or otherwise) by reason of the failure of the Secured Party to deliver to the Debtor a copy of any financing statement or any verification statement issued by any registry that confirms registration of a financing statement relating to this Agreement and the Debtor waives its right to receive a copy of such financing or verification statements.
- (b) The Debtor hereby authorizes the Secured Party to provide information to any Person who requests information under section 18 of the PPSA or similar legislation and the Secured Party will not be required to investigate whether or not the inquiring Person is in fact a Person entitled to request information pursuant to section 18 of the PPSA or similar legislation.
- (c) To the full extent that it may lawfully do so, the Debtor hereby:
 - (i) waives and disclaims any benefit of, and shall not have or assert any right under any statute or rule of law pertaining to, the marshalling of assets or any other matter whatever, to defeat, reduce or affect the rights of the Secured Party under the terms of this Agreement to a sale of the Collateral or any part thereof or for the collection of all amounts secured hereby; and
 - (ii) agrees that it shall not have or assert any right or equity of redemption or any right under any statute or otherwise to redeem the Collateral or any part thereof after the completion of the sale hereunder to any Person, whether such sale is by the Secured Party, any Receiver or otherwise, notwithstanding, that the Secured Party may have purchased same.
- (d) The Debtor hereby agrees that any payments from insurance monies shall be applied in the manner set out in Section 4.8.

5.4 Expenses

If the Debtor fails to pay any amounts required to be paid by it under this Agreement or to observe or perform any of the covenants and obligations set forth in this Agreement to be observed or performed by it, the Secured Party and any Receiver may, but shall be under no obligation to, pay such amounts or do such acts or things as may be required to ensure such observance and performance, without waiving any of its rights under this Agreement. No such payment, act or thing by the Secured Party or any Receiver shall relieve the Debtor from any default under this Agreement or the consequences of such default. The reasonable expenses (including the cost of any insurance, environmental assessment or audit and payment of taxes or other charges and legal fees and expenses on a solicitor and his own client, full indemnity, basis) paid by the Secured Party or any Receiver in respect of the care, custody, preservation, use or operation of the Collateral, shall be deemed advanced to the Debtor by the Secured Party or such Receiver, shall become part of the Obligations, and shall, from the time they are paid by the Secured Party or such Receiver until repaid by the Debtor, bear interest at the highest rate applicable to the Obligations. In addition, the Debtor shall pay all reasonable expenses (including legal fees and expenses on a solicitor and his own client, full indemnity, basis) incurred by the Secured Party or any Receiver in connection with the preparation, perfection, execution, protection, enforcement of and advice with respect to this Agreement (including the realization, disposition, retention, protection or collection of the

Collateral or any part thereof and the protection and enforcement of the rights of the Secured Party and any Receiver hereunder together with all remuneration paid to a Receiver and all costs, charges and expenses of or incidental to any receivership) and such expenses shall become part of the Obligations, and shall, from the time they are paid by the Secured Party or such Receiver until repaid by the Debtor, bear interest at the highest rate applicable to the Obligations.

5.5 Indemnity

The Debtor will and does hereby indemnify and save harmless the Secured Party, every Receiver and their respective directors, officers, employees and agents from and against any and all liabilities, actions, claims, judgments, obligations, costs, charges or expenses, including reasonable legal fees and expenses on a solicitor and his own client, full indemnity, basis, made against or incurred by the Secured Party or any Receiver as a result of taking this Agreement, except if caused by the gross negligence or willful misconduct of the Secured Party or any Receiver. The Secured Party and every Receiver shall have the right to defend against any such liabilities, actions, claims and charges and to claim from the Debtor all expenses incurred in connection therewith, together with all legal fees and expenses on a solicitor and his own client, full indemnity, basis that may be paid in connection therewith. It is understood and agreed that the covenants and conditions of this Section shall remain in full force and effect notwithstanding the payment of the Obligations or the release of the Charge.

ARTICLE 6 REGISTRATION AND DISCHARGE

6.1 Composite Security Agreement

This Agreement is a composite agreement covering the Collateral of the Debtor located in various Provinces and Territories of Canada and, as to portions of the Collateral located in such separate jurisdictions, this Agreement shall be a separate security agreement enforceable against the Debtor without regard to the application of this Agreement to portions of the Collateral located in other jurisdictions. All provisions hereof shall be applicable separately to the portions of the Collateral located in each separate jurisdiction with the same effect as if a separate security agreement with respect thereto had been executed and delivered by the Debtor to the Secured Party. Upon the reasonable request of the Secured Party, the Debtor shall prepare, execute and deliver, at its expense, a separate security agreement covering the portion of the Collateral located in any such jurisdiction or jurisdictions, such separate security agreement to be substantially in the form hereof except for such modifications as shall be required by the fact that such security agreement relates only to the property of the Debtor located in such jurisdiction or jurisdictions or as may be required by the Secured Party in connection therewith.

6.2 Further Assurances

The Debtor hereby covenants and agrees that it will at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered all such further acts, deeds, mortgages, hypothecs, transfers, assignments and assurances as the Secured Party may reasonably require for the better assuring mortgaging, charging, transferring, assigning, granting, delivering and confirming unto the Secured Party the Collateral, or any part thereof, and for the better accomplishing and effectuating the purpose of this Agreement, including the execution and delivery of agreements supplemental hereto more particularly describing the Collateral or to correct or amplify the description of the Collateral or to better assure, convey and confirm unto the Secured Party any of the Collateral. Upon the execution of any supplemental agreement under this Section, this Agreement shall be modified in accordance therewith, and each such supplemental agreement shall form part of this Agreement for all purposes.

6.3 Registration

The Debtor will ensure, or otherwise cooperate with the Secured Party to cause this Agreement and all such supplementary and corrective instruments and all additional mortgage and security documents described in Sections 6.1 or 6.2, and all documents, caveats, security notices and financing statements in respect thereof, are promptly filed and refiled, registered and re-registered and deposited and re-deposited, in such manner, in such offices and places, and at such times and as often as may be required by Applicable Law or as may be necessary or desirable to perfect and preserve the Charge as a first priority Security Interest and the rights conferred or intended to be conferred upon the Secured Party by the Charge.

6.4 Discharge

Upon the full, final and indefeasible payment and performance of the Obligations, this Agreement and the rights hereby granted shall, at the request of the Debtor, be terminated and thereupon the Secured Party shall at the request and at the expense of the Debtor cancel and discharge the Charge and execute and deliver to the Debtor such deeds and other instruments as shall be requisite to cancel and discharge the Charge; provided that this Agreement shall continue to be effective or be reinstated, as the case may be, if for any reason at any time any payment or performance of the Obligations, or any part thereof, is rescinded, reversed, nullified, rendered void or voidable or must otherwise be restored, refunded, returned or reimbursed by the Secured Party.

6.5 Partial Discharge

No postponement or partial release or discharge of the Charge in respect of all or any part of the Collateral shall in any way operate or be construed so as to release and discharge the Charge except as therein specifically provided, or so as to release or discharge the Debtor from its liability to the Secured Party to fully pay and satisfy the Obligations.

ARTICLE 7 MISCELLANEOUS

7.1 Additional Security

Nothing in this Agreement contained shall detract from or limit the absolute obligation of the Debtor to perform or observe any act or condition which it is required to perform or observe hereunder whether or not the Charge is operative, and the rights under this Agreement shall be in addition to and not in substitution for any other Security Interests of any and every character now or hereafter held by the Secured Party for the Obligations. The taking of any action or proceedings or refraining from so doing, or any other dealing with any other Security Interest for the obligations, shall not release or effect the Charge or any proceedings hereunder for realization and shall not release or effect any other Security Interests held by the Secured Party for the Obligations.

7.2 Third Parties

No Person dealing with the Secured Party or any Receiver shall be concerned to inquire whether the Charge (or any part thereof) has become enforceable, or whether the powers which the Secured Party or any Receiver is purporting to exercise have become exercisable, or whether any of the Obligations remain outstanding or as to the necessity or expediency of the stipulations and conditions subject to which any sale shall be made, or otherwise as to the propriety or regularity of any sale or of any other dealing by the Secured Party with the Collateral or any part thereof or to see to the application of

any money paid to the Secured Party, and, in the absence of fraud on the part of such Person, such dealings shall be deemed, as regards the safety and protection of such Person, to be within the powers hereby conferred upon the Secured Party and to be valid and effective accordingly.

7.3 Severability

Any provision of this Agreement which is or becomes prohibited or unenforceable in any jurisdiction does not invalidate, affect or impair the remaining provisions hereof in such jurisdiction and any such prohibition or unenforceability in any jurisdiction does not invalidate or render unenforceable such provision in any other jurisdiction.

7.4 Amendments

No provision of the Agreement may be amended verbally and any such amendment may only be made by way of an instrument in writing signed by the Debtor and the Secured Party.

7.5 Governing Law

This Agreement is conclusively deemed to be made under, and for all purposes to be governed by and construed in accordance with, the laws of the Province of Alberta and of Canada applicable therein. There shall be no application of any conflict of laws or rules which would result in any laws other than internal laws in force in the Province of Alberta applying to this Agreement. The Debtor hereby irrevocably submits and attorns to the non-exclusive jurisdiction of the courts of the Province of Alberta for all matters arising out of or relating to this Agreement, or any of the transactions contemplated hereby, without prejudice to the rights of the Secured Party to take proceedings in other jurisdictions in which any Collateral may be situate.

7.6 Time of Essence

Time shall be of the essence of this Agreement.

7.7 Enurement

This Agreement shall be binding upon the Debtor and its successors and permitted assigns and shall enure to the benefit of the Secured Party and its successors and assigns. The Secured Party may assign its rights and obligations (if any) under this Agreement and the Commitment Letter on notice to the Debtor and the Debtor may not assign its rights and obligations under this Agreement or the Commitment Letter.

7.8 Notices

Every notice, request, demand or other communication under this Agreement shall be in writing and shall be made by personal delivery or email to the addresses set forth in Section 21 of the Commitment Letter. All such notices, requests, demands, and other communications shall be deemed to have been given when delivered or sent, as the case may be.

7.9 Receipt

The Debtor hereby acknowledges receipt of an executed copy of this Agreement.

