

**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  
TREES CORPORATION, ONTARIO CANNABIS HOLDINGS CORP., MIRACULO  
INC., 2707461 ONTARIO INC., OCH ONTARIO CONSULTING CORP., AND 11819496  
CANADA INC.**

**Applicants**

**MOTION RECORD OF THE APPLICANTS  
(Stay Extension and Approval and Vesting Orders)  
(Returnable on April 5, 2024)**

March 25, 2024

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
TREES CORPORATION, ONTARIO CANNABIS HOLDINGS CORP., MIRACULO  
INC., 2707461 ONTARIO INC., OCH ONTARIO CONSULTING CORP., AND 11819496  
CANADA INC.**

**Applicants**

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# TAB 1

**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  
TREES CORPORATION, ONTARIO CANNABIS HOLDINGS CORP., MIRACULO  
INC., 2707461 ONTARIO INC., OCH ONTARIO CONSULTING CORP., AND 11819496  
CANADA INC.**

**Applicants**

**NOTICE OF MOTION**

The Applicants will make a motion before the Honourable Justice Osborne of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) on April 5, 2024, at 10 a.m. (ET), or as soon after that time as the motion can be heard at the Courthouse located at 330 University Avenue, Toronto, Ontario.

**PROPOSED METHOD OF HEARING**

The Motion is to be heard:

- In writing under subrule 37.12.1(1);
- In writing as an opposed motion under subrule 37.12.1(4);
- In person;
- By telephone conference;
- By video conference.

**THE MOTION IS FOR**

1. An order (the “**Approval and Reverse Vesting Order**”) substantially in the form included at Tab 3 of the motion record of the Applicants dated March 25, 2024 (the “**Motion Record**”) that, among other things:
  - (a) approves the amended share purchase agreement between Trees and One Plant (Retail) Corp. (in such capacity, the “**Purchaser**”) dated March 25, 2024 (the “**Share Purchase Agreement**”) and the transaction contemplated therein (the “**Transaction**”);
  - (b) transfers and vests all of the Applicants’ right, title and interest in and to the Excluded Assets, Excluded Contracts, Excluded Leases and Excluded Liabilities to and in ResidualCo (as defined below);
  - (c) authorizes and directs Trees Corporation (“**Trees**”) to file articles of amendment, to give effect to the Transaction;
  - (d) releases and discharges all Claims and Encumbrances from the Applicants’ property;
  - (e) cancels and terminates, without consideration, all Equity Interests of Trees (other than the Post-Consolidation Shares);
  - (f) grants certain protections in favour of FTI Consulting Canada Inc. (“**FTI**” or the “**Monitor**”);
  - (g) upon the Monitor’s delivery of a certificate substantially in the form appended to

the Approval and Reverse Vesting Order, deems the Applicants to cease being Applicants in these *Companies' Creditors Arrangement Act* (“CCAA”) proceedings;

- (h) adds a corporation to be incorporated (“**ResidualCo**”) by Trees in advance of the Closing Date of the Transaction as an applicant to these CCAA proceedings;
- (i) authorizes Jeffrey Holmgren to act as first director of ResidualCo, and orders that he shall not incur any liabilities associated with being the first director of ResidualCo, save and except for gross negligence or wilful misconduct; and
- (j) grants releases in favour of:
  - (a) the Applicants and their representatives;
  - (b) the director of ResidualCo and its legal counsel;
  - (c) FTI and its representatives; and
  - (d) One Plant (Retail) Corp., in its capacities as (A) the Purchaser, (B) the DIP Lender (as defined below), and (C) a secured creditor of the Applicants, and its representatives,(collectively, the “**Released Parties**”).

2. An order (the “**Stay Extension and Termination Order**”) substantially in the form included at Tab 4 of the Motion Record that, among other things:

- (a) extends the Stay Period (as defined below) in favour of the Applicants and their directors and officers (“**D&Os**”) from April 12, 2024, up to and including May 31, 2024;
  - (b) approves the First Report of the Monitor and the Second Report of the Monitor, and the Monitor’s activities, conduct and decisions set out therein;
  - (c) approves the fees and disbursements of the Monitor and its legal counsel;
  - (d) upon the filing of a certificate of the Monitor in the form appended to the proposed Stay Extension and Termination Order (the “**Termination Certificate**”), terminates these CCAA proceedings and discharges the Monitor (the “**CCAA Termination Time**”);
  - (e) terminates the Court-ordered charges approved in these CCAA proceedings effective as at the CCAA Termination Time; and
  - (f) permits ResidualCo to assign itself into bankruptcy.
3. Such further and other relief as this Honourable Court may deem just and equitable.

**THE GROUNDS FOR THE MOTION ARE:**

*Background*

4. On December 22, 2023, the Applicants obtained protection under the CCAA pursuant to an initial order that, among other things, granted a stay of proceedings in favour of the Applicants and their D&Os until January 2, 2024 (the “**Stay Period**”).

5. On January 2, 2024, the Court granted an Amended and Restated Initial Order that, among other things, extended the Stay Period up to and including February 29, 2024, and approved the execution of a debtor in possession term sheet dated December 21, 2023 (as amended, the “**DIP Term Sheet**”), between the Purchaser (in such capacity, the “**DIP Lender**”) and the Applicants.
6. On January 29, 2024, the Applicants sought and obtained the Second Amended and Restated Initial Order (the “**SARIO**”), that, among other things, extended the Stay Period up to and including April 12, 2024.
7. On January 29, 2024, the Applicants sought and obtained an order (the “**SISP Approval Order**”) that, among other things:
  - (a) approved the sale and investment solicitation process (the “**SISP**”), and authorized the Applicants and the Monitor to immediately commence the SISP; and
  - (b) approved the stalking horse share purchase agreement (the “**Stalking Horse Agreement**”) dated as January 23, 2024, between Trees and the Purchaser (in such capacity, the “**Stalking Horse Bidder**”) solely for the purpose of constituting the “**Stalking Horse Bid**” under the SISP.
8. As a result of the conclusion of the SISP, conducted by the Monitor in consultation with the Applicants, the Applicants now seek the proposed Approval and Reverse Vesting Order, approval of the Transaction contemplated thereunder, and the Stay Extension and Termination Order to bring an orderly conclusion to these proceedings.

9. Capitalized terms used herein but not defined, have the meaning given to them in the Share Purchase Agreement. All references to monetary amounts are in Canadian dollars unless noted otherwise.

***Conduct of the SISP***

10. The SISP solicited interest in and opportunities for: (a) one or more sales or partial sales of all, substantially all, or certain portions of the Business or Assets; and/or (b) an investment in, restructuring, recapitalization, refinancing or other form of reorganization of the Applicants or their Business.
11. The Stalking Horse Agreement served as a baseline bid for interested parties to consider during their participation in the SISP. The Stalking Horse Agreement provided certainty that a going-concern solution for the Applicants had already been identified, while providing a minimum purchase price and deal structure in order to encourage superior bids from interested parties.
12. The SISP was designed as a two-phase process, with Phase I requiring non-binding letter of intents and Phase II requiring binding purchase agreements. By the Phase II Deadline of the SISP, the Monitor received two binding offers that were Portion Bids (made by the “**Portion Bidders**”), which when combined, did not include any overlap for the Assets sought to be purchased by each of the Portion Bidders, and which, when totaled, exceeded the Minimum Bid Amount (the “**Aggregate Bid**”).

13. The Monitor recognized the Aggregate Bid as a Superior Offer in accordance with the terms of the SISP and declared an Auction. The Auction was scheduled for 11:00 a.m. (Eastern) on March 21, 2024.
14. On March 18, 2024, counsel representing the Stalking Horse Bidder delivered executed assignment agreements to counsel to the Applicants and counsel to the Monitor (the “**Assignment Agreements**”) related to the purchase and assignment of certain secured convertible promissory notes issued by Trees to various noteholders in the aggregate principal amount of \$1,005,000 (the “**Secured Convertible Notes**”).
15. On March 20, 2024, the Monitor notified the Stalking Horse Bidder and the Portion Bidders of the date and time of the Auction. In addition, the Monitor advised the Portion Bidders that, after the Phase II Bid Deadline, the Monitor and the Applicants received confirmation that the Stalking Horse Bidder acquired the Secured Convertible Notes.
16. On March 21, 2024, one of the Portion Bidders advised the Monitor that it opted to voluntarily withdraw from the SISP because the Portion Bidder was not prepared to significantly increase its bid at the Auction. Since one of the Portion Bidders withdrew from the SISP, the remaining Portion Bid no longer qualified as a Qualified Phase II Bid. As a result, the Stalking Horse Bidder was declared as the Successful Bidder.

#### ***Approval of the Share Purchase Agreement***

18. The principal terms of the Share Purchase Agreement involves the Purchaser acquiring 100% of the issued and outstanding shares of Trees through a reverse vesting order. The Purchase Price includes the Credit Bid Consideration and the Cash Consideration, which

includes the Administrative Expense Amount and funds sufficient to cover any Post-Filing Tax Obligations. The Purchaser will assume specific liabilities post-closing, including among others, all Post Filing Claims, and liabilities arising post-closing. The Purchaser has agreed to employ a minimum of 95% of the store-level employees, without an obligation to employ any specific individual.

19. Critical conditions for the closing include obtaining necessary approvals and regulatory clearances. The Closing Date is fixed within five business days after meeting all closing conditions by no later than April 30, 2024, unless extended by mutual consent.
20. The Applicants operate in a highly regulated environment in accordance with the *Cannabis Act* (Canada) and applicable provincial and municipal legislation. Among other things, the statutory and regulatory framework has strict rules regarding the sale of cannabis, the operation of retail cannabis stores, the location of such stores, and the persons permitted to sell cannabis to consumers.
21. The Applicants currently operate nine cannabis retail stores pursuant to cannabis retail and operator licenses, which remain in good standing. These licenses and permits are held in British Columbia and Ontario. The licenses are non-transferable. If the Transaction was structured as a traditional asset sale, the licenses and permits would require to be re-issued, which would considerably extend the time required to close the Transaction and increase closing risk. The Applicants do not have the requisite cash to continue operations while waiting a significant period of time for the Transaction to close.

22. Accordingly, the Share Purchase Agreement was structured as a reverse vesting transaction because, in part, it will permit the Applicants to maintain their licenses, intellectual property, and contracts with government entities and strategic suppliers. The reverse vesting structure may also permit the maintenance of the Applicants' tax attributes, which includes the Applicants' operating losses.
23. The Transaction under a reverse vesting structure will not result in any material prejudice or impairment of any of the Applicants' creditors' rights that they would otherwise have under an asset sale transaction or under any other available alternative. The Share Purchase Agreement maintains the rights that creditors would otherwise have in an asset sale transaction. In this Transaction, there will be no residual cash consideration that is available for distribution – this fact does not change whether the transaction is an asset sale or a share sale.

### ***Releases***

24. The released claims encompass all claims related to the CCAA Proceedings, the Share Purchase Agreement, and the Transaction against the Released Parties, excluding claims permitted to be released under section 5.1(2) of the CCAA. These releases aim to provide certainty and finality for the Released Parties. The Applicants consider these releases suitable due to the significant contributions of the Released Parties in the CCAA Proceedings and the Transaction, enabling the Applicants to continue as a going concern.

***Stay Period Extension***

25. The Applicants are seeking to extend the Stay Period from April 12, 2024, up to and including May 31, 2024. The extension of the Stay Period is necessary and appropriate in the circumstances to provide the Applicants the time necessary to close the Transaction and allow the Applicants and ResidualCo to complete the winding down of its outstanding liabilities.
26. The proposed extension of the Stay Period will not materially prejudice any of the Applicants' stakeholders. The Monitor supports the extension of the Stay Period to May 31, 2024.
27. The Applicants have been and continue to act in good faith and with due diligence.

***Approval of Monitor's Activities and Fees***

28. The Applicants are seeking approval of the fees and disbursements of the Monitor and its legal counsel incurred in connection with the CCAA Proceedings. The Monitor and its legal counsel have played a significant role in advancing the Applicants' restructuring efforts.
29. The Monitor and its legal counsel will include fee affidavits providing a detailed summary of their fees and disbursements incurred during the CCAA Proceedings in the Second Report of the Monitor.

***Termination of the CCAA Proceedings and the Bankruptcy of ResidualCo***

30. The Applicants also seek the proposed Stay Extension and Termination Order to effect the orderly and efficient completion of these CCAA proceedings, including the assignment of ResidualCo into bankruptcy. Following completion of the Transaction, ResidualCo is not expected to have any material assets that can be realized for the benefit of its creditors.
31. The proposed Stay Extension and Termination Order provides that these CCAA proceedings and the Stay Period will be terminated upon service by the Monitor of the Termination Certificate on the Service List in these CCAA proceedings certifying that, to the best of the knowledge and belief of the Monitor, all matters to be attended to in connection with the CCAA proceedings have been completed.
32. At such time, FTI will be released and discharged as the Monitor and each of the charges as set out in the SARIO will be terminated, released and discharged.
33. Given that the Transaction did not provide sufficient proceeds to satisfy the Applicants' indebtedness with respect to the Excluded Liabilities, the Applicants do not intend to implement a process for the identification and resolution of claims with respect to the Excluded Assets, Excluded Contracts, Excluded Leases, and Excluded Liabilities in these CCAA proceedings or file a plan of compromise or arrangement.
34. To facilitate the orderly and efficient wind-up of ResidualCo's estate, the proposed Stay Extension and Termination Order authorizes ResidualCo to make an assignment in bankruptcy pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") prior to the CCAA Termination Time.

***Other Grounds***

35. The provisions of the CCAA, including without limitation, sections 11, 11.02(2), 18.6, 36, and the inherent and equitable jurisdiction of this Honourable Court.
36. The provisions of the BIA, including without limitation, section 49, and the inherent and equitable jurisdiction of this Honourable Court.
37. Rules 1.04, 1.05, 2.01, 2.03, 3.02, 16, 37, and 39 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended, and section 106 of the *Courts of Justice Act*, R.R.O. 1990 c. C.43, as amended.
38. Such further and other grounds as counsel may advise and this Honourable Court may permit.

**THE FOLLOWING DOCUMENTARY EVIDENCE** will be used at the hearing of the Motion:

39. The Affidavit of Jeffrey Holmgren sworn March 25, 2024, and exhibits attached thereto;
40. The Second Report of the Monitor, to be filed; and
41. Such further and other evidence as counsel may advise and this Honourable Court may permit.

March 25, 2024

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Lawyers for the Applicants

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF TREES CORPORATION, ONTARIO CANNABIS HOLDINGS CORP., MIRACULO INC., 2707461 ONTARIO INC., OCH ONTARIO CONSULTING CORP., AND 11819496 CANADA INC.

Court File No. CV-23-00711935-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

Proceedings commenced at Toronto

**NOTICE OF MOTION**

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Lawyers for the Applicants

# TAB 2

**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  
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INC., 2707461 ONTARIO INC., OCH ONTARIO CONSULTING CORP., AND 11819496  
CANADA INC.**

**Applicants**

**AFFIDAVIT OF JEFFREY HOLMGREN**  
(sworn March 25, 2024)

I, Jeffrey Holmgren, of the City of Calgary, in the Province of Alberta, **MAKE OATH**

**AND SAY AS FOLLOWS:**

1. I am the President and Chief Financial Officer of Trees Corporation (“**Trees**”) and its direct and indirect subsidiaries: Ontario Cannabis Holdings Corp., Miraculo Inc., 2707461 Ontario Inc., OCH Ontario Consulting Corp., and 11819496 Canada Inc. (together with Trees, collectively, the “**Applicants**”).
2. As President and Chief Financial Officer, I am responsible for all the operational and financial activities of the Applicants and am familiar with the Applicants’ day-to-day operations, business and financial affairs, the books and records of the Applicants, and I have personal knowledge of the matters deposed to in this affidavit, except where otherwise stated. Where I have relied on information received from others, I have stated the source of such information and I believe it to be true. In the preparation of this affidavit, I have consulted with the Applicants’ legal counsel. I have also reviewed the records, press

releases, and public filings of the Applicants and have spoken with certain of the directors, officers and/or employees of the Applicants, as necessary to inform my knowledge of the matters deposed to in this affidavit.

3. Capitalized terms used in this affidavit but not defined have the meaning given to them in the amended share purchase agreement between Trees and One Plant (Retail) Corp. (in such capacity, the “**Purchaser**”) dated March 25, 2024 (the “**Share Purchase Agreement**”). All references to monetary amounts in this affidavit are in Canadian dollars unless noted otherwise.
4. This affidavit is sworn in support of a motion returnable before the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) on April 5, 2024, for:
  - (a) an order (the “**Approval and Reverse Vesting Order**”) in the form of the draft order included at Tab 3 of the motion record of the Applicants dated March 25, 2024 (the “**Motion Record**”) that, among other things:
    - (i) approves the Share Purchase Agreement and the transaction contemplated therein (the “**Transaction**”);
    - (ii) transfers and vests all of the Applicants’ right, title and interest in and to the Excluded Assets, Excluded Contracts, Excluded Leases and Excluded Liabilities to and in ResidualCo (as defined below);
    - (iii) authorizes and directs Trees to file articles of amendment, vesting all right, title and interest in and to the Post-Consolidation Shares in the Purchaser free and clear of all Claims and Encumbrances;

- (iv) releases and discharges all Claims and Encumbrances from the Applicants' property;
- (v) cancels and terminates, without consideration, all Equity Interests of Trees other than the Post-Consolidation Shares;
- (vi) grants certain protections in favour of FTI Consulting Canada Inc. ("**FTI**" or the "**Monitor**");
- (vii) upon the Monitor's delivery of a certificate substantially in the form appended to the Approval and Reverse Vesting Order, deems the Applicants to cease being Applicants in these *Companies' Creditors Arrangement Act* ("**CCAA**") proceedings;
- (viii) adds a corporation to be incorporated ("**ResidualCo**") by Trees in advance of the Closing Date of the Transaction as an applicant to these CCAA proceedings;
- (ix) authorizes myself to act as first director of ResidualCo, and orders that I shall not incur any liability associated with being the first director of ResidualCo, save and except for gross negligence or wilful misconduct; and
- (x) grants releases in favour of:
  - (1) the Applicants and their present directors, officers, employees and financial and legal advisors;
  - (2) the director of ResidualCo and its legal counsel;

- (3) FTI, in its personal capacity and in its capacity as the Monitor of the Applicants, and its legal counsel and their respective current and former directors, officers, partners, employees and advisors; and
- (4) One Plant (Retail) Corp., in its capacities as (A) the Purchaser, (B) the DIP Lender (as defined below), and (C) a secured creditor of the Applicants, and its current and former directors, officers, partners, employees, financial and legal advisors,

(collectively, the “**Released Parties**”).

- (b) An order (the “**Stay Extension and Termination Order**”) in the form of the draft order included at Tab 4 of the Motion Record that, among other things:
  - (i) extends the Stay Period (as defined below) in favour of the Applicants and their directors and officers (“**D&Os**”) from April 12, 2024, up to and including May 31, 2024;
  - (ii) approves the First Report of the Monitor and the Second Report of the Monitor (the “**Second Report**”), and the Monitor’s activities, conduct and decisions set out therein;
  - (iii) approves the fees and disbursements of the Monitor and its legal counsel;
  - (iv) upon the filing of a certificate of the Monitor in the form appended to the proposed Stay Extension and Termination Order (the “**Termination Certificate**”), terminates these CCAA proceedings and discharges the Monitor (the “**CCAA Termination Time**”);

- (v) terminates the Court-ordered charges approved in these CCAA proceedings effective as at the CCAA Termination Time; and
- (vi) permits ResidualCo to assign itself into bankruptcy.

## **I. OVERVIEW OF CCAA FILING BY THE APPLICANTS**

5. On December 22, 2023, the Applicants obtained protection under the CCAA pursuant to an initial order (the “**Initial Order**”) of Chief Justice Morawetz that, among other things, granted a stay of proceedings in favour of the Applicants and their D&Os until and including January 2, 2024 (the “**Stay Period**”).
6. On January 2, 2024, the Court granted an Amended and Restated Initial Order that, among other things, extended the Stay Period up to and including February 29, 2024, and approved the execution of a debtor in possession term sheet dated December 21, 2023 (as amended, the “**DIP Term Sheet**”), between the Purchaser (in such capacity, the “**DIP Lender**”) and the Applicants.
7. On January 29, 2024, the Applicants sought and obtained the Second Amended and Restated Initial Order (the “**SARIO**”), that, among other things, extended the Stay Period up to and including April 12, 2024. A copy of the SARIO is attached hereto as **Exhibit “A”**.
8. On January 29, 2024, the Applicants sought and obtained an order (the “**SISP Approval Order**”) that, among other things:
  - (a) approved the sale and investment solicitation process (the “**SISP**”), and authorized the Applicants and the Monitor to immediately commence the SISP; and

- (b) approved the stalking horse share purchase agreement (the “**Stalking Horse Agreement**”) dated as January 23, 2024, between Trees and the Purchaser (in such capacity, the “**Stalking Horse Bidder**”) solely for the purpose of constituting the “**Stalking Horse Bid**” under the SISP.

A copy of the SISP Approval Order, which includes the SISP, is attached hereto as **Exhibit “B”**.

9. As a result of the conclusion of the SISP, the Applicants now seek the issuance of the Approval and Reverse Vesting Order, approval of the Transaction contemplated thereunder, and the Stay Extension and Termination Order to bring an orderly conclusion to these proceedings.

## **II. CONDUCT OF THE SISP<sup>1</sup>**

10. In accordance with the SISP, the Monitor conducted the SISP in consultation with the Applicants. The SISP included the following milestones, among others, each of which could be modified by the Monitor as permitted in the SISP:

<b>Milestone</b>	<b>Deadline</b>
Commencement of SISP	January 29, 2024
Distribution of the Notice, Teaser Letter Confidentiality Agreement and Acknowledgement of SISP	As soon as reasonably practicable following the date on which the SISP Approval Order is granted
Phase I Bid Deadline (5:00 PM (Eastern Time))	February 29, 2024

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<sup>1</sup> All capitalized terms used in this section and not otherwise defined herein have the meanings given to them in the SISP, attached as Schedule “A” to the SISP Approval Order.

Phase II Bid Deadline (5:00 PM (Eastern Time))	March 15, 2024
Selection of Successful Bid(s), Back-Up Bid(s), or Notification of Auction (if any)	March 19, 2024
Auction (if any)	No later than March 22, 2024
Sale Approval Hearing	As soon as practicable
Closing Date Deadline	A maximum of 4 weeks after the Sale Approval Hearing, but by no later than the Outside Date of April 30, 2024

11. The SISP solicited interest in and opportunities for: (a) one or more sales or partial sales of all, substantially all, or certain portions of the Business or Assets; and/or (b) an investment in, restructuring, recapitalization, refinancing or other form of reorganization of the Applicants or their Business. Accordingly, the SISP provided the Applicants with the latitude to pursue both asset and share transactions (including through a reverse vesting structure), or a recapitalization of the Applicants.
  
12. The Stalking Horse Agreement served as a baseline bid for interested parties to consider during their participation in the SISP. Among other benefits, the Stalking Horse Agreement provided certainty that a going-concern solution for the Applicants had already been identified, while providing a minimum purchase price and deal structure in order to encourage superior bids from interested parties. The inclusion of the Stalking Horse Agreement in the SISP attempted to facilitate the maximization of value for all of the Applicants' stakeholders.

***Solicitation of Interest and Phase I of SISP***

13. In accordance with the SISP, the Monitor, in consultation with the Applicants:
  - (a) prepared a list of Known Potential Bidders, which included:

- (i) parties that approached the Applicants or the Monitor indicating an interest in the opportunity; and
  - (ii) strategic parties who the Monitor or the Applicants believed may be interested in purchasing all or part of the Business or Assets or investing in the Applicants pursuant to the SISP;
- (b) prepared a process summary (the “**Teaser Letter**”) describing the opportunity, outlining the process under the SISP and inviting recipients of the Teaser Letter to express their interest pursuant to the SISP;
  - (c) prepared a form of Confidentiality Agreement; and
  - (d) prepared the Data Room, with access being granted to potential bidders who have executed the Confidentiality Agreement and Acknowledgement of the SISP.
14. I am advised that the Monitor will prepare a detailed report on the SISP in the Second Report. By way of summary, I am advised by Mitch Grossell of Thornton Grout Finnigan LLP (“**TGF**”) that:
- (a) the SISP commenced on January 29, 2024;
  - (b) the Monitor distributed the Teaser Letter describing the opportunity to invest in, or acquire the Applicants, to approximately 144 individuals through electronic mail;
  - (c) the Monitor utilized its capital markets team in an attempt to find other potential parties who may have been interested in pursuing a transaction with the Applicants;
  - (d) an invitation to prospective buyers to submit an offer for the sale of Trees’ assets was published in the *Globe and Mail* (National Edition) and *Insolvency Insider*;

- (e) 19 parties executed the Confidentiality Agreement and were provided access to the Data Room containing information about the Applicants and their business and operations; and
  - (f) the Monitor followed up with the parties who executed Confidentiality Agreement and were provided access to the Data Room.
15. Following the Phase I Bid Deadline, the Monitor received four (4) non-binding bids (collectively, the “**Phase I Bids**”). I am advised by Jeffrey Rosenberg of FTI that, after reviewing these submissions, the Monitor discussed certain issues with one of the Phase I Bids received on the Phase I Bid Deadline in respect of the satisfaction of the purchase price. Following these discussions, that bidder elected to voluntarily withdraw from continuing in the bidding process. Consequently, the remaining three bidders were assessed and deemed to be Qualified Phase I Bidders and were invited to participate in Phase II of the SISP.

***Phase II of SISP***

16. During Phase II of the SISP, the Monitor provided the Qualified Phase I Bidders with additional information regarding the Applicants through the Data Room, including a template share purchase agreement substantially in the form of the Stalking Horse Agreement. In addition, senior management of the Applicants made themselves available to answer questions from certain of the Qualified Phase I Bidders.
17. The Monitor received two (2) binding offers by the Phase II Bid Deadline on March 15, 2024. Both offers were Portion Bids (made by the “**Portion Bidders**”), which when combined, did not include any overlap for the Assets sought to be purchased by each of the

Portion Bidders, and which, when totaled, exceeded the Minimum Bid Amount (the “**Aggregate Bid**”).

18. On March 18, 2024, counsel representing the Stalking Horse Bidder delivered to the legal counsel of the Applicants and the Monitor, executed assignment agreements (the “**Assignment Agreements**”) related to certain secured convertible promissory notes issued by Trees to various noteholders in the aggregate principal amount of \$1,005,000 (the “**Secured Convertible Notes**”), to which the indebtedness of Trees with interest is \$1,166,664. Pursuant to the Assignment Agreements, the Stalking Horse Bidder took assignment of the Secured Convertible Notes.
19. Following the Phase II Bid Deadline, the Monitor and its counsel, in consultation with counsel to the Applicants, reviewed the Binding Offers. I am advised by Mr. Grossell that, by way of letter correspondence, the Monitor and its legal counsel sought certain clarifications and amendments from the Portion Bidders to ensure that the Aggregate Bid met the criteria for Qualified Phase II Bids in the SISP. In addition, the Monitor also advised the Portion Bidders that, after the Phase II Bid Deadline, the Monitor and the Applicants were notified that the Stalking Horse Bidder acquired the Secured Convertible Notes.
20. Pursuant to the SISP, the Monitor was required to declare the Qualified Phase II Bidders by no later than March 19, 2024. However, in response to the letters, one of the Portion Bidders requested additional time to submit its binding share purchase agreement after taking into consideration the feedback from the Monitor. The Monitor, after receiving

consent of the DIP Lender, extended the time to declare the Qualified Phase II Bidders until March 20, 2024.

21. Both Portion Bidders ultimately provided revised binding share purchase agreements. This permitted the Monitor to recognize their Aggregate Bid as a Superior Offer in accordance with the SISP and declare an Auction. The Auction was scheduled for 11:00 a.m. (Eastern) on March 21, 2024. On March 20, 2024, the Monitor notified the Stalking Horse Bidder and the Portion Bidders of the date and time of the Auction. In addition, the Monitor sought the consent of the Portion Bidders to share their respective contact information to one another so they could prepare for the upcoming Auction.
22. On March 21, 2024, one of the Portion Bidders advised the Monitor that it opted to voluntarily withdraw from the SISP because the Portion Bidder was not prepared to significantly increase its bid at the Auction. Since one of the Portion Bidders withdrew from the SISP, the remaining Portion Bid no longer qualified as a Qualified Phase II Bid. As a result, the Stalking Horse Bidder was declared as the Successful Bidder.

### **III. RELIEF SOUGHT**

#### ***Approval of the Share Purchase Agreement***

##### **(i) Key Terms of the Transaction**

23. As set out above, the highest and best offer received was the offer made by the Purchaser pursuant to the Share Purchase Agreement, which now includes the acquisition of the Secured Convertible Notes.
24. The Share Purchase Agreement is attached hereto as **Exhibit “C”**. The principal terms of the Share Purchase Agreement are summarized below:

<b>Term</b>	<b>Details</b>
<b>Seller</b>	Trees Corporation
<b>Purchaser</b>	One Plant (Retail) Corp.
<b>Transaction Structure</b>	The Purchaser shall be the owner of 100% of the issued and outstanding shares of Trees, to be effected through a reverse vesting order.
<b>Purchase Price</b>	The aggregate of: (a) the Credit Bid Consideration, (b) the Pre-Filing GST/HST Obligations, and (c) the Cash Consideration, which includes the Administrative Expense Amount and an amount required to satisfy any Post-Filing Tax Obligations.
<b>Assumed Liabilities</b>	<ul style="list-style-type: none"> <li>• All Post-Filing Claims;</li> <li>• All liabilities of the Applicants arising from and after Closing;</li> <li>• To the extent that the Applicants do not have sufficient funds on or before the Closing Date to satisfy such amounts or such amounts are not otherwise paid with the Cash Consideration, any and all Claims in priority to the Credit Bid Consideration;</li> <li>• Pre-Filing GST/HST Obligations;</li> <li>• Intercompany Claims between members of the Applicants; and</li> <li>• Those specific Assumed Liabilities set forth in Schedule 2.04 of the Share Purchase Agreement.</li> </ul>
<b>As is, Where is</b>	The Business and New Common Shares will be sold to the Purchaser, and the Assumed Liabilities will be retained by the Purchaser, on an “as is, where is” basis, subject to representations and warranties contained in the Share Purchase Agreement.
<b>Employees</b>	The Purchaser agrees that no fewer than 95% of the total current number of store-level employees of the Applicants shall receive an offer of employment. Notwithstanding any other provision of the Share Purchase Agreement, the Purchaser has no obligation to offer employment to any particular employee.
<b>Key Conditions to Closing</b>	<ul style="list-style-type: none"> <li>• Granting of the Approval and Reverse Vesting Order; and</li> <li>• Receipt of the required Transaction Regulatory Approvals.</li> </ul>

<b>Closing Date</b>	A date no later than five (5) Business Days after all the Closing Conditions set forth in Article XI of the Share Purchase Agreement have been satisfied or waived; provided that, if there is to be a Closing, then the Closing Date shall be no later than the Outside Date of April 30, 2024, unless otherwise agreed to by the Parties in writing.
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25. I understand from my discussions with the Monitor, and the Applicants' counsel, that the Share Purchase Agreement represents the best possible outcome for the Applicants, its creditors, and other stakeholders in the circumstances.
26. Based on my discussions with the Monitor and counsel, the SISP broadly canvassed the market of parties that may be interested in the Applicants' business and assets. Further, the timelines under the SISP were reasonable in the circumstances given the Applicants' cash constraints. I am advised by the Monitor that it also believes the timelines and terms of the SISP were reasonable in the circumstances.
27. Among other, the benefits of the Transaction include the following:
  - (a) the continuation of the Applicants as a going concern in Ontario and British Columbia;
  - (b) the continued employment of substantially all of the Applicants' employees;
  - (c) the continuation of ordinary course relationships among the Applicants and their landlords and suppliers of goods and services;
  - (d) the satisfaction of a significant portion of the Applicant's secured liabilities; and
  - (e) the assumption of certain unsecured liabilities.