[Remainder of Page Intentionally Left Blank]

Schedule "A" attached to and forming part of a General Security Agreement dated as of May 31, 2021 given by Bzam Cannabis Corp., as debtor, in favour of Manjinder Singh Gill (as agent for and on behalf of the Lenders under the Commitment Letter), as secured party

DEFINITIONS

In this Agreement:

"Acceleration Event" means demand by the Secured Party for payment of any of the Obligations or the occurrence of an Event of Default specified in Sections 16(d) and 16(e) of the Commitment Letter, whichever occurs earlier;

"Applicable Law" means, in relation to any Person, property, transaction or event, all applicable provisions, whether now or hereafter in effect, of laws, statutes, rules or regulations, official directives and orders of all federal, provincial, municipal and local governmental bodies (whether administrative, legislative, executive or otherwise and, in the case of any central bank, fiscal or monetary authority, whether or not having the force of law) and judgments, orders and decrees of all courts, arbitrators, commissions or bodies exercising similar functions in actions or proceedings in which the Person in question is a party or by which it is bound or having application to the property, transaction or event in question;

"Charge" means the Security Interests created by or intended to be created by this Agreement;

"Collateral" means the whole, or any item or part, of the property, assets, rights and undertaking of the Debtor from time to time subjected or intended to be subjected to the Charge;

"Commitment Letter" means the commitment letter dated May 19, 2021 between Bzam Cannabis Corp. as borrower, the persons signatory thereto from time to time, as lenders, and Manjinder Gill, as agent, providing for credit facilities in the aggregate principal amount of Cdn. \$5,000,000, as may be amended, amended and restated, supplemented or modified from time to time;

"Obligations" means all obligations, indebtedness, liabilities, covenants, agreements and undertakings of the Debtor to the Secured Party and/or any Lender or any of their affiliates (including fees, expenses, costs and indemnities), present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, wheresoever and howsoever incurred, and any ultimate unpaid balance thereof, including all future advances and re-advances, and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether the Debtor is bound alone or with others and whether as principal or surety, including under or in any way connected with, arising out of or contemplated by the Credit Agreement, the Security Documents or any other document related thereto or entered into in connection therewith;

"Permitted Encumbrances" means as of any particular time in relation to the Collateral any of the following Security Interests or rights:

- (i) Security Interests for taxes, assessments or governmental charges and other statutory Security Interests which (i) are not at the time due or delinquent or (ii) relate to claims being diligently contested at the time in good faith by the Debtor;

- (ii) Security Interests of any judgments rendered, or claims filed, against the Debtor which the Debtor shall be contesting in good faith if, and for so long as, a stay of enforcement of such judgment or claim (if enforceable by seizure, sale or other remedy against any property), as the case may be, shall be in effect;
- (iii) Security Interests in favour of a public utility or any municipality or governmental or other authority when required by such public utility or municipality or other authority in connection with the operations of the Debtor in the ordinary course of business, which in the aggregate do not detract materially from the value of any part of the Collateral or its use in the operations of the Debtor;
- (iv) Security Interests in favour of the Secured Party; and
- (v) any other Security Interest consented to in writing by the Secured Party;

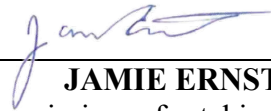
"Person" means an individual, a partnership, a corporation, a trust, a joint venture, an unincorporated organization, a union, a government or any department or agency thereof and the heirs, executors, administrators or other legal representatives of an individual;

"PPSA" means the *Personal Property Security Act* (Alberta), as amended from time to time; and the terms "securities intermediary", "entitlement order", "investment property", "securities account", "proceeds", "chattel paper", "intangible", "instrument", "accessions", "document of title" and "account" shall, when used herein, have the same meanings as are ascribed thereto in the PPSA;

"Receiver" means any receiver, manager, or receiver and manager of the Collateral or any part thereof or the business and undertaking of the Debtor, or any part thereof, whether appointed by the Secured Party under this Agreement or by a court pursuant to Applicable Law and any nominee of the Secured Party or any other Person that is appointed by the Secured Party to exercise all or any of the powers, rights, benefits and discretion of the Secured Party under this Agreement;

"Security Interest" means any assignment, mortgage, charge, pledge, lien, hypothec, encumbrance, security interest or insurance securing or in effect securing any obligation, conditional sale or title retention agreement, contractual deposit, trust deposit, escrow arrangement or other preferential arrangement whatsoever, howsoever created or arising, whether absolute or contingent, fixed or floating, legal or equitable, perfected or not, and includes the rights of a lessor pursuant to an operating lease, capitalized lease or sale-leaseback arrangement, any right of set-off and any guarantees or indemnities.

THIS IS **EXHIBIT "JJ"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.

A handwritten signature in blue ink, appearing to read "Jamie Ernst", is positioned above a horizontal line.

JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)

PROMISSORY NOTE

VANCOUVER, BRITISH COLUMBIA

Cdn. \$8,000,000.00

January 5th, 2024

FOR VALUE RECEIVED, and subject to the terms and conditions set forth in this note (this "**Note**"), Final Bell Canada Inc. (the "**Borrower**"), hereby unconditionally promises to pay to the order of Final Bell Holdings Inc. (the "**Lender**"), in immediately available funds, at 7720 Airport Business Park Way, Van Nuys, California, 91406, United States of America or such other location as the Lender shall designate in writing, eight million dollars (\$8,000,000.00) (the "**Principal Amount**"), and to pay interest on the unpaid Principal Amount hereof at the rates and as specified below. Repayment shall be made in lawful currency of the United States, at the daily exchange rate published by the Bank of Canada applicable to any payment date. The Borrower and the Lender acknowledge that the Borrower has made a payment equal to \$525,559, in connection with amounts owing under this Note.

The aggregate advanced and unpaid Principal Amount of this Note, together with all accrued and unpaid interest thereon, shall mature on June 15, 2027 (the "**Maturity Date**").

The Borrower agrees to pay interest to the Lender on the advanced and unpaid Principal Amount of this Note from (a) the date of the advance through to March 31, 2025, at a rate per annum equal to zero percent (0.0%) per annum; and (b) April 1, 2025 through to the Maturity Date, at a rate per annum equal to ten percent (10.0%) per annum (plus any additional interest as provided for in par. (c) below), such interest to be calculated monthly in arrears and payable on the 15th day of each subsequent calendar month. The advanced and unpaid Principal Amount, together with all interest accrued and unpaid thereon are hereinafter referred to as the "**Indebtedness**".

The Principal Amount of this Note shall be paid, together with interest, on the 15th day of each month, commencing January 15, 2024, as follows:

- (a) From January 1, 2024 to June 30, 2024, \$1,000,000 of the Principal Amount shall be paid in monthly installments in accordance with the payment schedule provided at Exhibit A; and
- (b) From July 1, 2024 and ending on the Maturity Date, the remaining \$7,000,000 of the Principal Amount shall be paid in equal monthly installments of \$194,444.44, with blended payments of principal and interest, in the same amount, commencing with the payment due on April 15, 2025, provided that with respect to payments made pursuant to this par. (b):
 - (i) in the event that positive Quarterly Operating Cashflow (as hereinafter defined) of the Borrower is insufficient to pay such monthly installments in the amount set forth in par. (b) from July 2024 through to March 2025, the Principal Amount shall not be payable until such time as positive Quarterly Operating Cashflow of the Borrower is sufficient to pay monthly installments in the amount set forth in par. (b), in which case the Borrower will make a balloon payment on the Maturity Date for the balance of the Principal Amount outstanding at such time plus all accrued unpaid interest; and
 - (ii) in the event that positive Quarterly Operating Cashflow of the Borrower remains insufficient to pay such monthly installments in the amount set forth in par. (b) from April 2025 through to the Maturity Date, no such monthly payment shall be payable until such time as positive Quarterly Operating Cashflow of the Borrower is sufficient to pay monthly installments in the amount set forth in par. (b), in which case the Borrower will make a balloon payment on the Maturity Date for the balance of the Principal Amount outstanding at such time plus all accrued unpaid interest; and

Notwithstanding subpar. (i) and subpar. (ii) above, the Borrower shall make, and the Lender shall be entitled to receive, the Minimum 2024 Payment (as hereinafter defined) as payment of principal and interest, as applicable, towards the Note.

- (c) From April 1, 2025, to the extent that a required monthly payment referred to in par. (b) is not paid, the unpaid balance of such monthly payment (each, a "**Balance**") shall immediately accrue interest at a rate of 18% per annum in respect of any such unpaid Balance. Monthly installments may be adjusted such that the outstanding Principal Amount at such time shall be payable in equal monthly installments (or otherwise) through to and including the Maturity Date, as may be agreed to by the Lender and the Borrower.

The following terms shall have the following meanings for the purposes of this Note:

1. "**Minimum 2024 Payment**" means an amount equal to \$79,167, plus interest in accordance with the terms of this Note, payable on a monthly basis.
2. "**Quarterly Operating Cashflow**" shall be defined as: (i) the Borrower's net income; *plus* (ii) depreciation and amortization; *minus* (iii) net working capital and adjustments (to add back all non-cash items and all non-recurring, one-time expenses); and *minus* (iv) all capital expenditures, in each case without duplication, as set forth in the most recently completed quarterly financial statements of the Borrower.

The Borrower agrees to provide the Lender with (i) annual financial statements of the Borrower prepared in accordance with IFRS as prepared to support the audited financial statements of the Borrower's parent, BZAM Ltd. ("**BZAM**") as soon as available, but in any event within 120 days after the end of each fiscal year the Borrower, and (ii) quarterly interim financial statements of the Borrower prepared in accordance with IFRS as prepared to support the unaudited interim financial statements of BZAM as soon as available, but in any event within 60 days after the end of each fiscal quarter, all in reasonable detail, fairly presenting in all material respects the financial position and results of operations of Borrower in order to determine Quarterly Operating Cashflow (for clarity, such financial statements shall at minimum include an income statement, balance sheet and cashflow statement, together with an adjusted EBITDA calculation consistently prepared in accordance with the methodologies utilized in BZAM's publicly filed MD&A).

The Borrower may prepay the Principal Amount of this Note in whole or in part at any time or from time to time without premium or penalty by giving three (3) Business Days' notice to the Lender; *provided that* each prepayment shall be accompanied by payment of all accrued and unpaid interest to the date of such prepayment. For this Note, "**Business Day**" means a day other than a Saturday, a Sunday, or any other day on which the principal chartered banks located in Vancouver, British Columbia are not open for business.

If the Borrower fails to pay any amounts due and payable hereunder, and such default remains uncured for thirty (30) days from written notice of such default (the "**Cure Period**"), all outstanding obligations payable by the Borrower under this Note shall begin to accrue interest at a rate of 18% per annum (which interest, for clarity, shall constitute Indebtedness) and shall be immediately due and payable, and the Lender may exercise any right, power or remedy granted to the Lender pursuant to this Note or otherwise available to it by law, either by suit in equity or by action at law, or both.

The books and records of the Lender shall constitute *prima facie* evidence of the amount of principal and interest outstanding under this Note from time to time.

The Borrower hereby waives demand and presentment for payment, notice of non-payment, protest and notice of protest of this Note. No failure on the part of the Lender to exercise, and no delay in exercising, any right, power or privilege hereunder shall operate as a waiver thereof or a consent thereto; nor shall a single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege. All payments under this Note shall be made without offset, counterclaim or deduction of any kind.