**(ii) Reverse Vesting Structure**

28. The Transaction contemplated in the Share Purchase Agreement has been structured as a “reverse vesting” transaction. Instead of providing for a traditional asset sale transaction where all purchased assets are purchased and transferred to the purchaser on a “free and clear” basis and all excluded assets, excluded contracts and excluded liabilities remain with the debtor company, the Transaction provides for a share transaction whereby, among other things:
- (a) Trees will issue New Common Shares to the Purchaser, and subsequently consolidate the New Common Shares and the Existing Shares, such that the Purchaser will become the sole shareholder of Trees; and
  - (b) all Excluded Contracts, Excluded Assets, and Excluded Liabilities with respect to the Applicants will be transferred and “vested out” to ResidualCo, so as to allow the Purchaser acquire the Applicants’ business and assets on a “free and clear” basis, subject to the Permitted Encumbrances.
29. Subject to approval of the Approval and Reverse Vesting Order, on or prior to the Closing Date, the Applicants shall effect the transaction steps and Pre-Closing Reorganization (collectively, the “**Implementation Steps**”) as set out in Schedule 5.01(c) of the Share Purchase Agreement.
30. The Applicants operate in a highly regulated environment in accordance with the *Cannabis Act* (Canada) and applicable provincial and municipal legislation. Among other things, the statutory and regulatory framework has strict rules regarding the sale of cannabis, the

operation of retail cannabis stores, the location of such stores, and the persons permitted to sell cannabis to consumers.

31. The Applicants currently operate nine (9) cannabis retail stores pursuant to cannabis retail and operator licenses, which remain in good standing. These licenses and permits are held in British Columbia and Ontario. The licenses are non-transferable. If the Transaction was structured as a traditional asset sale, the licenses and permits would require to be re-issued, which would considerably extend the time required to close the Transaction, and increase closing risk. The Applicants do not have the requisite cash to continue operations while waiting a significant period of time for the Transaction to close.
32. In addition, an asset sale would require consents to assign, re-establish or enter into new arrangements with respect to various other commercial counterparties including:
  - (a) contracts with certain provincially operated cannabis distributors;
  - (b) contracts with certain vendors of cannabis accessories located across Canada;
  - (c) intellectual property which would require re-recording and registration of the names and assignment; and
  - (d) leases with certain landlords.
33. Under a traditional asset sale transaction structure, some of these licenses, permits, and contracts with government entities and other strategic suppliers may be difficult to transfer to a purchaser and, to the extent that such transfer is possible, the steps required to proceed with such transfer will likely result in additional delays, costs, and uncertainty.

34. Accordingly, the Share Purchase Agreement was structured as a reverse vesting transaction because, in part, it will permit the Applicants to maintain their licenses, intellectual property, and contracts with government entities and strategic suppliers.
35. As the Applicants are facing significant liquidity constraints, the delay, cost, and uncertainty associated with transferring their licenses, intellectual property and contracts with government entities, strategic suppliers and certain landlords is not a viable option.
36. The reverse vesting structure may also permit the maintenance of the Applicants' tax attributes, which includes the Applicants' operating losses.
37. Based on discussions with counsel and the Monitor, I am not aware of any reason why completing the Transaction under a reverse vesting structure will result in any material prejudice or impairment of any of the Applicants' creditors' rights that they would otherwise have under an asset sale transaction or under any other available alternative. The Share Purchase Agreement maintains the rights that creditors would otherwise have in an asset sale transaction. In this particular Transaction, there will be no residual cash consideration that is available for distribution – this fact does not change whether the transaction is an asset sale or a share sale.
38. The market has been thoroughly canvassed. I am advised by Mr. Rosenberg that the Monitor believes that the Transaction contemplated by the Share Purchase Agreement is the best going-concern option which would result in continued employment for substantially all of the Applicants' employees, continued relationships with the Applicants' suppliers and customers.

39. While a variety of liabilities will be vested out into ResidualCo in this structure, the same result would have occurred had the transaction been implemented in an asset transaction structure. The concept of Assumed Liabilities in the Share Purchase Agreement provides a benefit for a variety of stakeholders that would not have otherwise had this benefit in a traditional asset vesting transaction structure.
  
40. Finally, I believe, based on my involvement leading up to commencement of the CCAA Proceedings and the SISP that:
  - (a) the process leading to the proposed Transaction, which began as early as December 2023, was reasonable in the circumstances;
  - (b) the Monitor properly conducted the SISP and consulted the Applicants throughout, as required and necessary;
  - (c) the Transaction, if approved by this Court, will result in the best outcome for the Applicants and their creditors and other stakeholders in the circumstances;
  - (d) the consideration to be received for the New Common Shares is reasonable and fair, taking into account their market value and the broad canvassing of potentially interested parties during the SISP; and
  - (e) the Monitor is supportive of the relief sought on this motion.
  
41. Finally, the Applicants, with the assistance of the Monitor, intend to consult with the remaining secured creditors of the Applicants prior to the return of the motion. This is intended to walk the secured creditors through the process, and provide a view of any alternatives to the Transaction.

***Releases***

42. As set forth in the proposed Approval and Reverse Vesting Order, the Applicants also seek releases in favour of the Released Parties.
43. The released claims cover, among other things, any and all present and future claims against the Released Parties based upon any fact or matter of occurrence in respect of the CCAA Proceedings, the Share Purchase Agreement, and the completion of the Transaction, as the case may be (the “**Released Claims**”). The Released Claims do not release claims that are not permitted to be released pursuant to section 5.1(2) of the CCAA.
44. The releases are sought in order to achieve certainty and finality for the Released Parties in the most efficient and appropriate manner given the circumstances.
45. The Applicants believe that the releases sought are appropriate, given the significant and material contributions of the Released Parties in connection with the CCAA Proceedings and the Transaction, which, as previously discussed, will allow the Applicants to continue their operations as a going concern.
46. The Applicants and the Monitor believe that the releases are an essential component to the Transaction.

***Stay Period Extension***

47. The Applicants are seeking to extend the Stay Period from April 12, 2024, up to and including May 31, 2024. The extension of the Stay Period is necessary and appropriate in the circumstances to provide the Applicants the time necessary to close the Transaction, and allow the Applicants and ResidualCo to complete the winding down of its outstanding liabilities.

48. The Share Purchase Agreement contemplates an Outside Date of April 30, 2024 to close the Transaction. However, it is unclear when the requisite regulatory authorities will provide the approvals required to satisfy the closing conditions in the Share Purchase Agreement.
49. The Applicants seek the extension of the Stay Period at this time to minimize the costs associated with an additional hearing. Extending the Stay Period to May 31, 2024, should provide ample time for the Applicants and the Purchaser, with the assistance of the Monitor, to close the Transaction.
50. I do not believe that the proposed extension of the Stay Period will materially prejudice any of the Applicants' stakeholders. Further, I understand that the Monitor supports the extension of the Stay Period to May 31, 2024.
51. The Applicants have been and continue to act in good faith and with due diligence.

***Approval of Monitor's Activities and Fees***

52. The Applicants are seeking approval of the fees and disbursements of the Monitor and its legal counsel incurred in connection with the CCAA Proceedings. The Monitor and its legal counsel have played a significant role in advancing the Applicants' restructuring efforts.
53. I am advised by Mr. Grossell that the Monitor and its legal counsel will include fee affidavits providing a detailed summary of their fees and disbursements incurred during the CCAA Proceedings in the Second Report.

***Termination of the CCAA Proceedings and the Bankruptcy of ResidualCo***

54. Since the granting of the Initial Order, the Applicants have acted in good faith and with due diligence to, among other things, stabilize the business, prepare and implement the SISP, and negotiate and consummate the Transaction.
55. Having completed the SISP and the anticipated closing of the Transaction, the Applicants also seek the proposed Stay Extension and Termination Order to effect the orderly and efficient completion of these CCAA proceedings, including the assignment of ResidualCo into bankruptcy. Following completion of the Transaction, ResidualCo is not expected to have any material assets that can be realized for the benefit of its creditors.
56. The proposed Stay Extension and Termination Order provides that these CCAA proceedings and the Stay Period will be terminated upon service by the Monitor of the Termination Certificate on the Service List in these CCAA proceedings certifying that, to the best of the knowledge and belief of the Monitor, all matters to be attended to in connection with the CCAA proceedings have been completed.
57. At such time, FTI will be released and discharged as the Monitor and each of the charges as set out in the SARIO will be terminated, released and discharged.
58. Given that the Share Purchase Agreement is conditional upon, among other things, the payment of all fees and disbursements secured by the Administrative Expense Amount, no amounts are anticipated to be outstanding under the Administration Charge, Subsequent Administration Charge, the Directors' Charge, and the Subsequent Directors' Charge (each, as set out in the SARIO) as of the CCAA Termination Time. Additionally, the Purchaser will release the Applicants from all amounts outstanding and obligations owing

to the Purchaser pursuant to the DIP Term Sheet, as such amounts form part of the Credit Bid Consideration pursuant to the Share Purchase Agreement.

59. Given that the Transaction did not provide sufficient proceeds to satisfy the Applicants' indebtedness with respect to the Excluded Liabilities, the Applicants do not intend to implement a process for the identification and resolution of claims with respect to the Excluded Assets, Excluded Contracts, Excluded Leases, and Excluded Liabilities in these CCAA proceedings or file a plan of compromise or arrangement.
60. To facilitate the orderly and efficient wind-up of ResidualCo's estate, the proposed Stay Extension and Termination Order authorizes ResidualCo to make an assignment in bankruptcy pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") prior to the CCAA Termination Time.
61. In accordance with the proposed Stay Extension and Termination Order, FTI is hereby authorized and empowered, but not obligated, to act as trustee in bankruptcy in respect of ResidualCo.
62. I am advised by TGF that the Monitor is supportive of ResidualCo's proposed assignment in bankruptcy pursuant to the BIA prior to the CCAA Termination Time, and believes that it is in the best interests of ResidualCo and its stakeholders.

#### **IV. CONCLUSION**

63. For the reasons set out above, I believe that it is in the interests of the Applicants and their stakeholders that this Court grant the relief requested in accordance with the terms of the

proposed Approval and Reverse Vesting Order and the proposed Stay Extension and Termination Order.

64. I swear this affidavit in support of the Applicants' motion seeking the Approval and Reverse Vesting Order and the Stay Extension and Termination Order pursuant to the CCAA and for no other or improper purpose.

SWORN via video conference by Jeffrey Holmgren in the City of Anaheim, in the State of California of the Country of United States of America, before me at the City of Vaughan, in the Province of Ontario, in the Country of Canada, this 25<sup>th</sup> day of March, 2024, in accordance with *O. Reg. 431/20*, Administering Oath or Declaration Remotely

Rudrakshi Chakrabarti

Commissioner for Taking Affidavits

**Rudrakshi Chakrabarti**



JEFFREY HOLMGREN

This is **Exhibit "A"** referred to in the  
Affidavit of Jeffrey Holmgren sworn by Jeffrey Holmgren in the  
City of Anaheim, in the State of California, in the Country of United  
States of America, before me at the City of Vaughan, in the Province  
of Ontario, in the Country of Canada, this 25<sup>th</sup> day of March, 2024  
in accordance with *O. Reg. 431/20*,  
*Administering Oath or Declaration Remotely.*

Rudrakshi Chakrabarti

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A Commissioner for taking affidavits



Court File No. CV-23-00711935-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

THE HONOURABLE ) MONDAY, THE 29TH  
JUSTICE OSBORNE ) DAY OF JANUARY, 2024

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR  
ARRANGEMENT OF **TREES CORPORATION, ONTARIO  
CANNABIS HOLDINGS CORP., MIRACULO INC., 2707461  
ONTARIO LTD., OCH ONTARIO CONSULTING CORP.,  
AND 11819496 CANADA INC.** (collectively, the “**Applicants**”)

**SECOND AMENDED AND RESTATED INITIAL ORDER**

**THIS MOTION**, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) for an order amending and restating the Amended and Restated Initial Order granted January 2, 2024 (as amended and restated, the “**Initial Order**”) was heard this day by way of judicial video conference in Toronto, Ontario by Zoom videoconference.

ON READING the affidavit of Jeffrey Holmgren sworn December 21, 2023, and the Exhibits thereto (the “**Initial Holmgren Affidavit**”), the affidavit of Jeffrey Holmgren sworn December 29, 2023 (the “**Second Holmgren Affidavit**”), the affidavit of Jeffrey Holmgren sworn January 23, 2024 (together with the Initial Holmgren Affidavit and the Second Holmgren Affidavit, the “**Holmgren Affidavits**”), the Pre-Filing Report of Ernst & Young Inc. dated December 21, 2023 (the “**Pre-Filing Report**”), the First Report of Ernst & Young Inc. dated December 29, 2023, and the First Report of FTI Consulting Canada Inc., filed, and on being

advised that the secured creditors who are likely affected by the charges created herein were given notice, and on hearing the submissions of counsel for the Applicants, counsel for FTI Consulting Canada Inc. and those other parties listed on the Participant Information Form, no one else appearing although duly served as appears from the Affidavits of Service, and on reading the consent of FTI Consulting Canada Inc. to act as the monitor (the “**Monitor**”);

## **SERVICE AND DEFINITIONS**

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record of the Applicants dated December 29, 2023, is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that capitalized terms used herein that are not otherwise defined shall have the meaning ascribed to them in the Holmgren Affidavits.

## **APPLICATION**

3. **THIS COURT ORDERS** that each of the Applicants is a company to which the CCAA applies.

## **PLAN OF ARRANGEMENT**

4. **THIS COURT ORDERS** that the Applicants shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the “**Plan**”).

## **POSSESSION OF PROPERTY AND OPERATIONS**

5. **THIS COURT ORDERS** that the Applicants shall remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the “**Property**”). Subject to further Order of the Court, the Applicants shall continue to carry on business in a manner consistent with the preservation of their business (the “**Business**”) and Property. The Applicants are authorized and empowered to continue to retain and employ their employees, consultants, agents, experts, accountants, counsel and such other persons (collectively “**Assistants**”) currently retained or

employed by them, with liberty to retain such further Assistants as they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

6. **THIS COURT ORDERS** that the Applicants shall be entitled to continue to utilize the cash management system currently in place as described in the Initial Holmgren Affidavit or replace it with another substantially similar central cash management system (the "**Cash Management System**"), and that any present or future bank or financial institution providing the Cash Management System: (a) shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicants of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, (b) shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicants, pursuant to the terms of the documentation applicable to the Cash Management System, and (c) shall be, solely in its capacity as provider of the Cash Management System only, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System on or after the date of this Order.

7. **THIS COURT ORDERS** that the Applicants shall be entitled but not required to pay the following expenses whether incurred prior to, on or after the date of this Order:

- (a) all outstanding and future wages, salaries, employee benefits (including, without limitation, employee medical, dental, vision, insurance and similar benefit plans or arrangements), reasonable amounts owing under corporate credit cards issued to management and employees of the Applicants, vacation pay and reasonable employee and director expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing practices, compensation policies and arrangements;
- (b) the fees and disbursements of any Assistants retained or employed by the Applicants prior to or after the commencement of these proceedings, at their standard rates and charges; and

- (c) with the consent of the Monitor, any taxes, duties or other payments required for goods or services actually provided to the Applicants prior to the date of this Order by third parties up to the maximum amount of \$50,000 if, in the opinion of the Applicants, such third party is critical to the Business and ongoing operations of the Applicants.

8. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the Applicants shall be entitled but not required to pay all reasonable expenses incurred by the Applicants in carrying on their Business in the ordinary course after the date of this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors' and officers' insurance), maintenance and security services; and
- (b) payment for goods or services actually supplied to the Applicants following the date of this Order.

9. **THIS COURT ORDERS** that the Applicants shall, in accordance with legal requirements, remit or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority that are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, and (iii) income taxes;
- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicants in connection with the sale of goods and services by the Applicants, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order, and

- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicants.

10. **THIS COURT ORDERS** that until a real property lease is disclaimed in accordance with the CCAA, the relevant Applicant shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the relevant Applicant and the landlord from time to time ("**Rent**"), for the period commencing from and including the date of this Order, in accordance with the terms of the applicable lease agreement. On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

11. **THIS COURT ORDERS** that, except as specifically permitted herein, the Applicant is hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicant to any of its creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

## **RESTRUCTURING**

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

- (a) permanently or temporarily cease, downsize or shut down any of their business or operations, and to dispose of redundant or non-material assets not exceeding \$150,000 in any one transaction or \$1,000,000 in the aggregate, in each case with the consent of the Monitor;

- (b) terminate the employment of their employees or temporarily lay off their employees as the Applicants deem appropriate; and
- (c) pursue all restructuring options for the Applicants including, without limitation, all avenues of refinancing of their Business or Property, in whole or in part, subject to prior approval of this Court being obtained before any material refinancing,

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

13. **THIS COURT ORDERS** that the relevant Applicant shall provide each of the relevant landlords with notice of the relevant Applicant’s intention to remove any fixtures from any leased premises at least seven (7) calendar days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the relevant Applicant’s entitlement to remove any such fixture under the provisions of the applicable lease agreement, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the relevant Applicant, or by further Order of the Court upon application by the relevant Applicant on at least two (2) calendar days notice to such landlord and any such secured creditors. If the relevant Applicant disclaims the lease governing such leased premises in accordance with section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in section 32(5) of the CCAA), and the disclaimer of the lease shall be without prejudice to the relevant Applicant’s claim to the fixtures in dispute.

14. **THIS COURT ORDERS** that if a notice of disclaimer is delivered pursuant to section 32 of the CCAA, then: (a) during the notice period prior to the effective time of the disclaimer, the relevant landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the relevant Applicant and the Monitor 24 hours’ prior written notice, and (b) at the effective time of the disclaimer, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the relevant Applicant in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

## **NO PROCEEDINGS AGAINST THE APPLICANTS OR THE PROPERTY**

15. **THIS COURT ORDERS** that until and including April 12, 2024, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in or out of any court or tribunal or other forum (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Applicants or the Monitor, or affecting their Business or their Property, except with the written consent of the Applicants and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicants or affecting their Business or their Property are hereby stayed and suspended pending further Order of this Court.

## **NO EXERCISE OF RIGHTS OR REMEDIES**

16. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the Applicants or the Monitor, or affecting their Business or their Property, are hereby stayed and suspended except with the written consent of the Applicants and the Monitor, or leave of this Court, provided that nothing in this Order shall:

- (a) empower the Applicants to carry on any business that the Applicants are not lawfully entitled to carry on;
- (b) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA;
- (c) prevent the filing of any registration to preserve or perfect a security interest; or
- (d) prevent the registration of a claim for lien.

## **NO INTERFERENCE WITH RIGHTS**

17. **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, lease, sublease, licence or permit in favour of or held by the Applicants, except with the written consent of the Applicants and the Monitor, or leave of this Court.

## **CONTINUATION OF SERVICES**

18. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Applicants or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Business or the Applicants, are hereby restrained until further Order of the Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Applicants, and that the Applicants shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Applicants in accordance with normal payment practices of the Applicants or such other practices as may be agreed upon by the supplier or service provider and each of the Applicants and the Monitor, or as may be ordered by this Court.

## **NON-DEROGATION OF RIGHTS**

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

## **PROCEEDINGS AGAINST DIRECTORS AND OFFICERS**

20. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicants with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Applicants whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such

obligations, until a compromise or arrangement in respect of the Applicants, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicants or this Court.

### **DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE**

21. **THIS COURT ORDERS** that the Applicants shall indemnify their directors and officers against obligations and liabilities that they may incur as directors or officers of the Applicants after the commencement of the within proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

22. **THIS COURT ORDERS** that the directors and officers of the Applicants shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of \$100,000, as security for the indemnity provided in paragraph 21 of this Order.

23. **THIS COURT ORDERS** that the directors and officers of the Applicants shall be entitled to the benefit of and hereby granted a further charge (the "**Subsequent Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of \$383,000, as security for the indemnity provided in paragraph 21 of this Order. The Directors' Charge and the Subsequent Directors' Charge shall have the priorities set out in paragraphs 43 and 45 herein.

24. **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) the Applicants' directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 21 of this Order.

### **APPOINTMENT OF MONITOR**

25. **THIS COURT ORDERS** that FTI Consulting Canada Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicants with the powers and obligations set out in the CCAA or set forth herein and that the Applicants and their shareholders, officers, directors, and Assistants shall advise the

Monitor of all material steps taken by the Applicants pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

26. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Applicants' receipts and disbursements;
- (b) report to the Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) assist the Applicants, to the extent required by the Applicants, in its dissemination to the DIP Lender (defined below) and its counsel on a monthly basis of financial and other information as agreed to between the Applicants and the DIP Lender which may be used in these proceedings including reporting on a basis to be agreed with the DIP Lender;
- (d) advise the Applicants in the preparation of the Applicants' cash flow statements and reporting required by the DIP Lender pursuant to the DIP Term Sheet, which information shall be reviewed with the Monitor and delivered to the DIP Lender and its counsel on a periodic basis, but not less than on a monthly basis, or as otherwise agreed to by the DIP Lender;
- (e) advise the Applicants in their development of the Plan and any amendments to the Plan;
- (f) assist the Applicants, to the extent required by the Applicants, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the

Applicants, to the extent that is necessary to adequately assess the Applicants' business and financial affairs or to perform its duties arising under this Order;

- (h) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and
- (i) perform such other duties as are required by this Order or by this Court from time to time.

27. **THIS COURT ORDERS** that the Monitor shall not occupy or take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of (or be deemed to take Possession of), or exercise (or be deemed to have exercised) any rights of control over any activities in respect of, the Property, or any assets, properties or undertakings of any of the Applicants, or the direct or indirect subsidiaries or affiliates of any of the Applicants, including but not limited to any activities for which a permit or license is issued or required pursuant to any provision of any federal, provincial or other law respecting, among other things, the manufacturing, possession, processing, retail sale and distributing of cannabis or cannabis products including, without limitation, under the *Cannabis Act*, S.C. 2018, c. 16, the *Controlled Drugs and Substances Act*, S.C. 1996, c. 19, the *Excise Tax Act*, R.S.C. 1985, c. E. 15, *Excise Act*, 2001, S.C. 2002, c.22 the *British Columbia Cannabis Control and Licensing Act*, S.B.C. 2018, c. 29, the *British Columbia Cannabis Distribution Act*, S.B.C. 2018, c. 28, the *Ontario Cannabis Control Act*, 2017 S.O. 2017, c. 26, Sched. 1, *Ontario Cannabis Retail Corporation Act*, 2017 S.O. 2017, c. 26, the *Cannabis License Act*, 2018, S.O. 2018, c. 12, or other such applicable federal or provincial legislation, and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof, and nothing in this Order shall be construed as resulting in the Monitor being an employer or successor employer within the meaning of any statute, regulation or rule of law or equity, for any purpose whatsoever.

28. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or take Possession of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release

or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

29. **THIS COURT ORDERS** that that the Monitor shall provide any creditor of the Applicants and the DIP Lender with information provided by the Applicants in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicants is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicants may agree.

30. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of the Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

31. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Applicants shall be paid their reasonable fees and disbursements (including pre-filing fees and disbursements), in each case at their standard rates and charges, by the Applicants as part of the costs of these proceedings. The Applicants are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicants on a bi-weekly basis and, in addition, the Applicants are hereby authorized to pay to the Monitor and counsel to

the Applicants, retainers in the amounts of \$25,000 each, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

32. **THIS COURT ORDERS** that the Applicants are hereby authorized and directed to pay the accounts of Ernst & Young Inc. related to this proceeding for the period from December 17, 2023, to January 2, 2024, in the amount of \$59,130.51 plus HST of \$7,686.97, in the aggregate amount of \$66,817.48.

33. **THIS COURT ORDERS** that the Applicants are hereby authorized to pay the accounts of Torys LLP related to this proceeding in its capacity as counsel to Ernst & Young Inc. for the period from December 18, 2023, to January 2, 2024, in the amount of \$62,042.98 plus HST of \$8,019.21, in the aggregate amount of \$70,062.19.

34. **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

35. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, and the Applicants' counsel shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of \$100,000, as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings.

36. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, and the Applicants' counsel shall be entitled to the benefit of and are hereby granted a further charge (the "**Subsequent Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of \$400,000, as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge and the Subsequent Administration Charge shall have the priorities set out in paragraphs 43 and 45 hereof.

## DIP FINANCING

37. **THIS COURT ORDERS** that Trees Corporation, OCH Ontario Consulting Corp., 2707461 Ontario Ltd., 11819496 Canada Inc., Ontario Cannabis Holdings Corp. and Miraculo Inc. (collectively, the “**Borrowers**”) are hereby authorized and empowered to obtain and borrow under a credit facility from One Plant (Retail) Corp. (the “**DIP Lender**”) in order to finance the Borrowers’ working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under such credit facility shall not exceed \$1,560,000 (the “**DIP Facility**”), unless permitted by further Order of this Court.

38. **THIS COURT ORDERS** that the DIP Facility shall be on the terms and subject to the conditions set forth in the Amended DIP Term Sheet between the Borrowers and the DIP Lender dated as of January 23, 2024 (the “**DIP Term Sheet**”), filed.

39. **THIS COURT ORDERS** that the Applicants are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the “**Definitive Documents**”), as are contemplated by the DIP Term Sheet or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Borrowers are hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the DIP Term Sheet and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

40. **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the “**DIP Lender’s Charge**”) on the Property, which DIP Lender’s Charge shall not secure an obligation that exists before this Order is made. The DIP Lender’s Charge shall have the priority set out in paragraphs 43 and 45 hereof.

41. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

- (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender’s Charge or any of the Definitive Documents;

- (b) upon the occurrence of an event of default under the DIP Term Sheet or the Definitive Documents, the DIP Lender, upon four business days' written notice to the Applicants and the Monitor, may exercise any and all of its rights and remedies against the Applicants or the Property under or pursuant to the DIP Term Sheet, the Definitive Documents and the DIP Lender's Charge, including without limitation, to cease making advances to the Applicants and set off and/or consolidate any amounts owing by the DIP Lender to the Applicants against the obligations of the Applicants to the DIP Lender under the DIP Term Sheet, the Definitive Documents or the DIP Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicants and for the appointment of a trustee in bankruptcy of the Applicants; and
- (c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicants or the Property.

42. **THIS COURT ORDERS** that the DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicants under the CCAA, or any proposal filed by the Applicants under the *Bankruptcy and Insolvency Act (Canada)* (the "**BIA**"), with respect to any advances made under the DIP Term Sheet or the Definitive Documents.

#### **VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER**

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

First – Administration Charge (to the maximum amount of \$100,000);

Second – DIP Lender's Charge (to the maximum amount of \$1,850,000);

Third – Directors' Charge (to the maximum amount of \$100,000);

Fourth – Subsequent Administration Charge (to the maximum amount of \$400,000); and

Fifth – Subsequent Directors’ Charge (to the maximum amount of \$383,000).

44. **THIS COURT ORDERS** that the filing, registration or perfection of the Charges shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

45. **THIS COURT ORDERS** that each of the Charges shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person provided that the Subsequent Directors’ Charge and the Subsequent Administration Charge shall rank subsequent to the security interests of One Plant (Retail) Corp. (in its capacity as existing secured creditor of the Applicants and not as the DIP Lender), CJ Marketing Ltd. and Arthur Minh Tri Nguyen-Cao.

46. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicants shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges, unless the Applicants also obtain the prior written consent of the Monitor and the beneficiaries of the Charges affected thereby (collectively, the "**Chargees**"), or further Order of this Court.

47. **THIS COURT ORDERS** that the Charges, the DIP Term Sheet, and the Definitive Documents shall not be rendered invalid or unenforceable and the rights and remedies of the Chargees, including the DIP Lender, shall not otherwise be limited or impaired in any way by: (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease,

sublease, offer to lease or other agreement (collectively, an "**Agreement**") that binds the Applicants, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the DIP Term Sheet or the Definitive Documents shall create or be deemed to constitute a breach by the Applicants of any Agreement to which it is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Applicants entering into the DIP Term Sheet, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and
- (c) the payments made by the Applicants pursuant to this Order, the DIP Term Sheet or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

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

#### **SERVICE AND NOTICE**

47. **THIS COURT ORDERS** that the Monitor shall, to the extent not already completed by Ernst & Young Inc.: (i) without delay, publish in the Globe & Mail (National Edition) a notice containing the information prescribed under the CCAA, (ii) within five days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicants of more than \$1,000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

48. **THIS COURT ORDERS** that the E-Service Guide of the Commercial List (the "**Guide**") is approved and adopted by reference herein and, in this proceeding, the service of

documents made in accordance with the Guide (which can be found on the Commercial List website at: <https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05 of the *Rules of Civil Procedure* and paragraph 7 of the Guide, this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the *Rules of Civil Procedure*. Subject to Rule 3.01(d) of the *Rules of Civil Procedure* and paragraph 13 of the Guide, service of documents in accordance with the Guide will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Guide.

49. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Applicants and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Applicants' creditors or other interested parties at their respective addresses as last shown on the records of the Applicants and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

50. **THIS COURT ORDERS** that the Monitor shall create, maintain and update as necessary a list of all Persons appearing in person or by counsel in this proceeding (the "**Service List**"). The Monitor shall post the Service List, as may be updated from time to time, on the case website as part of the public materials in relation to this proceeding. Notwithstanding the foregoing, the Monitor shall have no liability in respect of the accuracy of or the timeliness of making any changes to the Service List.