The Borrower may not assign this Note or any of its respective rights or obligations under this Note without the prior written consent of the Lender, which consent may be withheld in the sole discretion of such party. The Lender may assign this Note or any rights and obligations under this Note at its sole discretion. Any such assignment of this Note must be made in accordance with applicable securities laws.

All notices under this Note must be in writing and addressed to the other party at its address set forth below (or to any other address that the receiving party has designated). Unless otherwise agreed herein, all notices must be delivered by overnight courier or electronic mail. Notice will be deemed given upon the first to occur of (i) the day of confirmation of delivery by the courier; or (ii) the day of confirmed electronic transmission to the addressee of the notice if sent during regular business hours, or the following business day if sent after regular business hours:

To the Borrower: Final Bell Canada Inc.

Canada
Attn: Chief Executive Officer
Email:

With a copy to:

Cortland Credit Lending Corporation
c/o Cortland Credit Group Inc.
200 Bay St., Suite 3230
Royal Bank Plaza South Tower
Toronto, ON, M5J 2J2

Attention: Bruce Sherk
Telephone: (416) 407-4440
Email: bsherk@cortlandcredit.ca

To the Lender: Final Bell Holdings Inc.
7720 Airport Business Park Way
Van Nuys, California, 91406
USA
Attn: Chief Executive Officer
Email: ir@finalbell.com

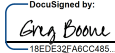
This Note shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

This Note and any amendments, waivers, consents, acknowledgements or supplements may be executed in number of counterparts and by different parties hereto in separate counterparts, each of which, when so executed and delivered, shall be deemed an original, but all of which counterparts together shall constitute but one agreement. Counterparts may be executed in original or facsimile form or similar method of electronic transmission. Upon the request of the Lender, the Borrower shall deliver, or cause to be delivered, a manually executed, original counterpart of any electronic signature to this Note or any other documents reasonably requested by the Lender in connection herewith.

[Remainder of page intentionally left blank.]

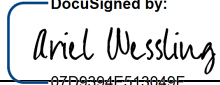
IN WITNESS WHEREOF, the undersigned has executed this Note as of the date first written above.

FINAL BELL CANADA INC.

By:  _____
Name: Greg Boone
Title: President

AGREED TO AND ACCEPTED as of the above original issue date of this Note.

FINAL BELL HOLDINGS INC.

By:  _____
Name: Ariel wessling
Title: VP of Finance


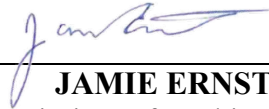
By:  _____
Name: Jordan Gielchinsky
Title: President

Exhibit "A"

Due Date	Amount
15-Jan-24	\$79,167
15-Feb-24	\$79,167
15-Mar-24	\$ 79,167
15-Apr-24	\$79,167
15-May-24	\$79,167
15-Jun-24	\$79,167
	\$1,000,000

* Amounts have been adjusted in respect of pre-payments in the amount of \$525,559 as accepted by the Lender.

THIS IS **EXHIBIT "KK"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.



JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)

February 23, 2024

Mihai Ionescu
D: 604-692-3027
E: mionescu@sangramoller.com
File: 7287 001

VIA EMAIL

BZAM Ltd.
19100 Airport Way, Unit 518
Pitt Meadows, BC V3Y 0E2

Attention: The Board of Directors of BZAM Ltd.

Dear Sirs/Mesdames:

Re: BZAM Ltd. ("BZAM") and Final Bell Holdings International Ltd. ("Final Bell")

We are counsel for Final Bell.

We write in reference to a Share Exchange Agreement entered into among Final Bell, Final Bell Canada Inc. (as it was formerly known) ("**FB Canada**") and BZAM, dated as of December 5, 2023 (the "**Agreement**"), pursuant to which Final Bell agreed to sell all of the outstanding shares of FB Canada to BZAM for consideration comprised of, among other things, (i) 90,000,000 shares (the "**BZAM Shares**") at a value of \$0.15 per share, or \$13,500,000 in the aggregate, subject to a lock-up period that has not expired; and (ii) an unsecured promissory note in the principal amount of \$8,000,000 payable by FB Canada to an affiliate of Final Bell and guaranteed by BZAM (the "**BZAM Note**"). The Agreement closed on January 5, 2024, as publicly announced by Final Bell and BZAM. We note that closing of the Agreement was conditional on receipt by both Final Bell and BZAM of approval from their respective senior lenders, which in Final Bell's case required the release by its senior lender of a comprehensive security package over FB Canada. This release was provided on the basis of extensive due diligence over BZAM's financial condition, in order to support the value of the BZAM Shares.

It has come to the attention of Final Bell that BZAM wishes to breach the Agreement, slightly over one month following closing the transaction, in order to, among other things, cease having to meet its financial obligations to Final Bell.

Matt Milich, BZAM's chief executive officer and a director, recently informed Final Bell that BZAM desires to shift from a publicly traded entity to a privately held entity. However, rather than this being accomplished by a negotiated transaction, BZAM's plan is to improperly utilize

February 23, 2024

Page 2

protections available under the *Companies' Creditors Arrangement Act* (Canada) (the "CCAA"), or another insolvency regime, to accomplish a goal of shifting to a private entity owned or controlled, directly or indirectly, by its current chairman. The use of creditor protection legislation in this case would allow BZAM to diminish value in its share price in order for a related entity to purchase BZAM at a steep discount. The end result would potentially render the BZAM Shares valueless and eliminate BZAM's obligations under the BZAM Note, effectively re-engineering the Agreement to have BZAM acquire FB Canada without any consideration of value, stealing FB Canada from Final Bell.

Recourse to the CCAA in these circumstances is contradictory to the requirements of appropriateness, good faith and due diligence that have repeatedly been identified as baseline considerations in a court exercising CCAA authority.

If the above is BZAM's intended strategy, we can advise that Final Bell will be objecting at every opportunity, including by seeking injunctive and other appropriate relief. In such circumstances, where there is no imminent creditor action, and the motives underlying any restructuring plan are in question, we expect that any application for CCAA protection or other relief or protection would be brought on appropriate notice to Final Bell and other affected creditors, rather than on an *ex parte* basis. Our client expects to make submissions as to the appropriateness of any order, both at the initial application stage and comeback hearing. Should you fail to give notice, despite this express request, then please ensure your counsel provides a copy of this letter to the court at the first court hearing.

In the first instance, BZAM is not insolvent. BZAM provided financial disclosures to Final Bell in December of 2023 which indicated that BZAM does not have a liquidity problem and is not insolvent. A company's desire not to pay a debt does not amount to insolvency. BZAM has also not publicly disclosed any disputes with creditors or any imminent insolvency risk. The most recently prepared financial statements were prepared on a going concern basis, with a going concern risk that is not indicative of imminent insolvency. BZAM has been making payments to creditors and suppliers, including to Final Bell, following closing of the Agreement, in the ordinary course. BZAM has not disclosed that it is exploring any strategic alternatives, including financing options, methods by which a board of directors of a public company would seek to discharge its fiduciary obligations. No information supporting a determination of insolvency has been provided to Final Bell.

Additionally, BZAM has not brought any proposal to Final Bell, its second largest shareholder, for its consideration, to secure Final Bell's approval of arrangements that would normally be contemplated in a CCAA context. If in fact BZAM is insolvent, it will have breached the Agreement by having materially misrepresented its financial condition, representations that Final Bell and its senior lender relied upon in order to enter into and consummate the Agreement.

February 23, 2024

Page 3

Directors and officers of corporations who are also shareholders may be held personally liable for the decisions they make in respect of the corporation they act for. This includes claims for a breach of fiduciary duty, a breach of the duty of care, and for causing a corporation to act oppressively in relation to its creditors and shareholders. Accordingly, the claims and concerns identified in this letter are not intended to be exhaustive, and nothing contained in this letter is intended as, or may be deemed or construed to constitute, a waiver or relinquishment of any rights or remedies available to Final Bell in law or equity, all of which are hereby expressly reserved.

Yours truly,

SANGRA MOLLER LLP

Per:



Mihai Ionescu

cc: *Final Bell Holdings International Ltd.*
Attn: Robert Meyer, CEO, and Kay Jessel, Executive Director

Dennis James Aitken LLP
Attn: Craig Dennis, K.C. and Owen James

Aird & Berlis LLP
Attn: Adria Leung Lim

Bennett Jones LLP
Attn: Sean Zweig

THIS IS **EXHIBIT "LL"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.



JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)



Bennett Jones

Bennett Jones LLP

3400 One First Canadian Place, PO Box 130

Toronto, Ontario, Canada M5X 1A4

Tel: 416.863.1200 Fax: 416.863.1716

Sean H. Zweig
Partner
Direct Line: 416.777.6254
e-mail: zweigs@bennettjones.com

February 26, 2024

Via E-Mail (mionescu@sangramoller.com)

Sangra Moller LLP
1000 Cathedral Place
925 West Georgia Street
Vancouver, BC V6C 3L2

Attention: Mihai Ionescu

Dear Sirs:

Re: BZAM Ltd. ("BZAM") and Final Bell Holdings International Ltd. ("Final Bell")

We are in receipt of your letter dated February 23, 2024 addressed to the Board of Directors of BZAM. Capitalized terms not otherwise defined herein are as defined in your letter.

As you appear to know given that we were copied on your letter, we are counsel to BZAM. It is curious, however, as to how you came to know of our involvement. We did not act for BZAM in connection with its acquisition of Final Bell, and there has been no public disclosure of our engagement. In that regard, we note that you copied Mr. Kay Jessel of Final Bell, who is also a director of BZAM, on your email. We trust that you have advised Mr. Jessel of his strict confidentiality obligations owed to BZAM as authoritatively stated in the Supreme Court of Canada decision, *Peoples Department Stores Inc. (Trustee of) v. Wise*, 2004 SCC 68.

We wish to advise that your letter contains numerous factual inaccuracies and mischaracterizations. Contrary to what is stated in the letter, among other things, BZAM does not 'wish to breach the Agreement... in order to, among other things, cease having to meet its financial obligations to Final Bell'. Nor does BZAM have any 'desire to shift from a publicly traded entity to a privately held entity'.

As BZAM is a reporting issuer, it would not be appropriate, or even permissible under securities laws, to address the other specific factual inaccuracies in your letter, of which there are many. But we can confirm that BZAM and its board of directors are mindful of all of BZAM's stakeholders – including Final Bell – and will act in good faith and in the best interests of BZAM in order to, among other things, maximize value for all stakeholders. The directors are well aware of their duties and liabilities.

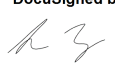
February 26, 2024

Page 2

To the extent you wish to discuss further, we suggest a phone call or virtual meeting. We do not see any value in a letter-writing campaign. We will make ourselves available.