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

## RELIEF FROM REPORTING OBLIGATIONS

52. **THIS COURT ORDERS** that the decision by the Applicants to incur no further expenses for the duration of the Stay Period in relation to any filings (including financial statements), disclosures, core or non-core documents, and press releases (collectively, the “**Securities Filings**”) that may be required by any federal, provincial or other law respecting securities or capital markets in Canada, or by the rules and regulations of a stock exchange, including, without limitation, the *Securities Act* (Alberta), RSA 2000, c S-4 and comparable statutes enacted by other provinces of Canada, and the rules, regulations and policies of Cboe Canada (collectively, the “**Securities Legislation**”), is hereby authorized, provided that nothing in this paragraph shall prohibit any securities regulator or stock exchange from taking any action or exercising any discretion that it may have of a nature described in section 11.1(2) of the CCAA as a consequence of the Applicants failing to make any Securities Filings required by the Securities Legislation.

53. **THIS COURT ORDERS** that none of the directors, officers, employees, and other representatives of the Applicants nor the Monitor shall have any personal liability for any failure by the Applicants to make any Securities Filings required by the Securities Legislation during the Stay Period, provided that nothing in this paragraph shall prohibit any securities regulator or stock exchange from taking any action or exercising any discretion that it may have of a nature described in section 11.1(2) of the CCAA as a consequence of such failure by the Applicants. For greater certainty, nothing in this Order is intended to or shall encroach on the jurisdiction of any securities regulatory authorities (the “**Regulators**”) in the matter of regulating the conduct of market participants and to issue cease trade orders if and when required pursuant to applicable securities law. Further, nothing in this Order shall constitute or be construed as an admission by the Regulators that the court has jurisdiction over matters that are within the exclusive jurisdiction of the Regulators under the Securities Legislation.

## SHAREHOLDERS’ MEETING

54. **THIS COURT ORDERS** that the requirement for any future annual general meeting of the shareholders of Trees Corporation be postponed during these proceedings, and the time limit to call and hold such annual general meeting of shareholders is extended until after the conclusion of these proceedings, subject to further Order of this Court.

## GENERAL

55. **THIS COURT ORDERS** that the Applicants or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

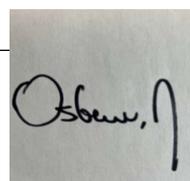
56. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicants, the Business or the Property.

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

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

59. **THIS COURT ORDERS** that any interested party (including the Applicants and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

60. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.



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Court File No.: CV-23-00711935-00C

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 TREES CORPORATION, ONTARIO CANNABIS HOLDINGS CORP., MIRACULO INC., 2707461 ONTARIO LTD., OCH ONTARIO CONSULTING CORP., AND 11819496 CANADA INC.

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**  
Proceeding commenced at Toronto

**SECOND AMENDED AND RESTATED**  
**INITIAL ORDER**

**Thornton Grout Finnigan LLP**  
3200 – 100 Wellington Street West  
TD West Tower, Toronto-Dominion Centre  
Toronto, ON M5K 1K7

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Fax: 416-304-1313

Lawyers for the Applicants

This is **Exhibit “B”** referred to in the  
Affidavit of Jeffrey Holmgren sworn by Jeffrey Holmgren in the  
City of Vaughan, in the Province of Ontario, before me at the City of Vaughan, in the Province  
of Ontario, on this 25<sup>th</sup> day of March, 2024  
in accordance with *O. Reg. 431/20*,

*Administering Oath or Declaration Remotely.*

Rudrakshi Chakrabarti

A Commissioner for taking affidavits



Court File No. CV-23-00711935-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE ) MONDAY, THE 29TH  
JUSTICE OSBORNE ) DAY OF JANUARY, 2024

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR  
ARRANGEMENT OF TREES CORPORATION, ONTARIO  
CANNABIS HOLDINGS CORP., MIRACULO INC., 2707461  
ONTARIO LTD., OCH ONTARIO CONSULTING CORP., AND  
11819496 CANADA INC. (the "**Applicants**")

**ORDER  
(SISP Approval)**

**THIS MOTION**, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, (the "**CCAA**") for an order, among other things, approving the sale and investment solicitation process (the "**SISP**") attached at **Schedule "A"** hereto, including the Stalking Horse Agreement (defined below), was heard this day by Zoom video conference.

**ON READING** the Motion Record of the Applicants dated January 23, 2024 (the "**Motion Record**"), the First Report of FTI Consulting Canada Inc. (the "**Monitor**"), filed (the "**First Report**"), and on hearing the submissions of counsel for the Applicants, counsel for the Monitor, counsel for the Stalking Horse Bidder (defined below) and those other parties listed on the Counsel Slip, no one else appearing although duly served as appears from the Affidavit of Service, filed,

## SERVICE AND DEFINITIONS

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

2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein shall have the meaning ascribed to them in the SISP or the Amended and Restated Initial Order dated January 2, 2024 (as may be further amended and restated from time to time, the “**ARIO**”).

## APPROVAL OF THE SISP

3. **THIS COURT ORDERS** that the SISP and the procedures contemplated therein be and are hereby approved, subject to such non-material amendments as may be agreed to by the Applicants, the Monitor and the DIP Lender. The Monitor may extend the timeline prescribed in the SISP with the approval of the Applicants and the DIP Lender.

4. **THIS COURT ORDERS** that the Monitor and the Applicants are authorized and directed to take such steps as they deem necessary or advisable to carry out and perform their respective obligations under the SISP, subject to prior approval of this Court being obtained before the completion of any transaction(s) under the SISP.

5. **THIS COURT ORDERS** that the Applicants and the Monitor are authorized to immediately commence the SISP to solicit interest in the opportunity for a sale of or investment in all or part of the Applicants’ assets (the “**Property**”) and business operations (the “**Business**”).

6. **THIS COURT ORDERS** that the Applicants and the Monitor and their respective affiliates, partners, employees, representatives and agents shall have no liability with respect to any and all losses, claims, damages or liabilities, of any nature or kind, to any person in connection with or as a result of the

SISP, except to the extent such losses, claims, damages or liabilities result from the gross negligence or willful misconduct of the Applicants or the Monitor, as determined by the Court.

7. **THIS COURT ORDERS** that notwithstanding anything contained herein or in the SISP, the Monitor shall not take possession of the Property or be deemed to take possession of the Property, including, without limitation, pursuant to any provision of any legislation specified in paragraph 27 of the ARIO.

8. **THIS COURT ORDERS** that in overseeing the SISP, the Monitor shall have all of the benefits and protections granted to it under the ARIO and any other order of this Court in the within proceeding.

### **REGULATORY COMPLIANCE**

9. **THIS COURT ORDERS** that the Monitor and the Applicants, and their respective counsel be and are hereby authorized but not obligated, to serve or distribute this Order, any other materials, orders, communication, correspondence or other information as may be necessary or desirable in connection with the SISP to any Person or interested party that the Monitor or the Applicants consider appropriate. For greater certainty, any such distribution, communication or correspondence shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

10. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, as amended, the Monitor and the Applicants are hereby authorized and permitted to disclose and transfer to each potential bidder (collectively, the “**Potential Bidders**”) and to their advisors, if requested by such Potential Bidders, personal information of identifiable individuals, including, without limitation, all human resources and payroll information in the Applicants’ records pertaining to its past and current employees, but only to the extent desirable or required to negotiate or attempt to complete a sale of the Property (“**Sale**”) or investment in the Business (“**Investment**”). Each Potential Bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of a Sale or an Investment, and if it

does not complete a Sale or an Investment, shall return all such information to the Monitor and the Applicants, or in the alternative destroy all such information. The Successful Bidder(s) shall maintain and protect the privacy of such information and, upon closing of the transaction contemplated in the Successful Bid(s), shall be entitled to use the personal information provided to it that is related to the Property or Business acquired pursuant to the Sale or invested in pursuant to the Investment in a manner which is in all material respects identical to the prior use of such information by the Applicants, and shall return all other personal information to the Monitor and the Applicants, or ensure that all other personal information is destroyed.

#### **APPROVAL OF STALKING HORSE BID**

11. **THIS COURT ORDERS** that the Applicants are hereby authorized and empowered to enter into, *nunc pro tunc*, the share purchase agreement (the “**Stalking Horse Agreement**”) between Trees Corporation, as vendor, and One Plant (Retail) Corp., as purchaser (the “**Stalking Horse Bidder**”), dated as of January 23, 2024, with such minor amendments as may be acceptable to each of the parties thereto, with the prior approval of the Monitor, provided that nothing herein approves the transactions contemplated in the Stalking Horse Agreement and that the approval of the transaction contemplated in the Stalking Horse Agreement shall be considered by this Court on a subsequent motion made to this Court if the Stalking Horse Agreement is the Successful Bid pursuant to the SISP.

12. **THIS COURT ORDERS** that the Stalking Horse Agreement is hereby approved and accepted solely for the purposes of being the Stalking Horse Bid under the SISP and subject to further Order of this Court referred to in paragraph 11 above.

#### **BID PROTECTIONS**

13. **THIS COURT ORDERS** that, if the Stalking Horse Bidder is not the Successful Bidder, the Applicants are authorized to pay the Break Fee in the amount of \$60,000, in accordance with the terms of the Stalking Horse Agreement.

14. **THIS COURT ORDERS** that the Stalking Horse Agreement shall not be rendered invalid or unenforceable and the rights and remedies of the Stalking Horse Bidder thereunder shall not otherwise be limited or impaired in any way by: (a) the pendency of these proceedings and the declarations of insolvency made in connection therewith; (b) any motion(s) for bankruptcy order(s) issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3, as amended (the “**BIA**”) or any bankruptcy order(s) made pursuant to such motions; (c) the filing of any assignments in bankruptcy made or deemed to be made in respect of the Applicants for the general benefit of creditors pursuant to the BIA; (d) the provisions of any federal or provincial statutes, including any such provisions pertaining to fraudulent preferences, assignments, fraudulent conveyances, transfers at undervalue, other reviewable transactions, or oppressive or unfairly prejudicial conduct; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of security interests, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an “**Agreement**”) that binds the Applicants, and notwithstanding any provision to the contrary in any Agreement:

- (a) the execution, delivery or performance of the Stalking Horse Agreement shall not create or be deemed to constitute a breach by the Applicants of any Agreement to which they are a party;
- (b) the Stalking Horse Bidder shall not have any liability to any person whatsoever as a result of any breach of any Agreement caused by or resulting from the Applicants entering into the Stalking Horse Agreement; and
- (c) the payments made by the Applicants pursuant to this Order or the Stalking Horse Agreement, if any, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

**GENERAL**

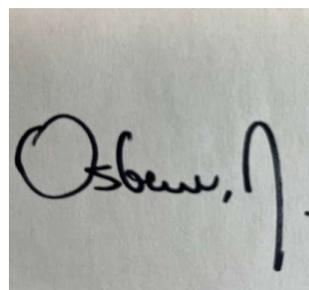
15. **THIS COURT ORDERS** that the Applicants or the Monitor may from time to time apply to this Court for advice and directions in the discharge of their powers and duties hereunder.

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

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

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

19. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard Time on the date of this Order without the need for entry or filing.



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**SCHEDULE A**  
**(Sale and Investment Solicitation Process)**

## SALE AND INVESTOR SOLICITATION PROCESS

On December 22, 2023, Trees Corporation (“**Trees**”), Ontario Cannabis Holdings Corp. (“**OCH**”), Miraculo Inc. (“**Miraculo**”), 2707461 Ontario Ltd. (“**270**”), OCH Ontario Consulting Corp. (“**Ontario Consulting**”), and 11819496 Canada Inc. (“**118**” and, collectively, the “**Companies**”) commenced proceedings (the “**CCAA Proceedings**”) under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”) before the Ontario Superior Court of Justice (Commercial List) in the City of Toronto (the “**Court**”) pursuant to an order granted by the Court on the same day.

On January 2, 2024, the Companies obtained an Amended and Restated Initial Order (as may be further amended or restated from time to time, the “**ARIO**”) from the Court. The ARIO provides, among other things, an extension of the Stay Period (as defined therein) until February 29, 2024, which may be extended by the Court from time to time. Pursuant to the ARIO, FTI Consulting Canada Inc. was appointed as monitor in the CCAA Proceedings (in such capacity, the “**Monitor**”).

On January 29, 2024, the Court granted an order (the “**SISP Order**”) that, among other things: (a) approved this sale and investor solicitation process (the “**SISP**”), and (b) authorized the execution by the Companies of the stalking horse share purchase agreement between Trees and the Stalking Horse Bidder (as defined below) dated January 23, 2024 (the “**Stalking Horse Agreement**”) as the stalking horse bid for the purpose of conducting the SISP.

The purpose of the SISP is to identify one or more financiers for, purchasers of and/or investors in the Companies, the Business and/or Assets (each as defined below) to make an offer (each a “**Bid**”) that is superior to the offer contemplated by the Stalking Horse Agreement, and to complete the transactions contemplated by any such offer, or the Stalking Horse Agreement if no other offers are accepted. Set forth below are the procedures (the “**SISP Procedures**”) that shall govern the SISP and any transactions consummated as a result thereof.

### 1. Defined Terms

The following capitalized terms have the following meanings when used in this SISP:

“**Acknowledgment of the SISP**” means an acknowledgment of the SISP in the form attached as Schedule “A”;

“**Additional Confidential Information**” means commercially sensitive information with respect to the Companies, the Business and/or Assets, which may include copies of material customer and vendor agreements, details of the equity and capital structure of the Business, and meetings with management and key employees;

“**Aggregate Bid**” means a combination of Portion Bids that do not overlap for Assets sought to be purchased, and which, when totalled, equal or exceed the Minimum Bid Amount;

“**Assets**” means the assets, undertakings and property of the Companies;

“**Auction**” has the meaning given to it in Section 15;

“**Auction Procedure**” has the meaning given to it in Section 15;

“**Back-Up Bid Expiration Date**” has the meaning given to it in Section 19;

“**Back-Up Bid**” has the meaning given to it in Section 15;

“**Back-Up Bidder**” has the meaning given to it in Section 15;

“**Bid**” has the meaning given to it in the introduction;

“**Break Fee**” has the meaning given to it in Section 2;

“**Business**” means the business carried on by the Companies, which consists primarily of the operation of cannabis retail stores and the marketing and sale of cannabis products and accessories;

“**Business Day**” means any day, other than a Saturday, Sunday or statutory holiday in the Province of Ontario, on which commercial banks in Toronto, Ontario are open for business;

“**Companies**” has the meaning given to it in the introduction;

“**Confidentiality Agreement**” means the confidentiality agreement, upon terms satisfactory to the Companies, with the consent of the Monitor, entered into between the Companies and an Interested Party;

“**Court**” has the meaning given to it in the introduction;

“**Data Room**” means an electronic data room created and maintained by the Companies or the Monitor containing confidential information in respect of the Companies, the Business and the Assets, but which does not contain the Additional Confidential Information;

“**DIP Lender**” means One Plant (Retail) Corp.;

“**DIP Term Sheet**” means the debtor-in-possession financing term sheet dated December 21, 2023, as amended and restated on January 23, 2024, between the Companies, as borrowers, and the DIP Lender, as lender;

“**Form Purchase Agreement**” means the template share purchase agreement posted in the Data Room substantially in the form of the Stalking Horse Agreement;

“**Interested Party**” has the meaning given to it in Section 2;

“**Investment Proposal**” has the meaning given to it in Section 9;

“**Known Potential Bidders**” has the meaning give to it in Section 5(a);

“**Minimum Bid Amount**” means the Purchase Price under the Stalking Horse Agreement, including the Credit Bid Consideration, the Pre-Filing GST/HST Obligations, and the Cash Consideration, plus: (a) the Break Fee, and (b) CAD\$50,000. For greater certainty, as of the Phase II Bid Deadline, the Minimum Bid Amount is estimated to be CAD\$3,638,192.08.