Yours truly,

BENNETT JONES LLP

DocuSigned by:

65B6BE2E814144E...
Sean H. Zweig



THIS IS **EXHIBIT "MM"** REFERRED TO IN THE
AFFIDAVIT OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.



JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)

DIP FACILITY AGREEMENT

2024. **THIS AGREEMENT** (the "**Agreement**") is made this 28th day of February,

A M O N G:

Cortland Credit Lending Corporation, in its capacity as administrative agent (the "Agent") for and on behalf of the lenders party hereto from time to time (the "Lenders")

-and-

The Green Organic Dutchman Ltd. (the "Borrower")

-and-

BZAM Ltd. ("BZAM")

-and-

BZAM Holdings Inc. ("BZAM Holdings")

-and-

BZAM Management Inc. ("BZAM Management")

-and-

BZAM Cannabis Corp. ("BZAM Cannabis")

-and-

Folium Life Science Inc. ("Folium Life")

-and-

102172093 Saskatchewan Ltd. ("102")

-and-

Medican Organic Inc. ("Medican")

-and-

High Road Holding Corp. (f/k/a Final Bell Canada Inc., "High Road")

-and-

Final Bell Corp. ("**Final Bell**", and, together with BZAM, BZAM Holdings, BZAM Management, BZAM Cannabis, Folium Life, 102, Medican and High Road, collectively, the "**Guarantors**" and the Guarantors, together with the Borrower, collectively, the "**Credit Parties**")

RECITALS:

WHEREAS the Agent and certain of the Credit Parties are either parties to or obligors under, as applicable, a Credit Agreement made as of March 31, 2020, as amended by a first amendment dated May 27, 2020, a second amendment dated October 1, 2020 and a third amendment dated July 30, 2021 (as amended, the "**Original Credit Agreement**");

AND WHEREAS the Agent and certain of the Credit Parties amended and restated the Original Credit Agreement in its entirety by way of an amended and restated credit agreement dated September 29, 2021, as amended by a first amendment dated November 30, 2021, a second amendment dated March 9, 2022, a third amendment dated April 29, 2022, a fourth amendment dated November 3, 2022, a fifth amendment dated June 30, 2023, and a sixth amendment dated August 30, 2023 (as amended, the "**First ARCA**");

AND WHEREAS the Borrower and the Lenders amended and restated the First ARCA in its entirety by way of a second amended and restated credit agreement (the "**Second ARCA**") dated January 8, 2024;

AND WHEREAS to secure the obligations of the applicable Credit Parties to the Agent under the Second ARCA and the other Transaction Documents, the applicable Credit Parties granted Security Agreements in favour of the Agent;

AND WHEREAS the Credit Parties have advised the Agent that they intend to commence proceedings (the "**CCAA Proceedings**") under the *Companies' Creditors Arrangement Act* (the "**CCAA**") on a date to be set (the "**Filing Date**") by the Ontario Superior Court of Justice (Commercial List) (the "**Court**") to seek, among other things, the granting of an initial order (the "**Initial Order**") and the appointment of FTI Consulting Canada Inc. as monitor (if appointed, the "**Monitor**");

AND WHEREAS the obligations of certain of the Credit Parties pursuant to or in connection with the Second ARCA (including without limitation, all outstanding Loan Advances and all interest and fees thereon or in connection therewith) are hereinafter referred to collectively as the "**Cortland Pre-Filing Obligations**";

AND WHEREAS commencement of the CCAA Proceedings will constitute an Event of Default (as defined in the Second ARCA) (the "**CCAA Event of Default**") under the Second ARCA;

AND WHEREAS the Credit Parties have requested, and the Agent has agreed, to provide certain debtor-in-possession ("**DIP**") financing to the Credit Parties pursuant to a DIP facility (the "**DIP Facility**") during the CCAA Proceedings on the terms and conditions contained herein;

NOW THEREFORE in consideration of the respective covenants of the parties hereto herein contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged) the parties hereto agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement, unless the context otherwise requires, all terms defined in the Second ARCA and not otherwise defined herein shall have the respective meanings ascribed to them in the Second ARCA.

1.2 Gender and Number

Words importing the singular include the plural and vice versa and importing gender include all genders.

1.3 Severability

Each of the provisions contained in this Agreement is distinct and severable, and a declaration of invalidity, illegality or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision of this Agreement.

1.4 Headings

The division of this Agreement into sections and the insertion of headings, articles, sections and clauses are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

1.5 Entire Agreement

Except for the Transaction Documents and the additional documents provided for herein, this Agreement constitutes the entire agreement of the parties and supersedes all prior agreements, representations, warranties, statements, promises, information, arrangements and understandings, whether oral or written, express or implied, relating to the subject matter hereof. This Agreement may not be amended or modified except by written consent executed by all of the parties hereto. No provision of this Agreement will be deemed waived by any course of conduct unless such waiver is in writing and signed by all of the parties hereto, specifically stating that it is intended to modify this Agreement.

1.6 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and federal the laws of Canada applicable therein.

1.7 Currency

Unless otherwise stated, all dollar amounts referenced are in Canadian dollars.

1.8 Attornment

The parties hereto irrevocably submit and attorn to the non-exclusive jurisdiction of the courts of the Province of Ontario for all matters arising out of or in connection with this Agreement.

1.9 Conflicts

If there is any inconsistency or conflict between the terms of this Agreement and the terms of the Transaction Documents, the provisions of this Agreement shall prevail to the extent of the inconsistency, but the foregoing shall not apply to limit or restrict, in any way, the rights and remedies of the Agent under this Agreement, the Transaction Documents, the CCAA, the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**"), the PPSA, other applicable law, or otherwise, other than as may be specifically contemplated herein.

1.10 Discretion and Consent

Any reference herein to the exercise of discretion by the Agent (including phrases such as "in the discretion of", "in the opinion of", "to the satisfaction of" and similar phrases) shall mean that such discretion is absolute and unfettered and shall not imply any obligation to act reasonably, unless otherwise expressly stated herein.

Any consent made or to be given by the Agent hereunder must be made or given expressly in writing. For greater certainty no consent on the part of the Agent shall be implied solely by receipt by the Agent of an updated Budget and/or Variance Report (each as defined below), as applicable.

ARTICLE 2 REPRESENTATIONS AND WARRANTIES

Each of the Credit Parties hereby represents and warrants to the Agent as follows:

- 2.1** The facts set out in the recitals to this Agreement are true and accurate in substance and in fact.
- 2.2** Each Credit Party is a corporation duly incorporated and validly existing under the laws of its jurisdiction of incorporation and is duly qualified, licensed or registered to carry on business under the laws applicable to it in all jurisdictions in which the nature of its assets or business makes such qualification necessary.
- 2.3** Subject to Court approval, each Credit Party has all requisite corporate power and authority to (i) own and operate its properties and assets and to develop, own and operate its business, and (ii) enter into and perform its obligations under this Agreement and each other Transaction Document to which it is a party.

- 2.4** The execution and delivery by each Credit Party of this Agreement and each other Transaction Document to which it is a party and the performance by each of them of their respective obligations hereunder and thereunder have been duly authorized by all necessary corporate action and, other than Court approval, no authorization under any applicable law, and no registration, qualification, designation, declaration or filing with any governmental authority, is or was necessary therefor, other than filings which may be made to register or otherwise record the DIP Charge (as defined below).
- 2.5** This Agreement and each of the other Transaction Documents to which it is a party has been duly executed and delivered by it and, subject to Court approval, constitutes a legal, valid and binding obligation of each Credit Party, enforceable against it in accordance with its terms, subject only to any limitation under Applicable Laws relating to (i) bankruptcy, insolvency, reorganization, moratorium or creditors' rights generally; (ii) the discretion that a court may exercise in the granting of equitable remedies; (iii) the Initial Order (as may be amended and restated from time to time) and any other Order of the Court.
- 2.6** The Collateral (i) is owned by or licensed to the Credit Parties and is only located at the locations disclosed in writing to the Agent; (ii) has not been sold, leased or otherwise disposed of other than inventory in the ordinary course of business; and (iii) is not subject to any rights of any person or entity other than Permitted Encumbrances and the CCAA Charges (as defined below).
- 2.7** The execution and delivery by each Credit Party of this Agreement and the other Transaction Documents to which it is a party and the performance by each Credit Party of their respective obligations hereunder and thereunder and compliance with the terms, conditions and provisions hereof and thereof, will not conflict with or result in a breach of (i) its constating documents or by-laws; or (ii) subject to Court approval, any applicable law.
- 2.8** The business operations of each Credit Party has been and will continue to be conducted in compliance with all laws of each jurisdiction in which business has been or is being carried on.
- 2.9** Each Credit Party has obtained all licenses and permits required for the operation of its business, which licenses and permits remain in full force and effect. No proceedings have been commenced or, to the knowledge of the Credit Parties, threatened to revoke or amend any of such licenses or permits.
- 2.10** Except as set out in Schedule "C", the Collateral is not subject to any Lien except for the Permitted Encumbrances and each Credit Party has made all source deductions required by Applicable Law.
- 2.11** Except as set out in Schedule "D", each Credit Party has filed or caused to be filed all tax returns and reports which are required to have been filed and has paid or caused to be paid all taxes required to have been paid by it, except taxes that are being contested in good faith by appropriate proceedings and for which adequate cash reserves are being maintained.

- 2.12** Except as set out in Schedule "E", other than the CCAA Proceedings, there are no actions, suits or proceedings (including any tax-related matter) by or before any arbitrator or governmental authority or by any other person pending against or, to the knowledge of each Credit Party, threatened against or affecting any Credit Party.
- 2.13** (i) Each Credit Party is and has been in compliance with all applicable environmental laws, including obtaining, maintaining and complying with all permits required by any applicable environmental law, (ii) no Credit Party is party to, and no real property currently or previously owned, leased or otherwise occupied by or for any Credit Party is subject to or the subject of, any contractual obligation or any pending or, to the knowledge of the Credit Parties, threatened order, action, investigation, suit, proceeding, audit, claim, demand, dispute or notice of violation or of potential liability or similar notice under or pursuant to any environmental law which could reasonably be expected to result in a remedial obligation having a Material Adverse Change, (iii) no Lien in favour of any Governmental Authority securing, in whole or in part, environmental liabilities has attached to any property of the Credit Parties and no facts, circumstances or conditions exist that could reasonably be expected to result in any such Lien attaching to any such property, (iv) no Credit Party has caused or suffered to occur a release of any hazardous substances or conditions creating any potential for such a release at, to or from any real property other than in compliance with environmental laws and except when failure to do so could not reasonably be expected to result in a Material Adverse Change, (v) no Credit Party has engaged in operations that, and no facts, circumstances or conditions exist that, in the aggregate, would have a reasonable likelihood of resulting in material environmental liabilities, and (vi) each Credit Party has made available to the Agent copies of all existing environmental reports, reviews and audits and all documents pertaining to actual or potential environmental liabilities, in each case to the extent such reports, reviews, audits and documents are in its possession, custody or control.
- 2.14** Each Credit Party maintains insurance policies and coverage which (i) is sufficient for compliance with Applicable Law and all Material Agreements to which a Credit Party is a party and (ii) provide adequate insurance coverage in at least such amounts and against at least such risks as are usually insured against in the same general area by persons engaged in the same or similar business to the assets and operations of the Credit Parties.
- 2.15** All information provided by or on behalf of the Credit Parties to the Agent for the purposes of or in connection with this Agreement, the other Transaction Documents or any transaction contemplated herein is true and accurate in all material respects on the date as of which such information is dated or certified and remains true as of the date provided and is not incomplete by omitting to state any fact necessary to make such information (taken as a whole) not materially misleading at such time in light of the circumstances under which such information was provided.