“**Monitor**” has the meaning given to it in the introduction;

“**Notice**” has the meaning given to it in Section 5(b);

“**Outside Date**” means April 30, 2024, or such other date as the Companies, the Monitor, and the Successful Bidder(s) or the Back-Up Bidder, if applicable, may agree, acting reasonably;

“**Phase I Bid**” means an initial non-binding Bid submitted by an Interested Party pursuant to Section 9 hereof;

“**Phase I Bid Deadline**” has the meaning given to it in Section 9;

“**Phase I Bidder**” means a bidder submitting a Phase I Bid;

“**Phase I Deposit**” has the meaning given to it in Section 11(i);

“**Phase I Participant Requirements**” has the meaning given to it in Section 10 hereof;

“**Phase II Bid**” means a binding unconditional Bid submitted by a Qualified Phase I Bidder;

“**Phase II Bidder**” means a bidder submitting a Phase II Bid;

“**Phase II Bid Deadline**” has the meaning given to it in Section 9;

“**Portion Bid**” means a Bid for less than all, or substantially all of the Assets, that is otherwise a Qualified Phase I Bid or a Qualified Phase II Bid;

“**Portion Bidder**” means a Qualified Phase I Bidder and/or a Qualified Phase II Bidder that submits a Portion Bid;

“**Pre-Filing GST/HST Obligations**” has the meaning given to it in the Stalking Horse Agreement;

“**Purchase Price**” has the meaning given to it in Section 11(a)(i);

“**Qualified Phase I Bid**” means a Phase I Bid that satisfies the conditions set out in Section 11. For greater certainty, a Portion Bid may be a Qualified Phase I Bid if it forms part of an Aggregate Bid;

“**Qualified Phase I Bidder**” means a bidder submitting a Qualified Phase I Bid;

“**Qualified Phase II Bid**” means a Phase II Bid that satisfies the conditions set out in Section 14. For greater certainty, a Portion Bid may be a Qualified Phase II Bid if it forms part of an Aggregate Bid;

“**Qualified Phase II Bidder**” means a bidder submitting a Qualified Phase II Bid;

“**Qualified Investment Bid**” is an Investment Proposal that is determined to be a Qualified Phase II Bid by the Companies and the Monitor pursuant to Section 14;

“**Qualified Sale Bid**” is a Sale Proposal that is determined to be a Qualified Phase II Bid by the Companies and the Monitor pursuant to Section 14;

“**Sale Approval Hearing**” has the meaning given to it in Section 18;

“**Sale Proposal**” has the meaning given to it in Section 9;

“**SISP**” has the meaning given to it in the introduction;

“**SISP Procedures**” has the meaning given to it in the introduction;

“**Stalking Horse Agreement**” has the meaning given to it in the introduction;

“**Stalking Horse Bidder**” means the DIP Lender, or an affiliate thereof;

“**Successful Bid**” has the meaning given to it in Section 15;

“**Successful Bidder**” has the meaning given to it in Section 15; and

“**Teaser Letter**” has the meaning given to it in Section 5(c).

## 2. **The SISP Procedures**

The SISP shall consist of two phases. In the first phase, any interested party (an “**Interested Party**”) that meets the preliminary participant requirements set out herein, including executing a Confidentiality Agreement and an Acknowledgment of the SISP, shall be provided with access to the Data Room in order to prepare and submit a Phase I Bid by the Phase I Bid Deadline. Phase I Bidders that are determined by the Companies, with the consent of the Monitor, to be Qualified Phase I Bidders shall be invited to participate in the second phase wherein they will be given access to the Additional Confidential Information, if any, in order to complete diligence prior to submitting a Phase II Bid by the Phase II Bid Deadline.

The Companies, in consultation with the Monitor, shall supervise the SISP Procedures and each will generally consult with the other in respect of all matters arising out of this SISP. The Monitor shall direct and preside over the Auction, if applicable. In the event that there is disagreement as to the interpretation or application of this SISP, the Court will have the jurisdiction to hear and resolve such dispute.

Certain bid protections are provided for in the Stalking Horse Agreement (including a break fee (the “**Break Fee**”), subject to the conditions set forth therein. No other bidder may request or receive any form of bid protection as part of any bid made pursuant to the SISP.

**3. “As Is, Where Is”**

The sale of the Business or all or any part of the Assets or an investment in the Companies will be on an “as is, where is” basis and without surviving representations or warranties of any kind, nature or description by the Companies, the Monitor or any of their respective employees, officers, directors, agents or advisors, except to the extent set forth in the relevant definitive Sale Proposal or Investment Proposal agreement, as applicable, with a Successful Bidder.

By participating in this process, each Interested Party is deemed to acknowledge and represent that it has had an opportunity to conduct any and all due diligence regarding the Business, the Assets or the Companies prior to making its Bid, that it has relied solely on its own independent review, investigation, and/or inspection of any documents and/or regarding the Business, the Assets or the Companies in making its Bid, and that it did not rely on any written or oral statements, representations, promises, warranties, conditions or guaranties whatsoever, whether express, implied, by operation of law or otherwise, regarding the Business, the Assets or the Companies or the completeness of any information provided in connection therewith, except as expressly stated in the terms of any definitive transaction documents.

**4. Timeline**

The following table sets out the key milestones under the SISP:

<b>Milestone</b>	<b>Deadline</b>
Commencement of SISP	January 29, 2024
Distribution of the Notice, Teaser Letter Confidentiality Agreement and Acknowledgement of SISP	As soon as reasonably practicable following the date on which the SISP Order is granted
Phase I Bid Deadline (5:00 PM (Eastern Time))	February 29, 2024

Phase II Bid Deadline (5:00 PM (Eastern Time))	March 15, 2024
Selection of Successful Bid(s), Back-Up Bid(s), or Notification of Auction (if any)	March 19, 2024
Auction (if any)	No later than March 22, 2024
Sale Approval Hearing	As soon as practicable
Closing Date Deadline	A maximum of 4 weeks after the Sale Approval Hearing, but by no later than the Outside Date

**5. Solicitation of Interest**

As soon as is reasonably practicable:

- (a) the Companies and the Monitor will prepare a list of potential bidders, including (i) parties that have approached the Companies or the Monitor indicating an interest in the opportunity; and (ii) strategic parties whom the Companies or the Monitor believe may be interested in purchasing all or part of the Business and Assets, or investing in the Companies, pursuant to the SISP (collectively, “**Known Potential Bidders**”);
- (b) the Monitor, with the assistance of the Companies, will cause a notice of the SISP and such other relevant information that the Companies, with the consent of the Monitor, consider appropriate (the “**Notice**”) to be published in *The Globe and Mail* (National Edition) and *Insolvency Insider*, and any other newspaper, journal or industry publication as the Companies and the Monitor consider appropriate, if any; and
- (c) the Monitor, in consultation with the Companies, will prepare: (i) a process summary (the “**Teaser Letter**”) describing the opportunity, outlining the process under the SISP, and inviting recipients of the Teaser Letter to express their interest pursuant to the SISP; and (ii) a Confidentiality Agreement, in each case in form and substance satisfactory to the Companies and the Monitor.

The Monitor, with the assistance of the Companies, will publish the Notice and send the Teaser Letter, Confidentiality Agreement, and Acknowledgement of the SISP to all Known Potential Bidders as soon as reasonably practicable following the date on which the SISP Order is granted and to any other party who requests a copy of the Teaser Letter, Confidentiality Agreement, and Acknowledgement of the SISP, or who is identified to the Companies or the Monitor as a potential bidder, as soon as reasonably practicable after such request or identification, as applicable.

**6. Role of Management of the Companies**

In the event that any party that is associated with the Board of Directors or management of the Companies intends to submit a Bid pursuant to the SISP, any such party must advise the Monitor of such intention in writing by February 5, 2024. Any such party(ies) shall be entitled to participate in the SISP as an Interested Party, provided that, and only to the extent that, such party(ies) shall: (i) be excluded from participating in the SISP in any manner or capacity that would be reasonably likely to create an unfair advantage for any party or otherwise jeopardize the integrity of the SISP, as determined by the Monitor in its sole discretion; and (ii) be subject to such restrictions as the Monitor, in its sole discretion, determines to be necessary to ensure compliance with (i).

## **7. Role of the Monitor**

The Monitor's responsibilities pursuant to the SISP include:

- (a) consulting with the Companies in connection with the bidding procedures included in this SISP and the closing of the transaction contemplated in the Successful Bid(s);
- (b) assisting the Companies with supervision of the SISP Procedures;
- (c) reporting to the Court in connection with the SISP Procedures, including the bidding procedures described in this SISP, and the closing of the transaction contemplated in the Successful Bid(s);
- (d) conducting an Auction, if necessary, in accordance with the Auction Procedures attached hereto as Schedule "C"; and
- (e) assisting the Companies to facilitate information requests, including assisting the Companies in preparing or modifying financial information to assist with the bidding procedures described in this SISP and the closing of the transaction contemplated in the Successful Bid(s) (including the Stalking Horse Agreement).

## **8. Access to Due Diligence Materials**

Only Interested Parties that satisfy the Phase I Participant Requirements will be eligible to receive access to the Data Room. If the Companies, with the consent of the Monitor, determine that a Phase I Bidder does not constitute a Qualified Phase I Bidder, then such Phase I Bidder shall not be eligible to receive the Additional Confidential Information, if any. For greater certainty, the Data Room shall not contain the Additional Confidential Information and the Companies or the Monitor shall provide the Additional Confidential Information to a Qualified Phase I Bidder by alternative means.

The Monitor, with the assistance of the Companies, will be responsible for the coordination of all reasonable requests for additional information and due diligence access from Interested Parties. Neither the Companies nor the Monitor shall be obligated to furnish any additional due diligence information after the Phase I Bid Deadline other than the Additional Confidential Information, if any, to Qualified Phase I Bidders before the Phase II Bid Deadline. Neither the Companies nor the Monitor shall be obligated to furnish any

due diligence information after the Phase II Bid Deadline, provided however that the Companies and the Monitor may, but are not obligated to, provide further information including, without limitation, financial information to the Successful Bidder (including the Stalking Horse Bidder). Neither the Companies nor the Monitor are responsible for, and will bear no liability with respect to, any information obtained by any party in connection with the sale of the Assets and the Business, or an investment in the Companies. If the Companies provide additional information and due diligence to an Interested Party that was not previously provided to the Stalking Horse Bidder, the Companies shall concurrently provide such additional information to the Stalking Horse Bidder or notify the Stalking Horse Bidder that such information is available in the Data Room.

## 9. **Bid Deadlines**

An Interested Party that wishes to make a Bid to: (a) acquire the Business or all, substantially all or any part of the Assets, including any offer to acquire some or all of the Companies' intellectual property, accounts receivable and furniture, fixtures and equipment (a "**Sale Proposal**"); or (b) make an investment in the Companies by way of private issuances, sale or placement of newly issued or treasury equity, equity-linked or debt securities, instruments or obligations of the Companies with one or more lenders and/or investors or security holders (an "**Investment Proposal**"), must deliver an executed copy of a Phase I Bid to the Monitor, at the email address specified in Schedule "B", so as to be received by it **not later than 5:00 p.m. (Eastern Time) on February 29, 2024**, or such other later date or time as may be agreed by the Companies and the Monitor (the "**Phase I Bid Deadline**").

All Phase II Bids must be submitted to the Monitor, at the email address specified in Schedule "B", so as to be received by it **not later than 5:00 p.m. (Eastern Time) on March 15, 2024**, or such other later date or time as may be agreed by the Companies and the Monitor (the "**Phase II Bid Deadline**").

## **PHASE I – NON BINDING BIDS**

### 10. **Phase I Participant Requirements.**

To participate in Phase I of the SISP and to otherwise be considered for any purpose hereunder, each Interested Party must provide the Companies and the Monitor with an executed copy of each of the following prior to being provided with access to the Data Room: (i) a Confidentiality Agreement; and (ii) an Acknowledgement of the SISP (collectively, the "**Phase I Participant Requirements**").

### 11. **Qualified Phase I Bids**

Only Qualified Phase I Bidders shall be allowed to participate in Phase II of the SISP and be eligible to receive the Additional Confidential Information, if any.

In order for the Companies, with the consent of the Monitor, to determine whether an Interested Party is a Qualified Phase I Bidder, the Interested Party must provide, in form and substance satisfactory to the Companies and the Monitor, each of the following on or

before the Phase I Bid Deadline:

- (a) Non-Binding Letter of Intent Describing the Phase I Bid: A non-binding letter of intent describing the material terms of the Phase I Bid, which includes the following information:
- (i) Sale Proposal: In the case of a Sale Proposal, the material terms and conditions of the proposed transaction, including identification of the Business or the Assets proposed to be acquired, the obligations to be assumed, the purchase price for the Business or Assets proposed to be acquired (the “**Purchase Price**”), and the structure and financing of the proposed transaction; and
  - (ii) Investment Proposal: In the case of an Investment Proposal, the material terms and conditions of the proposed transaction, including details regarding the proposed equity and debt structure of the Companies following completion of the proposed transaction, the direct or indirect investment target and the aggregate amount of equity and debt investment (including the sources of such capital, the underlying assumptions regarding the *pro forma* capital structure, as well as anticipated tranches of debt, debt service fees, interest and amortization) to be made in the Companies, and the debt, equity, or other securities, if any, proposed to be allocated to creditors of the Companies;
- (b) Purchase Price: Evidence that the Purchase Price (in the case of a Sale Proposal) or imputed value (in the case of an Investment Proposal) under the Phase I Bid or Aggregate Bid shall be an amount equal to or greater than the Minimum Bid Amount (a “**Superior Offer**”); provided that any Portion Bidder shall not be subject to the Minimum Bid Amount except to the extent that it forms part of an Aggregate Bid. For greater certainty, any Phase I Bid must provide for payment in full in cash on closing in an amount sufficient to satisfy all indebtedness, fees, and expenses owed by the Applicants to the DIP Lender in accordance with the DIP Term Sheet and all other indebtedness, fees, and expenses owed by the Applicants to the DIP Lender in connection with any first-ranking secured debt of the Applicants held by the DIP Lender or its nominees or Affiliates. Relevant information in this regard will be contained in the Data Room;
- (c) Proof of Financial Ability to Perform: Written evidence upon which the Companies and the Monitor may reasonably conclude that the Interested Party has obtained, or shall obtain on or before the Phase II Bid Deadline, the necessary sources of financing that it shall require to close the contemplated transaction on or before the Outside Date, including, without limitation: (i) the sources of such financing and contact names and phone numbers required to verify same; and (ii) any such other form of financial disclosure or credit-quality support information or enhancement requested by and reasonably acceptable to the Companies and the Monitor demonstrating that the Phase II Bidder has, or will have, the ability to close the contemplated transaction;

- (d) Outstanding Due Diligence: a description of any additional due diligence required to be conducted in order to submit a Qualified Phase II Bid and the impact any additional due diligence may have on the final Purchase Price or imputed value;
- (e) Identification: Full written disclosure of the identity of each person (including any person that controls such person) that will be directly or indirectly sponsoring or participating in the Phase I Bid, including whether any prior or current member of the Companies' board, management, any employee or consultant to the Companies or any creditor) or shareholder of the Companies is involved in any way with the Phase I Bid or assisted with the Phase I Bid, and the complete terms of any such participation as well as evidence of corporate authority to sponsor or participate in the Phase I Bid;
- (f) Acknowledgment: An acknowledgement and representation that the Interested Party: (i) has relied solely upon its own independent review, investigation and/or inspection of any documents regarding the Companies, the Business and/or the Assets to be acquired, or the liabilities to be assumed in making its Phase I Bid; and (ii) did not rely upon any written or oral statements, representations, promises, warranties conditions or guaranties whatsoever, whether express or implied (by operation of law or otherwise) by the Companies, the Monitor or any of their respective employees, directors, officers, agents, advisors or other representatives, regarding the Companies, the Business, the Assets to be acquired, or the liabilities to be assumed, or the completeness of any information provided in connection therewith, except as expressly provided in any definitive transaction documents;
- (g) Authorization: Evidence, in form and substance reasonably satisfactory to the Companies and the Monitor, of authorization and approval from the Interested Party's board of directors (or comparable governing body) with respect to the submission, execution and delivery of the Phase I Bid, and identification of any anticipated shareholder, regulatory or other approvals outstanding, and the anticipated time frame and any anticipated impediments for obtaining such approvals;
- (h) No Break or Termination Fee: Evidence that the Phase I Bid does not include any request for or entitlement to any break or termination fee, expense reimbursement or similar type of payment, and confirmation that the Interested Party shall be responsible for all of its costs and expenses associated with conducting due diligence and submitting a Bid;
- (i) Deposit: A cash deposit (the "**Phase I Deposit**") in an amount equal to 10% of the Purchase Price (in the case of a Sale Proposal) or imputed value (in the case of an Investment Proposal) that shall be paid to the Monitor in trust, which Phase I Deposit shall be held and dealt with in accordance with this SISP;
- (j) Employees: If applicable, the proposed number of employees of the Companies who are expected to become employees of the Phase I Bidder if determined to be the Successful Bidder;

- (k) Other: Such other information as may reasonably be requested by the Companies or the Monitor; and
- (l) Phase I Bid Deadline: It is received by the Monitor, at the email address specified in Schedule "B" on or before the Phase I Bid Deadline.