ARTICLE 3 THE DIP FACILITY

In reliance upon the Acknowledgement and the acknowledgements, representations, warranties, confirmations, covenants and agreements of the Credit Parties contained in this Agreement and

subject to the terms and conditions of this Agreement and any documents executed in connection herewith, the Agent agrees to make the DIP Facility available to the Borrower during the CCAA Proceedings on the following terms and conditions.

3.1 The DIP Facility

Notwithstanding any other term or condition of the Second ARCA, and subject to satisfaction of the terms and conditions of this Agreement, the Agent, on behalf of the Lenders, agrees to provide the Borrower with the DIP Facility as set forth in this section:

- (a) The maximum principal amount under the DIP Facility shall not, at any time, exceed the lesser of (i) \$41,000,000 (the "**Facility Limit**"), and (ii) the Revolving Facility Limit plus \$7,000,000; provided that at no point in time will the Cortland Pre-Filing Obligations and Post-Filing Obligations, either individually or in the aggregate, exceed the Facility Limit;
- (b) all amounts advanced by the Agent on behalf of the Lenders following the Filing Date shall be in respect of the DIP Facility;
- (c) all amounts advanced under the DIP Facility shall be used by the Borrower to fund its working capital needs (including restructuring expenses and any pre-filing obligations permitted by Court order and approved by the Agent) during the CCAA Proceedings and shall in no circumstances be used to fund any Cortland Pre-Filing Obligations; and
- (d) the Borrower may request advances from time to time under the DIP Facility by delivering an advance request certificate, in the form attached as Schedule "B" (each such request, an "**Advance Request**" and each such certificate, an "**Advance Request Certificate**"), not less than one Business Day before the date of the requested advance; provided that the initial advance request certificate need not be required one Business Day before the date of the requested advance.

Notwithstanding the foregoing, the Borrower hereby authorizes and directs the Agent and the Lenders to make one or more advances under this Agreement (for greater certainty, without the requirement for the Borrower to deliver an Advance Request Certificate) in order to pay or otherwise satisfy any liens or other payables which rank (or are reasonably likely to rank) in priority to the Agent's Liens.

3.2 Interest Rate and Fees

- (a) The applicable Interest Rate on all amounts advanced under the DIP Facility shall be the greater of: (i) the TD Prime Rate plus 8.05% per annum; and (ii) 12% per annum, and will be due and payable in cash on the first Business Day of each month covering interest accrued over the past calendar month. Unless otherwise provided for herein, interest on any amount due hereunder shall be calculated daily and not in advance on the basis of a 365-day year. For the purposes of the *Interest Act* (Canada) in the case of a leap year, the annual interest rate corresponding to the interest calculated on the basis of a 365-day year is equal to the interest rate thus

calculated multiplied by 366 and divided by 365. Any amount of principal, interest commission, discount, or any other nature remaining unpaid at maturity, shall bear interest at the rate provided for herein, being understood that the said interest rate on arrears shall not exceed the maximum rate provided by law. Interest on arrears shall be compounded monthly and payable on demand.

- (b) The Borrower shall pay to the Agent a commitment fee equal to \$98,000, which fee shall be payable by the Borrower to the Agent upon issuance of the Initial Order. Such fee will be paid from the initial advance.

3.3 Mandatory Repayments

Following the Filing Date, all Post-Filing Collections (as defined below) will be applied against the Cortland Pre-Filing Obligations of the Credit Parties to the Agent, for and on behalf of the Lenders, unless otherwise directed by the Agent.

Subject to the priority of the Administration Charge, if a Credit Party (a) disposes, transfers or sells any Collateral outside the ordinary course of business, or (b) sells the shares/equity interests of any wholly owned or non-wholly owned subsidiary of a Credit Party, the proceeds of sale (net only of usual closing adjustments), up to the total amount of the Credit Parties' indebtedness to the Agent and the Lenders under the DIP Facility and the Second ARCA, shall be paid to the Agent and applied by the Agent against the indebtedness owing to the Lenders under the DIP Facility. Any such repayment by a Credit Party shall constitute a permanent reduction of the availability and commitment under the DIP Facility.

3.4 Conditions Precedent

The obligation of the Lenders to make the DIP Facility available to the Borrower and to fund each advance under the DIP Facility is subject to and conditional upon satisfaction (or waiver by the Agent) of the following conditions precedent:

- (a) the Agent shall have received a copy of this Agreement executed by each of the Credit Parties;
- (b) the Agent shall have received and be satisfied with the Budget, and all such other information (financial or otherwise) reasonably requested by the Agent;
- (c) no Event of Default (as defined herein) shall exist, and no event or circumstance which could reasonably be expected to result in a Material Adverse Change shall have occurred;
- (d) there shall not be pending any litigation or other proceeding, other than the CCAA Proceedings, the result of which, either individually or in the aggregate, could reasonably be expected to have a Material Adverse Change or form the basis for an appeal of the Initial Order;

- (e) all Court materials and documents prepared by the Credit Parties in connection with the CCAA Proceedings, including any service list shall be in form and substance satisfactory to the Agent;
- (f) the Initial Order shall be in form and substance satisfactory to the Agent;
- (g) the Initial Order (or any amended and restated Initial Order) approving the DIP Facility, the granting of the DIP Charge, and all related transactions shall have been issued and entered and be in full force and effect and shall not have been reversed, vacated, or stayed, subject to appeal or modified or superseded or negatively impacted in any way without the Agent's prior written consent, and all necessary consents and approvals to the transaction contemplated in this Agreement and in the Initial Order shall have been obtained to the satisfaction of the Agent;
- (h) payment by the Credit Parties to the Agent of all reasonable and documented expenses incurred by the Agent or the Lenders in connection with the DIP Facility (including the negotiation, ongoing monitoring and any costs of enforcement);
- (i) the Agent shall have received a Borrowing Base Certificate;
- (j) in connection with an Advance Request, the Agent shall have received an Advance Request Certificate accompanied by a Borrowing Base Certificate;
- (k) each of the representations and warranties made by the Credit Parties to the Agent in this Agreement shall be true and correct in all material respects; and
- (l) approval by the Agent of the Credit Parties' most recent cash flow forecast, prepared in the form of the Budget.

3.5 Terms of Initial Order

The Initial Order shall be in form and substance satisfactory to the Agent, including provisions addressing (among other things) the following:

- (a) approval of the financing provided for in this Agreement (including the DIP Facility);
- (b) the continuation of the Credit Parties' existing cash management arrangements;
- (c) authorization and direction for the Borrower and the other Credit Parties to make all payments of principal, interest, fees, and expenses under this Agreement to the Agent for and on behalf of the Lenders;
- (d) the DIP Charge;
- (e) an administration charge in the amount of \$500,000 (which shall increase to \$1,000,000 under the amended and restated Initial Order) which ranks prior to the

DIP Charge and the Agent's security pursuant to the Transaction Documents (the "**Administration Charge**");

- (f) a directors' and officers' charge in the amount of \$5,300,000 (which shall increase to \$12,900,000 under the amended and restated Initial Order) which ranks subsequent to the DIP Charge and the Agent's security pursuant to the Transaction Documents, including for greater certainty, the Cortland Pre-Filing Obligations (the "**D&O Charge**"); and
- (g) that the Agent shall be treated as unaffected in any plan of arrangement or compromise filed by or in respect of the Credit Parties under the CCAA, or under any proposal filed by or in respect of the Credit Parties under the BIA, with respect to any Post-Filing Obligations (as defined below).

3.6 Budget

The Borrower shall provide the Agent with a thirteen (13) week cash-flow forecast reviewed by the Monitor and in form and substance satisfactory to the Agent (the "**Initial Budget**"). The Initial Budget shall reflect on a line-item basis, among other things, a borrowing base calculation reflecting the amount of availability, anticipated cash flow, cash receipts and disbursements, and sales. The Initial Budget and the proposed use of funds provided for therein shall be in substance satisfactory to the Agent. The Initial Budget and any subsequent Budget may only be amended and modified with the prior written consent of the Agent (the Initial Budget, as so amended and modified from time to time with the prior written consent of the Agent, is referred to herein as the "**Budget**"). The Initial Budget to May 25, 2024 is attached hereto as Schedule "A".

3.7 DIP Charge

- (a) All advances made by the Agent and the Lenders to the Borrower under the DIP Facility, and all obligations, indebtedness, fees (including professional fees), costs, and expenses of the Agent and the Lenders under this Agreement and the DIP Facility (collectively, the "**Post-Filing Obligations**") shall constitute obligations and shall be secured by:
 - (i) a super-priority DIP charge (the "**DIP Charge**") on all of the existing and after-acquired real and personal property of the Credit Parties as provided for herein and in the Initial Order; and
 - (ii) the existing security and guarantees in favour of the Agent under the Transaction Documents;

provided that with respect to the BZAM Edmonton Property, the DIP Charge shall rank subordinate to the Existing BZAM Edmonton Property Charge.

- (b) For certainty, the DIP Charge shall not secure any Cortland Pre-Filing Obligations.

3.8 Existing Cash Management System/Cash Receipts to the Agent

The Initial Order shall, among other things, authorize and direct the Credit Parties to continue to use the central cash management system currently in place or replace it with another substantially similar central cash management system. Each of the Credit Parties will provide evidence to the Agent that it has directed each financial institution with which it maintains a deposit account into which payments are received from its Account Debtors (collectively, "**Post-Filing Collections**") to transfer on a weekly basis, at the Credit Parties' cost and expense, all such Post-Filing Collections to an account maintained by the Agent. The Agent shall apply the Post-Filing Collections to repay the Cortland Pre-Filing Obligations.