The Companies, with the consent of the Monitor, may waive any one or more minor and non-material violations of the requirements specified for Qualified Phase I Bids and deem such non-compliant Bids to be Qualified Phase I Bids.

## **12. Evaluation of Qualified Phase I Bids and Designation as Qualified Phase I Bidder**

The Companies and the Monitor shall evaluate Qualified Phase I Bids on various grounds including, but not limited to: the Purchase Price or imputed or projected value, the treatment of creditors and related implied recovery for creditors (in each case, as applicable), the assumed liabilities, the number of employees assumed, the certainty of closing the transactions contemplated by the Phase I Bid on or before the Outside Date and any delay or other risks (including closing risks) in connection with the Qualified Phase I Bids.

The Companies, with the consent of the Monitor, shall have the option, in their discretion, to aggregate Portion Bids into an Aggregate Bid.

The Companies shall be under no obligation to accept the highest or best offer or any offer (other than the offer contained in the Stalking Horse Agreement if no Superior Offer is accepted).

As soon as practicable after the Phase I Bid Deadline, the Companies, with the consent of the Monitor, will advise an Interested Party whether or not its Phase I Bid constitutes a Qualified Phase I Bid and that it is a Qualified Phase I Bidder and, if such Phase I Bidder is a Qualified Phase I Bidder, that it is invited to participate in Phase II of the SISP.

Notwithstanding the requirements set forth in Section 11, the Stalking Horse Agreement shall be deemed to be a Qualified Phase I Bid and the Stalking Horse Bidder shall be deemed to be a Qualified Phase I Bidder for all purposes of this SISP.

## **13. No Qualified Phase I Bids**

If no Qualified Phase I Bid other than the Bid pursuant to the Stalking Horse Agreement is received by the Phase I Bid Deadline, the Stalking Horse Bidder shall be declared the Successful Bidder and the Stalking Horse Agreement shall be declared the Successful Bid.

## **PHASE II – BINDING BIDS**

### **14. Qualified Phase II Bid Requirements**

Only Qualified Phase I Bidders shall be entitled to submit a Phase II Bid. In order to be considered a Qualified Phase II Bid, as determined by the Companies and the Monitor: (i) a Phase II Bid must satisfy all of the requirements for a Qualified Phase I Bid contained in

Section 11, provided, however, that the Phase II Bid Deadline shall apply in lieu of the Phase I Bid Deadline, as set forth below, and; (ii) the Qualified Phase I Bidder must also submit the following, in form and substance satisfactory to the Companies and the Monitor, on or before the Phase II Bid Deadline:

- (a) Irrevocable Bid: A cover letter stating that the Phase II Bid is irrevocable until Court approval of the Successful Bid(s), provided that if such Phase II Bidder is selected as the Successful Bidder or the Back-Up Bidder, its Phase II Bid shall remain irrevocable until the Back-Up Bid Expiration Date (as defined below), which includes:
  - (i) Sale Proposal: In the case of a Sale Proposal, a duly authorized and executed definitive purchase agreement, together with all completed schedules thereto substantially in the form of the Form Purchase Agreement, together with a blackline comparing the purchase agreement submitted to the Form Purchase Agreement, which includes all or substantially all of the terms set out in the non-binding letter of intent submitted in Phase I; and
  - (ii) Investment Proposal: In the case of an Investment Proposal, a duly authorized and executed binding term sheet that includes all or substantially all of the terms set out in the non-binding investment proposal submitted in Phase I;
- (b) Unconditional Bid: Evidence that it is not conditioned on: (i) the outcome of unperformed due diligence including the review of any Additional Confidential Information; (ii) obtaining financing; and/or (iii) any other material closing conditions;
- (c) Proof of Financial Ability to Perform: Written evidence upon which the Companies and the Monitor may reasonably conclude that the Phase II Bidder has the necessary financial ability to fully fund and consummate the transaction contemplated by the Phase II Bid and satisfy its obligations under the definitive purchase agreement, including: (i) binding equity/debt commitment letters and/or guarantees (*i.e.*, bank guarantees) covering the full value of all cash consideration; (ii) evidence of the Phase II Bidder's internal resources; and/or (iii) any such other form of financial disclosure or credit-quality support information or enhancement requested by and reasonably acceptable to the Companies and the Monitor demonstrating that the Phase II Bidder has the ability to close the contemplated transaction;
- (d) Acknowledgment: An acknowledgement and representation that the Phase II Bidder: (i) has relied solely upon its own independent review, investigation and/or inspection of any documents regarding the Companies, the Business and/or the Assets to be acquired, or liabilities to be assumed in making its Phase II Bid; (ii) did not rely upon any written or oral statements, representations, promises, warranties conditions or guaranties whatsoever, whether express or implied (by operation of law or otherwise) by the Companies, the Monitor or any of their respective employees, directors, officers, agents, advisors or other representatives, regarding the Companies, the Business, the Assets to be acquired, liabilities to be

assumed, or the completeness of any information provided in connection therewith, except as expressly provided in any definitive transaction documents; and (iii) promptly will commence any governmental or regulatory review of the proposed transaction by the applicable competition, antitrust or other applicable governmental authorities, including those regulating in the cannabis sector;

- (e) Authorization: Evidence, in form and substance reasonably satisfactory to the Companies and the Monitor, of authorization and approval from the Interested Party's board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the transaction contemplated by the Phase II Bid, and confirmation that any other required approvals have been obtained;
- (f) Employees: If applicable, full details of the proposed number of employees of the Companies who will become employees of the Phase II Bidder if determined to be the Successful Bidder and the proposed terms and conditions of employment to be offered to those employees;
- (g) Other: Such other information as may reasonably be requested by the Companies or the Monitor; and
- (h) Phase II Bid Deadline: It is received by the Monitor, at the address specified in Schedule "B" hereto (including by email) on or before the Phase II Bid Deadline.

**15. Evaluation of Qualified Phase II Bids and Subsequent Actions**

The Companies and the Monitor shall evaluate Qualified Phase II Bids on various grounds including, but not limited to: the Purchase Price or imputed or projected value, the treatment of creditors and related implied recovery for creditors (in each case, as applicable), the assumed liabilities, the number of employees assumed, the certainty of closing the transactions contemplated by the Qualified Phase II Bid on or before the Outside Date and any delay or other risks (including closing risks) in connection with the Qualified Phase II Bids.

Notwithstanding the requirements set forth in Section 14, the Stalking Horse Agreement shall be deemed to be a Qualified Phase II Bid and the Stalking Horse Bidder shall be deemed to be a Qualified Phase II Bidder for all purposes of this SISP.

Following such evaluation, the Companies, with the consent of the Monitor, shall:

- (a) identify if any Qualified Phase II Bid is a Superior Offer; and
- (b) if one or more Qualified Phase II Bids are considered to be a Superior Offer, each Qualified Phase II Bidder presenting a Superior Offer shall proceed to an auction (the "**Auction**") with the Stalking Horse Bidder in accordance with the procedures set out in the attached Schedule "C" (the "**Auction Procedure**") to identify the "**Successful Bid**", and the Qualified Phase II Bidder making such Successful Bid will be the "**Successful Bidder**". The determination of any Successful Bid by the

Companies, with the consent of the Monitor, shall be subject to approval by the Court.

The Companies, with the consent of the Monitor, shall have the option to aggregate Portion Bids into an Aggregate Bid. Notwithstanding anything to the contrary herein, the Companies, with the consent of the Monitor, shall be permitted to include Qualified Investment Bids or Qualified Sale Bids in the Auction, including to the extent such Qualified Phase II Bids are Portion Bids, provided that such Qualified Investment Bids or Qualified Sale Bids constitute a Superior Offer.

Following the selection of the Successful Bid, the Companies shall take such steps as may be necessary to finalize definitive transaction documents for the Successful Bid(s) with the Successful Bidder(s) prior to Court approval of the Successful Bid.

The Companies may conditionally accept one or more (if for distinct and compatible transactions that are Portion Bids) Qualified Phase II Bids, which acceptance will be conditional upon the failure of the transaction(s) contemplated by the Successful Bid to close (the “**Back-up Bid**”, and Qualified Phase II Bidder making such Back-up Bid being the “**Back-Up Bidder**”).

For greater certainty, any accepted offer, whether at the Auction or otherwise, must constitute a Superior Offer.

As soon as reasonably practicable and by no later than three days after the Phase II Bid Deadline, the Companies shall advise the Qualified Phase II Bidders if Successful Bid(s) and Back-Up Bid(s) have been accepted, or conditionally accepted, as the case may be. If the Companies and the Monitor determine it is necessary to conduct an Auction pursuant to the SISP Procedures, the Monitor, as soon as reasonably practicable and by no later than March 19, 2024, will advise the Qualified Phase II Bidders of the date, time, location and the rules (if any) of the Auction in accordance with the Auction Procedure.

**16. No Qualified Phase II Bids**

If no Superior Offer is received by the Phase II Bid Deadline, the Auction will not be held, and the Stalking Horse Bidder will be declared to be the Successful Bidder and the Stalking Horse Agreement shall be declared the Successful Bid.

**17. Allocation of Purchase Price**

The Companies reserve the right to allocate the Purchase Price of a Successful Bid, acting reasonably and in consultation with the Monitor, at a later date for distribution purposes.

**APPROVAL MOTION**

**18. Approval Motion**

The Companies shall use reasonable efforts to bring a motion to the Court to approve the Successful Bid(s) and Back-Up Bid(s) as soon as practicable following the determination by the Companies and the Monitor of the Successful Bidder(s) and the execution of

definitive documents (the “**Sale Approval Hearing**”). The Companies will be deemed to have accepted the Successful Bid(s) only when it has been approved by the Court. All Qualified Phase II Bids (other than the Successful Bid(s) and the Back-Up Bid(s)) shall be deemed rejected by the Companies on and as of the date of approval of the Successful Bid(s) by the Court.

**19. Back-Up Bidder**

If a Successful Bidder fails to close the transaction contemplated by the Successful Bid(s) on or before the Outside Date for any reason, then the Companies will be deemed to have accepted the Back-Up Bid(s) and will proceed with the transaction pursuant to the terms thereof. The Back-Up Bid(s) shall remain open for acceptance until the closing of the Successful Bid(s), or such other later date as the Companies and the Back-Up Bidder may agree, acting reasonably (the “**Back-Up Bid Expiration Date**”).

**MISCELLANEOUS**

**20. Information From Interested Parties**

Each Interested Party shall comply with all reasonable requests for additional information by the Companies or the Monitor regarding such Interested Party and its contemplated transaction. Failure by an Interested Party to comply with requests for additional information will be a basis for the Companies to determine that the Interested Party is not a Qualified Phase I Bidder or a Qualified Phase II Bidder, as applicable.

**21. Deposits**

All deposits shall be held by the Monitor in a single interest-bearing account designated solely for such purpose. A deposit made by a Successful Bidder shall be dealt with in accordance with the definitive documents for the transactions contemplated by the Successful Bid. Deposits, and any interest earned thereon, paid by Phase I Bidders not selected as either a Qualified Phase I Bidder or a Qualified Phase II Bidder shall be returned to such Phase I Bidder or Phase II Bidder as soon as practicable, and in any event no later than seven (7) Business Days of being advised that it is not a Qualified Phase I Bidder or a Qualified Phase II Bidder, as the case may be. Deposits, and any interest thereon, paid by Qualified Phase II Bidders not selected as either a Successful Bidder or a Back-Up Bidder shall be returned to such Qualified Phase II Bidders as soon as practicable, and in any event no later than seven (7) Business Days following Court approval of the Successful Bid. In the case of Back-Up Bid(s), the deposit and any interest earned thereon shall be retained by the Monitor until the Back-Up Bid Expiration Date and returned to the Back-Up Bidder as soon as practicable, and in any event no later than seven (7) Business Days thereafter or, if a Back-Up Bid becomes a Successful Bid, shall be dealt with in accordance with the definitive documents for the Back-Up Bid.

**22. Modifications and Termination**

The Companies, with the consent of the Monitor, shall have the right to adopt such other rules for the SISP Procedures (including rules that may depart from those set forth herein)

that will better promote the sale of the Business or all or any part of the Assets or investment in the Companies under this SISP. The Companies, with the consent of the Monitor, shall apply to the Court if it wishes to materially modify or terminate the process set out in this SISP. For certainty, any amendments to the Phase I Bid Deadline or the Phase II Deadline or other dates set out in this SISP, including those relating to the Auction, shall not constitute a material modification, provided that any extensions to the Phase I Bid Deadline or the Phase II Deadline are not longer than seven calendar days.

**23. Other**

Neither the Companies nor the Monitor shall be liable for any claim for a brokerage commission, finder's fee or like payment in respect of the consummation of any of the transactions contemplated under the SISP arising out of any agreement or arrangement entered into by the parties that submitted the Successful Bid(s) and Back-Up Bid(s). Any such claim shall be the sole liability of the parties that submitted such Successful Bid(s) and Back-Up Bid(s).

Neither the Companies nor the Monitor shall have any liability whatsoever to any person or party, including without limitation, to any Known Potential Bidder, Phase I Bidder, Phase II Bidder, a Successful Bidder or Back-Up Bidder, or any creditor, or other stakeholder, for any act or omission related to this SISP. By submitting a Bid, each Interested Party shall be deemed to have agreed that it has no claim against the Companies or the Monitor for any reason, matter or thing whatsoever related to this SISP.

## SCHEDULE "A"

### Acknowledgement of the SISP

The undersigned hereby acknowledges receipt of the Sale and Investor Solicitation Process approved by the Order of the Honourable Justice Osborne of the Ontario Superior Court of Justice (Commercial List) dated January 29, 2024 (the "**SISP**") and that compliance with the terms and provisions of the SISP is required in order to participate in the SISP and for any Bids to be considered by the Companies.

This \_\_\_\_ day of \_\_\_\_\_, 2024.