3.9 Additional Reporting

In addition to all other existing reporting requirements set out in the Second ARCA (to the extent not otherwise dealt with in this Agreement), the Borrower shall provide to the Agent:

- (a) on a weekly basis within four (4) Business Days after the end of each week during the CCAA Proceedings an executed Borrowing Base Certificate duly completed in all material respects consistent with past practice, plus all backup information requested by the Agent; and
- (b) on a bi-weekly basis within six (6) Business Days after the end of each bi-weekly period during the CCAA Proceedings:
 - (i) a report comparing the Credit Parties' actual performance to that projected in the Budget for the given bi-weekly period (each, a "**Variance Report**"), specifically identifying any negative variances in excess of ten percent (10%), with a minimum floor variance of \$500,000 (unless otherwise agreed to by the Agent), in respect of the actual cumulative net cash flow against the forecasted cumulative net cash flow in the Budget (an "**Adverse Negative Variance**") and providing a detailed explanation for same; provided, however, that the calculation of an Adverse Negative Variance shall not take into account Professional Expenses in excess of what is forecasted in the Initial Budget or the Budget, as applicable.
 - (ii) updating the Budget to account for actual performance by the Credit Parties for the previous week and rolling forward by two (2) additional weeks cash flow projections set forth in the last updated Budget; and
 - (iii) such other information as the Agent may reasonably request.

3.10 Status Calls

During the CCAA Proceedings, upon request from the Agent from time to time, the Borrower shall arrange and participate in conference calls with the Agent and the Monitor to discuss the performance of the Borrower and the other Credit Parties, any updated Budgets, Variance Reports

(including any Adverse Negative Variances), updates for future weeks, and any other matters the Agent may reasonably raise.

3.11 CCAA Proceedings and Other Materials to be Provided to Agent

The Borrower shall deliver to the Agent drafts of all Court materials and documents prepared by the Credit Parties in connection with the CCAA Proceedings, and shall provide the Agent with a reasonable opportunity to comment thereon prior to filing and ensure the same are acceptable to the Agent, acting reasonably.

3.12 Compliance with Transaction Documents

Each of the Credit Parties shall strictly adhere to all of the terms, conditions and covenants of this Agreement and the Transaction Documents (to the extent not otherwise dealt with in this Agreement), including, without limitation, terms requiring prompt payment of principal, interest, fees, and other amounts when due.

3.13 Covenants

Each Credit Party covenants and agrees with the Agent that it shall:

- (a) pay all sums of money when due under the terms of this Agreement;
- (b) immediately advise the Agent of any event which constitutes an Event of Default;
- (c) file all tax returns which are or will be required to be filed by it;
- (d) pay or make provision for the payment of all taxes and source deductions (including interest and penalties) which will become due and payable after the commencement of the CCAA Proceedings;
- (e) comply in all respects with all Applicable Laws, including all environmental laws;
- (f) immediately advise the Agent of any material action requests or material violation notices and hold the Agent harmless from and against any losses, costs or expenses which the Agent may suffer or incur for any environment related liabilities existing now or in the future with respect to it;
- (g) immediately advise the Agent of any unfavourable change in its financial position which may adversely affect its ability to pay or perform its obligations in accordance with the terms of this Agreement;
- (h) keep its assets fully insured against such perils and in such manner as would be customarily insured by Persons carrying on a similar business or owning similar assets and, in addition, for any buildings located in areas prone to flood and/or earthquake, will insure and keep fully insured such buildings against such perils;
- (i) at reasonable times and upon reasonable notice (provided that upon the occurrence of an Event of Default, the Agent (including any potential assignee, participant or

lender) is permitted to do the following at any time and without notice, subject to the Initial Order) permit the Agent (including any potential assignee, participant or lender) or its representatives, during normal business hours, subject to any Applicable Laws governing the Credit Parties' business, (i) to visit and inspect a Credit Party's premises, properties and assets and examine and obtain copies of such Credit Party's records or other information, and (ii) to discuss such Credit Party's affairs with the auditors (if any) of such Credit Party (in the presence of such Credit Party's representatives as it may designate). Each Credit Party hereby authorizes and directs any such third party to provide to the Agent (including any potential assignee, participant or lender) or its representatives all such information, records or documentation reasonably requested by the Agent;

- (j) except for Permitted Encumbrances and the CCAA Charges, not, without the prior written consent of the Agent, grant, create, assume or suffer to exist any Lien or other encumbrance affecting any of its properties, assets or other rights;
- (k) not incur any borrowings or other indebtedness, obligations or liabilities, other than Permitted Indebtedness;
- (l) not, without the prior written consent of the Agent, sell, transfer, convey, lease or otherwise dispose of any of its assets, properties or undertakings other than in the ordinary course of business and on arm's-length, commercially reasonable terms; provided that, for greater certainty, no Credit Party shall enter into any sale (or similar) transaction pursuant to a sale and investment solicitation process or otherwise without that prior written consent of the Agent, save and except for a transaction that provides for payment in cash on closing of the Cortland Pre-Filing Obligations and the Post-Filing Obligations in full;
- (m) not, without the prior written consent of the Agent, sell the shares/equity interests of any wholly owned or non-wholly owned subsidiaries of any Credit Party;
- (n) not, without the prior written consent of the Agent, provide any guarantees, financial assistance or otherwise provide for, on a direct, indirect or contingent basis, the payment of any monies or performance of any obligations by any other Person, other than Permitted Indebtedness;
- (o) not, without giving the Agent fifteen (15) days' prior notice in writing and obtaining the Agent's written consent, merge, amalgamate, or otherwise enter into any other form of business combination with any other Person. In the event the Agent gives its consent, it will cause any such resulting Person to become a borrower or guarantor, as applicable, hereunder and to grant such security and enter into such agreements as the Agent may require;
- (p) not pay any dividends, other corporate distributions, interest or principal on any secured or unsecured debt, or make any disbursement of any kind other than as contemplated by the Budget;
- (q) not acquire or move any Collateral to any jurisdiction outside the Province of Ontario or any other jurisdiction where the Agent has perfected its security over such Collateral without first executing and delivering all such security and other documentation and completing all registrations, recordings and filings to grant in

favour of the Agent a first-ranking security interest in such Collateral and to render effective the security interest granted thereby, all in form and substance satisfactory to the Agent;

- (r) notify the Agent within three (3) Business Days of any Account Debtor notifying such Credit Party that they are contesting any invoice;
- (s) fully cooperate with each party conducting any field exam or due diligence on behalf of the Agent and will permit and reimburse the Agent for all reasonable and documented costs associated with any appraisals;
- (t) pay only those expenditures set out in the Budget, or such other expenditures the Agent and Monitor consent to in writing;
- (u) provide to the Agent, on a weekly basis, a list of payments, disbursements and transfers of money proposed to be made by each of the Credit Parties during the following week and will make only those payments, disbursements and transfers that are set out in the Budget or otherwise consented to by the Agent;
- (v) not create or grant any security (other than the DIP Charge, the Administration Charge, the D&O Charge and any charge (which shall rank subordinate to the DIP Charge and the Agent's security pursuant to the Transaction Documents, including for greater certainty, the Cortland Pre-Filing Obligations) to secure a break fee and expense reimbursement in favour of a stalking horse bidder in any sale and investment solicitation process approved by the Court (collectively, the "**CCAA Charges**") over any of the Collateral, whether ranking in priority to, *pari passu* or subordinate to the DIP Charge, without the prior consent of the Agent;
- (w) provide the Agent with any financial or other information reasonably requested by the Agent;
- (x) within two (2) Business Days of the receipt by any Credit Party of the same, deliver to the Agent a copy of any notice of motion, pleading or application to vary, supplement, revoke, terminate or discharge the Initial Order including (without limitation) any application to the Court for the granting of security that will or may have priority over the DIP Charge, or otherwise for the variation of the priority of the DIP Charge; and
- (y) prevent the Cortland Pre-Filing Obligations and Post-Filing Obligations, either individually or in the aggregate, from exceeding the Facility Limit

3.14 Events of Default

The occurrence of any one or more of the following events shall constitute an event of default under this Agreement (collectively, the "**Events of Default**"):

- (a) Any Credit Party fails to make payment of any amount, whether on account of principal, interest or otherwise, when due pursuant to the terms of this Agreement;

- (b) without the consent of the Agent, the occurrence of any Adverse Negative Variance;
- (c) entry of an order which stays, modifies (other than extensions of the Initial Order), or reverses the Initial Order or which otherwise materially adversely affects the effectiveness of the Initial Order without the express written consent of the Agent;
- (d) the entry of any order without the prior written consent of the Agent which provides relief from the automatic stay made under the Initial Order or the CCAA which permits any creditor to realize upon, or to exercise any right or remedy with respect to, any asset of any Credit Party or to terminate any license, franchise, or similar agreement, where the exercise of such right or remedy or such realization or termination would reasonably be likely to result in a Material Adverse Change as determined by the Agent;
- (e) the filing of any application, motion or other request by any Credit Party without the express prior written consent of the Agent for the approval of any super-priority claim or debtor in possession financing in the CCAA Proceedings which is *pari passu* with or senior to the priority of the DIP Charge (other than the Administration Charge and the D&O Charge), or there shall arise any such super-priority claim under the CCAA;
- (f) the payment or other discharge by any Credit Party of any pre-filing indebtedness, except as expressly permitted hereunder, or generally permitted within the category and range in the Budget or by order in the CCAA Proceedings, to which payment or discharge the Agent has not provided its written prior consent;
- (g) the failure of any Credit Party (i) to materially comply with each and all of the terms and conditions of the Initial Order, or (ii) to materially comply with any other order entered in the CCAA Proceedings, if such failure would reasonably likely result in a Material Adverse Change as determined by the Agent;
- (h) (i) the filing of any motion by any Credit Party or the entry of any order in the CCAA Proceedings: (A) permitting any financing (other than ordinary course trade credit or unsecured debt) for any Credit Party from any Person other than the Agent, (B) granting a Lien on, or security interest in any of the Collateral of any Credit Party equal or superior status to that of the DIP Charge, other than with respect to this Agreement or as otherwise permitted herein, or (C) dismissing the CCAA Proceedings, or (ii) the filing of any motion by any Person (other than a Credit Party) regarding matters specified in the foregoing clause (i) that is not immediately stayed and dismissed or denied within thirty (30) days of the date of the filing of such motion, provided that if any Credit Party is unsuccessful in contesting any such Claim, that shall automatically constitute an Event of Default;
- (i) the commencement of any claim, action, proceeding, application, motion, defense or other contested matter (collectively, a “**Claim**”) that is not being contested by any Credit Party, the purpose of which is to seek or the result of which would be to

obtain any order, judgment, determination, declaration or similar relief: (i) invalidating, setting aside, avoiding, or subordinating the obligations of any Credit Party under this agreement, the DIP Charge or its priority, (ii) for monetary, injunctive or other relief against the Agent, the Lender or the Collateral, or (iii) preventing, hindering or otherwise delaying the exercise by the Agent of any of its rights and remedies hereunder, pursuant to the Initial Order or under applicable law, or the enforcement or realization by the Agent against any of its collateral, provided that if any Credit Party is unsuccessful in contesting any such Claim, that shall automatically constitute an Event of Default;

- (j) the filing of any proposal, plan of arrangement, plan of reorganization or other similar document (a “**Plan**”) or the acceptance of any transaction (a “**Transaction**”), or the filing of a motion seeking approval of the Court to accept any such Transaction or Plan, unless the total Cortland Pre-Filing Obligations and the Post-Filing Obligations hereunder are to be permanently and indefeasibly paid in full in cash or other immediately available funds upon completion of the Plan or Transaction or if the terms of the Plan or the Transaction have otherwise been approved by the Agent;
- (k) the breach of any term, covenant or agreement by any Credit Party in this Agreement;
- (l) any representation, warranty, certification or statement of fact made or deemed made by or on behalf of the Borrower, any other Credit Party herein, or in any document delivered in connection herewith or therewith shall be incorrect or misleading in any material respect when made or deemed made;
- (m) if any material contract or license (including, for greater certainty, any contract or license entered into in connection with the use of any intellectual property or the production, cultivation and/or manufacturing of cannabis and/or cannabis-related products) is terminated or amended in any manner without the prior consent of the Agent;
- (n) without the consent of the Agent, the occurrence of a Change of Control; and
- (o) the occurrence of a default or an event of default under the Second ARCA (other than the CCAA Event of Default).

3.15 Cooperation

Each of the Credit Parties shall cooperate fully with the Agent and its respective agents and employees by providing all information requested by the Agent, and by providing access to its books, records, property, assets, and personnel as requested by the Agent wherever they may be situated in whatever medium they may be recorded, except for confidential or privileged information, at the request of and at times convenient to the Agent, acting reasonably, which right of access shall include the right to inspect and appraise such property and assets.

3.16 Professional Expenses

Each of the Credit Parties hereby covenants and agrees with the Agent to reimburse the Agent for all reasonable and documented expenses incurred in connection with this Agreement and the CCAA Proceedings, including, without limitation, legal fees, financial advisor fees and other professional expenses that the Agent has incurred or will incur arising out of its dealings with the Credit Parties in the CCAA Proceedings (collectively, the "**Professional Expenses**"). The Borrower shall ensure that the Professional Expenses are provided for in the Budget. Nothing in this Agreement, shall derogate from the Credit Parties' obligation to pay for all of the Professional Expenses or shall constitute a cap on Professional Expenses. Notwithstanding the foregoing, the Agent shall add all of the Professional Expenses to the Post-Filing Obligations if the same are not paid when due. Each of the Credit Parties hereby acknowledges, confirms and agrees that the Professional Expenses which are added to the Post-Filing Obligations shall be secured and covered by the Transaction Documents and the DIP Charge.

3.17 Remedies Upon Event of Default and on Termination Date

If any Event of Default occurs and is continuing, or upon the Termination Date, the Agent may take any or all of the following actions, subject to the terms of the Initial Order:

- (a) declare the DIP Facility to be terminated, whereupon the DIP Facility shall be terminated;
- (b) declare the Post-Filing Obligations to be immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by the Credit Parties; and
- (c) exercise any or all of its rights and remedies available to it under this Agreement, the other Transaction Documents, the BIA, the PPSA, other applicable law, or otherwise.

3.18 Termination

The term of the DIP Facility will be the earlier of (a) July 15, 2024 (the "**Maturity Date**"), and (b) any other Termination Date.

The Agent shall have the right to terminate the DIP Facility upon the occurrence of an Event of Default in accordance with the terms of this Agreement, subject to the terms of the Initial Order.

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

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

- (a) the Maturity Date;

- (b) the date on which any Event of Default occurs or is discovered to have occurred in the past, unless waived or otherwise consented to by the Agent; and
- (c) the date of a sale of all or substantially all of the Collateral.

ARTICLE 4 GENERAL PROVISIONS

4.1 Effect of this Agreement

Except as expressly modified pursuant hereto, no other changes or modifications to the terms of the Transaction Documents are intended or implied.

4.2 Transaction Document

This Agreement is a Transaction Document.

4.3 Further Assurances

The parties hereto shall execute and deliver such supplemental documents and take such supplemental action as may be necessary or desirable by the Agent to give effect to the provisions and purposes of this Agreement and the DIP Charge all at the sole expense of the Credit Parties.

4.4 Binding Effect

This Agreement shall be binding upon and enure to the benefit of each of the parties hereto and their respective successors, heirs, executors, administrators, permitted assigns and legal representatives.

4.5 Survival of Representations and Warranties

All representations and warranties made in this Agreement or any other document furnished in connection herewith shall survive the execution and delivery of this Agreement and such other document delivered in connection herewith, and no investigation by the Agent or any closing shall affect the representations and warranties or the rights of the Agent to rely upon such representations and warranties.

4.6 No Novation

This Agreement will not discharge or constitute novation of any debt, obligation, covenant or agreement contained in the Transaction Documents but the same shall remain in full force and effect save to the extent amended by this Agreement.

4.7 Assignments

The Agent may assign this Agreement and its rights and obligations hereunder, in whole or in part, or grant a participation in its rights hereunder or act as an agent for one or more lenders hereunder at any time and from time to time, on the condition that the Monitor is satisfied that the potential

assignee or party granted or to be granted a participation right has the financial wherewithal to, and is an appropriate party to participate in, the Agreement.

Each of the Credit Parties acknowledges and agrees that, in accordance with Applicable Laws, the Agent may, in its discretion, provide any potential assignee, participant or lender with, on a confidential basis, all such information required by such assignee, participant or lender to complete its financial and legal due diligence in connection with assessing such assignment, participation or lending.

Neither this Agreement nor any right hereunder may be assigned by any of the Credit Parties.

4.8 Amendments

This Agreement may not be amended nor waived except by an instrument in writing signed by each of the Credit Parties and the Agent.

4.9 Execution in Counterparts

This Agreement may be executed in counterparts, each of which shall be deemed to be an original and which taken together will be deemed to constitute one and the same instrument. Counterparts may be executed either in original, faxed or portable document format ("**PDF**") form and the parties adopt any signatures received by a receiving fax machine or by emailed PDF as original signatures of the parties; provided, however, that any party providing its signature in such manner will promptly forward to the other party an original of the signed copy of the Agreement which was so faxed or emailed.


[REMINDER OF PAGE DELIBERATELY LEFT BLANK]

IN WITNESS WHEREOF, the parties have entered into this Agreement as of the date first above mentioned.


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

By: _____
Name:
Title:

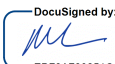
102172093 SASKATCHEWAN LTD.

By:  _____
Name: Matt Milich
Title: CEO


BZAM LTD.

By:  _____
Name: Matt Milich
Title: CEO


BZAM HOLDINGS INC.

By:  _____
Name: Matt Milich
Title: President

BZAM MANAGEMENT INC.

By:  _____
Name: Matt Milich
Title: CEO


BZAM CANNABIS CORP.

By:  _____
Name: Matt Milich
Title: President


FOLIUM LIFE SCIENCE INC.

By:  _____
Name: Matt Milich
Title: President


THE GREEN ORGANIC DUTCHMAN LTD.

By:  _____
Name: Matt Milich
Title: CEO


MEDICAN ORGANIC INC.

By:  _____
Name: Matt Milich
Title: CEO

HIGH ROAD HOLDING CORP.


By:  _____
Name: Matt Milich
Title: Director

FINAL BELL CORP.

By:  _____
Name: Matt Milich
Title: President

IN WITNESS WHEREOF, the parties have entered into this Agreement as of the date first above mentioned.

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

Signed by:
By: 
Name: Sean Register
Title: CEO

102172093 SASKATCHEWAN LTD.

By: _____
Name: _____
Title: _____

BZAM LTD.

By: _____
Name: _____
Title: _____

BZAM MANAGEMENT INC.

By: _____
Name: _____
Title: _____

FOLIUM LIFE SCIENCE INC.

By: _____
Name: _____
Title: _____

MEDICAN ORGANIC INC.

By: _____
Name: _____
Title: _____

FINAL BELL CORP.

By: _____
Name: _____
Title: _____

BZAM HOLDINGS INC.

By: _____
Name: _____
Title: _____

BZAM CANNABIS CORP.

By: _____
Name: _____
Title: _____

THE GREEN ORGANIC DUTCHMAN LTD.

By: _____
Name: _____
Title: _____

HIGH ROAD HOLDING CORP.

By: _____
Name: _____
Title: _____

SCHEDULE "A"

INITIAL BUDGET

BZAM Ltd.

Consolidated Cash Flow Forecast

(\$CAD in thousands)

Forecast Week Starting (Sunday)		25-Feb-24	03-Mar-24	10-Mar-24	17-Mar-24	24-Mar-24	31-Mar-24	07-Apr-24	14-Apr-24	21-Apr-24	28-Apr-24	05-May-24	12-May-24	19-May-24	13 Week
Forecast Week	[1]	1	2	3	4	5	6	7	8	9	10	11	12	13	Total
Receipts															
Receipts from Operations	[2]	\$ 694	\$ 2,521	\$ 1,973	\$ 1,578	\$ 2,351	\$ 3,492	\$ 2,440	\$ 2,476	\$ 3,996	\$ 3,508	\$ 3,933	\$ 2,686	\$ 3,179	\$ 34,827
Total Receipts		\$ 694	\$ 2,521	\$ 1,973	\$ 1,578	\$ 2,351	\$ 3,492	\$ 2,440	\$ 2,476	\$ 3,996	\$ 3,508	\$ 3,933	\$ 2,686	\$ 3,179	\$ 34,827
Disbursements															
<i>Operating Disbursements</i>															
Production Costs	[3]	(779)	(1,005)	(1,160)	(1,005)	(1,340)	(774)	(505)	(405)	(535)	(584)	(874)	(535)	(535)	(10,036)
Insurance		(175)	-	-	-	(134)	-	-	-	-	(134)	-	-	-	(443)
Payroll	[4]	(690)	(1,520)	(458)	(1,035)	(1,222)	(1,090)	(518)	(1,153)	(458)	(1,090)	(518)	(1,153)	(458)	(11,363)
Rent	[5]	(301)	-	-	-	-	(301)	-	-	-	(301)	-	-	-	(903)
Taxes	[6]	(574)	-	-	-	(1,018)	(340)	-	-	-	(4,220)	(550)	-	-	(6,702)
Other Operating Expenses	[7]	(659)	(408)	(836)	(217)	(368)	(264)	(787)	(337)	(311)	(383)	(304)	(373)	(346)	(5,593)
Total Operating Disbursements		\$ (3,178)	\$ (2,933)	\$ (2,454)	\$ (2,257)	\$ (4,082)	\$ (2,769)	\$ (1,810)	\$ (1,895)	\$ (1,304)	\$ (6,712)	\$ (2,246)	\$ (2,061)	\$ (1,339)	\$ (35,040)
Net Cash from Operations		\$ (2,484)	\$ (412)	\$ (481)	\$ (679)	\$ (1,731)	\$ 723	\$ 630	\$ 581	\$ 2,692	\$ (3,204)	\$ 1,687	\$ 625	\$ 1,840	\$ (213)
<i>Financing Disbursements</i>															
Loan Advances (Repayments)	[8]	2,165	(2,521)	(1,973)	(1,578)	(2,351)	(3,492)	(2,440)	(2,476)	(3,996)	(3,508)	(3,933)	(2,686)	(1,472)	(30,261)
Interest Expenses & Fees	[9]	(42)	-	-	-	-	(42)	-	-	-	(42)	-	-	-	(126)
<i>Restructuring Disbursements</i>															
Restructuring Legal and Professional Costs	[10]	(605)	(185)	(185)	(185)	(185)	(185)	(185)	(185)	(185)	(185)	(185)	(185)	(185)	(2,825)
Net Cash Flows		\$ (966)	\$ (3,118)	\$ (2,639)	\$ (2,442)	\$ (4,267)	\$ (2,996)	\$ (1,995)	\$ (2,080)	\$ (1,489)	\$ (6,939)	\$ (2,431)	\$ (2,246)	\$ 183	\$ (33,425)
Cash															
Beginning Balance		\$ 2,814	\$ 1,848	\$ 999	\$ 999	\$ 998	\$ 998	\$ 997	\$ 997	\$ 998	\$ 998	\$ 998	\$ 997	\$ 997	\$ 2,814
Net Receipts/ (Disbursements)		(966)	(3,118)	(2,639)	(2,442)	(4,267)	(2,996)	(1,995)	(2,080)	(1,489)	(6,939)	(2,431)	(2,246)	183	(33,425)
DIP Advances/ (Repayments)	[11]	-	2,367	2,639	2,441	4,267	3,072	1,995	2,081	1,489	7,136	2,440	2,246	(184)	31,989
DIP Fees & Interest Payment	[12]	-	(98)	-	-	-	(77)	-	-	-	(207)	-	-	-	(382)
Ending Balance		\$ 1,848	\$ 999	\$ 999	\$ 998	\$ 998	\$ 997	\$ 997	\$ 998	\$ 998	\$ 998	\$ 997	\$ 997	\$ 996	\$ 996

Notes to the Consolidated Cash Flow Forecast:

[1] The purpose of the Cash Flow Forecast is to estimate the liquidity requirements of BZAM Ltd. and its subsidiaries ("BZAM" or the "Company"). The forecast above is presented in Canadian Dollars. The forecast 13-week Cash Flow Forecast is on a cash-basis only and does not include timing differences for cash in transit.

[2] Receipts from Operations are based on management's current expectations regarding sales and collections. Receipts from operations have been forecast based on current payment terms, historical trends in collections, and expected demand.

[3] Production Costs includes the cost of operating the growing facilities as well as the purchase of cannabis from other Licensed Producers ("LPs").

[4] Forecast Payroll is based on historical payroll amounts and future forecast amounts based on planned headcount reductions.

[5] Forecast Rent includes payments to landlords in various provinces for leased cultivation facilities and office spaces.

[6] Forecast Taxes include payments for sales tax (GST, HST, and QST) to various taxing authorities across Canada as well as the post-filing Excise Tax in accordance with the Excise Tax Act.

[7] Forecast Other Operating Expenses include selling, general, and administrative payments.

[8] Forecast Loan Advances (Repayments) reflect the repayment of the Cortland Secured Pre-Filing Obligations from post-filing receipts in accordance with the DIP Term Sheet.

[9] Forecast Interest Expenses & Fees include an interest-only payment on a mortgaged property.

[10] Forecast Restructuring Legal and Professional Costs include legal and professional fees associated with the CCAA proceedings and are based on estimates provided by the advisors.

[11] Forecast DIP Advances/Repayments are based on funding requirements and maintaining a minimum cash balance of around \$1.0 million.

[12] Forecast DIP Accrued Interest reflects interest of 15.25% accrued on the DIP Advances under the DIP Facility during the forecast period. Interest is payable on the first of the month. A \$0.1M commitment fee is payable upon the initial DIP advance.

SCHEDULE "B"
FORM OF ADVANCE CERTIFICATE

We refer to the provisions of the DIP facility agreement dated February 28, 2024 (as it may be amended, restated, supplemented or otherwise modified from time to time, the “**DIP Facility Agreement**”) between, *inter alia*, The Green Organic Dutchman Ltd. (the “**Borrower**”) and Cortland Credit Lending Corporation, as administrative agent for certain lenders (the “**Agent**”). Capitalized terms used herein have the same meaning as in the DIP Facility Agreement. The undersigned, being an officer or director of the Borrower hereby represents, warrants and certifies in such capacity, and not in her or his personal capacity, as follows:

1. **Representations and Warranties.** The representations and warranties of the Borrower and the other Obligors set forth in the DIP Facility Agreement, or which are contained in any certificate, document or financial or other written statement furnished pursuant to or in connection therewith are accurate and complete in all material respects on and as of the date hereof with the same effect as if made on the date hereof, except to the extent specified in the DIP Facility Agreement to be made as of a specific date.
2. **No Material Adverse Change.** Since the date of the Initial Order, no Material Adverse Change has occurred.
3. **No Default.** There exists no Default or Event of Default on the date hereof and no Default or Event of Default will occur as a result of the Advance Request made pursuant to this Advance Request Certificate.
4. **Conditions Precedent.** The conditions precedent to this Advance Request in accordance with the DIP Facility Agreement have been satisfied.
5. **Loan Advance.** The Borrower hereby requests, authorizes, and instructs the Agent to fulfill this Advance Request in the amount of \$[●] by initiating a wire to the Borrower on _____, 2024 at the particulars noted below and this will be the Agent’s irrevocable authority to do so
 - (a) [●]

SCHEDULE "C"
LIENS (OTHER THAN PERMITTED ENCUMBRANCES)

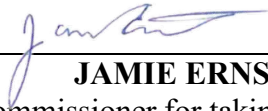
SCHEDULE "D"
TAX RETURNS

- a. Total Excise Tax Arrears: \$9,083,289.33 (as of February 15, 2024)
- b. Total Deposits for Excise Tax: \$2,500,000 (\$2,150,000 with Intact + \$350,000 with CRA)
(as of Feb 28, 2024)
- c. Total Surety Bond: \$4,300,000
- d. Total Sales Tax Arrears: \$2,635,180.64 (as of February 15, 2024)
- e. Total Withholding Tax Arrears: N/A

SCHEDULE "E"
ACTIONS, SUITS AND/OR PROCEEDINGS

1. *1613240 Ontario Ltd. and Amy Stephenson v. The Green Organic Dutchman Holdings Ltd.* (the prior name of BZAM), Ontario Superior Court of Justice File No. CV-18- 605781.
2. BZAM Cannabis Corp. commenced a claim, by arbitration, against GO Drywall Ltd. for breach of a construction contract for failure to provide services. BZAM Cannabis Corp.'s claim is for \$248,936.25. Go Drywall Ltd. commenced a cross claim for wrongful termination of the contract seeking \$746,805.89. A final arbitration was awarded in favor of BZAM Cannabis Corp.'s for the full amount of the claim, plus legal costs.
3. BZAM Management Inc. has filed an appeal from the assessments by the BC Ministry of Finance's tax appeals division to recover approximately \$1.05 Million in BC property transfer taxes paid by it in connection with its acquisition of three properties in British Columbia.
4. On February 1, 2021, a former BZAM Cannabis Corp. employee filed a human rights complaint with the Alberta Human Rights Commission with respect to their termination for refusal to be vaccinated for Covid-19 pursuant to BZAM's Vaccination Policy.
5. *Jason Glenn c.o.b.a Frostmec Services v BZAM Management Inc.* – British Columbia Small Claims Court. Former employee filed a Notice of Claim alleging non-payment of invoices and seeking \$28,082.00.
6. *Freyja Jorgensen v. Final Bell Canada*, HRTO File No. 2023-53071, commenced May 31, 2023. Freyja Jorgensen, a former employee of Final Bell Corp., commenced a proceeding at the Human Rights Tribunal of Canada in the amount of CAD \$123,201.
7. *Thanasi Tambakos, Silvia Vassileva, Christian Tambakos, by his Litigation Guardian, Silvia Vassileva, and Gabriella Tambakos by her Litigation Guardian Silvia Vassileva v. Spectrum Cannabis Canada Ltd. (F.K.A. Mettrum Ltd.), Final Bell Corp. (F.K.A. Starseed Medicinal Inc., and Mettrum (Bennett North) Ltd.), Agripharm Corp., and Canopy Growth Corporation*, CV-23-00695168-0000, issued February 23, 2023. This action claims that the defendants were negligent in the cultivation, production, testing, processing, manufacture, distribution, marketing and sale of the medical marijuana products affected by a recall of products produced, marketed and sold by the defendant, Mettrum Ltd. The claim is for approximately CAD \$475,000.

THIS IS **EXHIBIT "NN"** REFERRED TO IN THE AFFIDAVIT
OF MATTHEW MILICH, SWORN BEFORE ME
THIS 28TH DAY OF FEBRUARY, 2024.



JAMIE ERNST

A Commissioner for taking Affidavits
(or as may be)

Court File No. _____

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
BZAM LTD., BZAM HOLDINGS INC., BZAM MANAGEMENT INC., BZAM
CANNABIS CORP., FOLIUM LIFE SCIENCE INC., 102172093 SASKATCHEWAN
LTD., THE GREEN ORGANIC DUTCHMAN LTD., MEDICAN ORGANIC INC.,
HIGH ROAD HOLDING CORP., AND FINAL BELL CORP.**

Applicants

CONSENT

FTI CONSULTING CANADA INC. hereby consents to act as the court-appointed monitor of the Applicants in connection with these proceedings pursuant to the *Companies' Creditors Arrangement Act* and pursuant to the terms of an order substantially in the form filed.

DATED this 27th day of February, 2024

FTI Consulting Canada Inc.

Per: _____

Name: Jeffrey Rosenberg

Title: Senior Managing Director

**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 BZAM LTD.**

Court File No.: _____

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings Commenced in Toronto

AFFIDAVIT OF MATTHEW MILICH
(Sworn February 28, 2024)

BENNETT JONES LLP
One First Canadian Place
Suite 3400, P.O. Box 130
Toronto, Ontario
M5X 1A4

Sean Zweig (LSO# 57307I)
Mike Shakra (LSO# 64604K)
Andrew Froh (LSBC# 517286)
Jamie Ernst (LSO# 88724A)

Tel: 416-863-1200
Fax: 416-863-1716

Lawyers for the Applicants