[NAME]

By:

\_\_\_\_\_  
[Signing Officer]

**SCHEDULE "B"**  
**ADDRESS PARTICULARS**

**FTI Consulting Canada Inc.**

TD South Tower  
77 Wellington Street West, Suite 2010  
Toronto, ON M5K 1G8

Attention: Jeffrey Rosenberg; Jodi Porepa  
Phone: (416) 649-8073; (416) 649-8059  
Email: jeffrey.rosenberg@fticonsulting.com; jodi.porepa@fticonsulting.com

**With a copy to:**

**Torys LLP**

79 Wellington Street West  
30<sup>th</sup> Floor (Deliveries)  
Box 270, TD South Tower  
Toronto, ON M5K 1N2

Attention: David Bish; Mike Noel  
Phone: (416) 865-7353; (416) 865-7378  
Email: dbish@torys.com; mnoel@torys.com

## SCHEDULE “C” AUCTION PROCEDURES

### Auction

1. If the Companies and the Monitor, decide to conduct an Auction pursuant to the SISP Procedures, the Monitor will notify the Qualified Phase II Bidders (including the Stalking Horse Bidder) who made a Qualified Phase II Bid that the Auction will be held at a location to be determined at 9:00 a.m. (Eastern Time) on a date that is determined by the Companies and the Monitor, provided that it is a date that is not later than March 22, 2024, or such other place, date and time as the Companies or the Monitor may advise. Capitalized terms used but not defined herein have the meaning given to them in the SISP Procedures.

The Auction shall be conducted in accordance with the following procedures:

- (a) Participation at the Auction. Only a Qualified Phase II Bidder is eligible to participate in the Auction. Each Qualified Phase II Bidder must inform the Companies and the Monitor whether it intends to participate in the Auction by no later than 12:00 p.m. (Eastern Time) on the Business Day prior to the Auction. Only the authorized representatives of each of the Qualified Phase II Bidders, the Monitor and the Companies, and their respective counsel and other advisors, and any other parties acceptable to the Companies and the Monitor, shall be permitted to attend the Auction.
- (b) Bidding at the Auction. Bidding at the Auction shall be conducted in rounds. The highest Qualified Phase II Bid at the beginning of the Auction shall constitute the “**Opening Bid**” for the first round and the highest Overbid (as defined below) at the end of each round shall constitute the “**Opening Bid**” for each following round. In each round, a Qualified Phase II Bidder may submit no more than one Overbid. Only a Qualified Phase II Bidder who bids in a round (including the Qualified Phase II Bidder that submitted the Opening Bid for such round) shall be entitled to participate in the next round of bidding at the Auction. For greater certainty, an Aggregate Bid may be determined to be the Opening Bid for any round including the opening round.
- (c) Monitor Shall Conduct the Auction. The Monitor and its advisors shall direct and preside over the Auction. At the start of the Auction, the Monitor shall provide the terms of the Opening Bid to all participating Qualified Phase II Bidders at the Auction. The determination by the Monitor, in consultation with the Companies, of which Qualified Phase II Bid constitutes the Opening Bid for each round shall take into account any factors that the Monitor reasonably deems relevant to the value of the Qualified Phase II Bid, including, among other things, the following: (i) the amount and nature of the consideration, including the value of any non-cash consideration; (ii) the proposed assumption of any liabilities and the related implied impact on recoveries for creditors; (iii) the number of employees assumed by the Qualified Phase II Bidder; (iv) the Monitor’s reasonable assessment of the certainty of the Qualified Phase II Bidder to close the proposed transaction on or before the Outside Date; (v) the likelihood, extent and impact of any potential delays in

closing; (vi) the impact of the contemplated transaction on any actual or potential litigation; (vii) the net economic effect of any changes from the Opening Bid of the previous round; (viii) the net after-tax consideration to be received by the Companies; and (ix) such other considerations as the Monitor deems relevant in its reasonable business judgment (collectively, the “**Bid Assessment Criteria**”). For greater certainty, the Monitor may ascribe monetary values to non-monetary terms in Overbids for the purposes of assessing and valuing such Overbids, including without limitation, the value to be ascribed to any liabilities or contracts to be assumed. All Bids made after the Opening Bid shall be Overbids, and shall be made and received on an open basis, and all material terms of the highest and best Overbid shall be fully disclosed to all other Qualified Phase II Bidders that are participating in the Auction. The Monitor shall maintain a record of the Opening Bid and all Overbids made and announced at the Auction, including the Successful Bid and the Back-Up Bid.

- (d) Terms of Overbids. An “**Overbid**” is any Bid made at the Auction subsequent to the Monitor’s announcement of the Opening Bid. To submit an Overbid, in any round of the Auction, a Qualified Phase II Bidder must comply with the following conditions:
- (i) *Minimum Overbid Increment:* Any Overbid shall be made in CAD\$50,000 increments (the “**Minimum Overbid Increment**”). The amount of the cash purchase price consideration or value of any Overbid shall not be less than the cash purchase price consideration or value of the Opening Bid, plus the Minimum Overbid Increment(s) at that time plus any additional Minimum Overbid Increments. In respect of the Stalking Horse Agreement and any Overbid by the Stalking Horse Bidder, the value shall include the amount of any indebtedness owing to it that is to be deemed repaid or otherwise released and any priority indebtedness to be assumed pursuant to and in accordance with the terms of the Stalking Horse Agreement.
  - (ii) *The Bid Requirements same as for Qualified Phase II Bids:* Except as modified herein, an Overbid must comply with the bid requirements contained herein, provided, however, that the Phase II Bid Deadline shall not apply. Any Overbid made by a Qualified Phase II Bidder must provide that it remains irrevocable and binding on the Qualified Phase II Bidder and open for acceptance until the closing of the Successful Bid(s).
  - (iii) *Announcing Overbids:* At the end of each round of bidding, the Monitor shall announce the identity of the Qualified Phase II Bidder and the material terms of the then highest and/or best Overbid, including the nature of the proposed transaction contemplated by the best Overbid, the assets proposed to be acquired and the obligations proposed to be assumed, the basis for calculating the total consideration offered in such Overbid, and the resulting benefit to the Companies based on, among other things, the Bid Assessment Criteria. For greater certainty, an Aggregate Bid may be determined to be the highest and/or best Overbid.

- (iv) *Consideration of Overbids:* The Monitor reserves the right, in consultation with the Companies, to make one or more adjournments in the Auction to, among other things: (A) facilitate discussions between the Companies and individual Qualified Phase II Bidders; (B) allow individual Qualified Phase II Bidders to consider how they wish to proceed; (C) consider and determine the current highest and/or best Overbid at any given time during the Auction; and (D) give Qualified Phase II Bidders the opportunity to provide the Monitor with such additional evidence as it, or the Companies, may require, that the Qualified Phase II Bidder has obtained all required internal corporate approvals, has sufficient internal resources, or has received sufficient non-contingent debt and/or equity funding commitments, to consummate the proposed transaction at the prevailing Overbid amount. The Monitor and Companies may have clarifying discussions with a Qualified Phase II Bidder, and the Monitor may allow a Qualified Phase II Bidder to make technical clarifying changes to its Overbid following such discussions.
- (v) *Portion Bids:* Notwithstanding the forgoing, each Portion Bidder entitled to participate in the Auction shall be entitled to submit an Overbid with respect to the Assets on which it is bidding without being required to submit an Overbid with respect to all Assets or the applicable Opening Bid; provided that any Aggregate Bid that is an Overbid shall be subject to these Auction Procedures as any other Overbid, including that such Aggregate Bid that is an Overbid shall be subject to the Minimum Overbid Increment. Portion Bids can be aggregated with any other Qualified Phase II Bid, as determined by the Companies and the Monitor.
- (vi) *Failure to Bid:* If at the end of any round of bidding a Qualified Phase II Bidder (other than a Portion Bidder, or the Qualified Phase II Bidder that submitted the then highest and/or best Overbid or Opening Bid, as applicable) fails to submit an Overbid, then such Qualified Phase II Bidder shall not be entitled to continue to participate in the next round of the Auction.
- (e) Discussion with other Bidders. A Qualified Phase II Bidder shall not strategize or have discussions with other Qualified Phase II Bidders for the purpose of submitting an Overbid without the consent of the Monitor.
- (f) Additional Procedures. The Monitor may, in consultation with the Companies, adopt rules for the Auction at or prior to the Auction that will better promote the goals of the Auction, including rules pertaining to the structure of the Auction and the order of bidding, provided they are not inconsistent with any of the provisions of the SISP Procedures and provided further that no such rules may change the requirement that all material terms of the then highest and/or best Overbid at the end of each round of bidding will be fully disclosed to all other Qualified Phase II Bidders.

- (g) Closing the Auction. The Auction shall be closed after the Monitor, with the assistance of the Companies and their respective legal counsel, has (i) reviewed the final Overbid of each Qualified Phase II Bidder on the basis of financial and contractual terms and the factors relevant to the sale process, including those factors affecting the speed and certainty of consummating the proposed sale, and (ii) identified the Successful Bid and the Back-Up Bid and advised the Qualified Phase II Bidders participating in the Auction of such determination. One or more Portion Bids can, in the discretion of the Monitor, form part of a Successful Bid and Back-Up Bid so long as such Portion Bids do not overlap in respect of the Assets sought to be purchased and in such case, such Portion Bid(s) shall be included in the definition of Successful Bidder or Back-Up Bid, as applicable.
- (h) Finalizing Documentation. Promptly following a Bid of a Qualified Phase II Bidder being declared the Successful Bid or the Back-Up Bid, the applicable Qualified Phase II Bidder shall execute and deliver such revised and updated definitive transaction agreements as may be required to reflect and evidence the Successful Bid or Back-Up Bid.
- (i) Qualified Investment Bids. Notwithstanding any other provision of this SISP, if a Qualified Phase II Bidder submits a Qualified Investment Bid that the Companies or the Monitor consider would result in a greater value being received for the benefit of the Companies' creditors than the Qualified Sale Bids, then the Monitor may allow such Qualified Phase II Bidder to participate in the Auction, notwithstanding that such Qualified Investment Bid may not otherwise comply with the terms of these Auction Procedures. In such case, the Monitor may adopt appropriate rules to facilitate such Qualified Phase II Bidder's participation in the Auction.

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 TREES CORPORATION, ONTARIO CANNABIS HOLDINGS  
CORP., MIRACULO INC., 2707461 ONTARIO LTD., OCH ONTARIO CONSULTING  
CORP., AND 11819496 CANADA INC.

Court File No.: CV-23-00711935-00CL

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**  
Proceeding commenced at Toronto

**SISP APPROVAL ORDER**

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Fax: 416-304-1313

Lawyers for the Applicants

This is **Exhibit "C"** referred to in the  
Affidavit of Jeffrey Holmgren sworn by Jeffrey Holmgren in the  
City of Vaughan, in the Province of Ontario, before me at the City of Vaughan, in the Province  
of Ontario, this 25<sup>th</sup> day of March, 2024  
in accordance with *O. Reg. 431/20*,

*Administering Oath or Declaration Remotely.*

Rudrakshi Chakrabarti

A Commissioner for taking affidavits

**AMENDED SHARE PURCHASE AGREEMENT**

**TREES CORPORATION**

**as Vendor**

**-and-**

**ONE PLANT (RETAIL) CORP.**

**as Purchaser**

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## AMENDED SHARE PURCHASE AGREEMENT

**THIS AGREEMENT** is made as of March 25, 2024

**BETWEEN:**

Trees Corporation (“**Trees**”)

-and-

One Plant (Retail) Corp. (“**Purchaser**”)

**RECITALS:**

- A. Trees is a public cannabis retailer company based in Toronto, Ontario that offers cannabis products and accessories to the adult-use market in provinces where the sale of cannabis by private retailers is legal under the *Cannabis Act* (Canada) and other applicable provincial legislation regulating the sale of cannabis by licensed private retailers (collectively, the “**Business**”).
- B. Trees, directly or indirectly, owns all of the issued and outstanding shares in the capital of Ontario Cannabis Holdings Corp., Miraculo Inc., OCH Ontario Consulting Corp., 2707461 Ontario Inc. and 11819496 Canada Inc. (collectively with Trees, the “**Applicants**”).
- C. The Applicants commenced proceedings (the “**CCAA Proceedings**”) under the *Companies’ Creditors Arrangement Act* (Canada) in the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) to, among other things, obtain the benefit of a stay of proceedings in respect of the Applicants.
- D. On January 23, 2024, One Plant (Retail) Corp. (in such capacity, the “**DIP Lender**”) and the Applicants entered into an amended and restated debtor-in-possession financing term sheet whereby the DIP Lender agreed to provide a non-revolving credit facility up to the maximum amount of \$1,560,000 (the “**DIP Facility**”).
- E. This Agreement shall serve as a Stalking Horse Bid (defined below) in a sale and investment solicitation process to be commenced by the Applicants in the CCAA Proceedings, subject to approval of the Court. The Transactions (defined below) will be implemented pursuant to this Agreement, to be approved pursuant to a Vesting Order (defined below) granted by the Court in the CCAA Proceedings.
- F. The Applicants will seek to obtain the SISP Order (defined below) authorizing Trees to enter into this Agreement and authorizing the SISP.
- G. The Purchaser has been selected as the stalking horse bidder and as such, the Purchaser has agreed to buy, and Trees has agreed to: (i) issue the New Common Shares (defined below) to the Purchaser, and (ii) consolidate the New Common

Shares (defined below) and the Existing Shares (defined below), such that the Purchaser will be the direct or indirect sole shareholder of Trees and each of its direct and indirect subsidiaries (with the exception of God's Greenery, a Delaware corporation) (collectively, the "**Transactions**") on and pursuant to the terms set forth herein if the Purchaser becomes the Successful Bidder (defined below) pursuant to the SISP.

- H. On March 21, 2024, the Monitor declared the Purchaser as the Successful Bidder (as defined in the SISP) pursuant to the SISP.

**NOW THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each Party, the Parties agree as follows:

## **ARTICLE I INTERPRETATION**

### **1.01 Definitions**

In this Agreement:

- (a) "**Accounting Standards**" means the accounting principles set out in the *CPA Canada Handbook – Accounting* for an entity that prepares its financial statements in accordance with International Financial Reporting Standards, at the relevant time, applied on a consistent basis.
- (b) "**Administration Charge**" has the meaning given to it in the Amended and Restated Initial Order.
- (c) "**Administrative Expense Amount**" means cash in an amount of the Administrative Expense Costs and CCAA Charge Amount, in each case as reflected in the Approved Cash Flow Projection as of the Closing Time, and shall be paid by the Applicants to the Monitor on the Closing Date out of the cash and cash equivalents of the Applicants as at the Closing Date for the Monitor to hold and use to pay the Administrative Expense Costs and the CCAA Charge Amount, subject to the terms hereof.
- (d) "**Administrative Expense Amount Estimate**" means an estimate of the Administrative Expense Amount to be agreed upon by Trees and the DIP Lender, in consultation with the Monitor, on or before the Phase 1 Bid Deadline (as defined in the SISP), as set out in Schedule 1.01(d).
- (e) "**Administrative Expense Costs**" means the reasonable and documented fees and costs of the Monitor and its professional advisors, and professional advisors of the Applicants and ResidualCo, as reflected in the Approved Cash Flow Projections as of the Closing Time and in each case, for services performed prior to and after the Closing Date relating directly or indirectly to the CCAA Proceedings and this Agreement, and including: (i) costs required to wind down and/or dissolve and/or

bankrupt ResidualCo; and (ii) costs and expenses required to administer the Excluded Assets, Excluded Liabilities and ResidualCo.

- (f) **“Affiliate”** means, with respect to any specified Person, any other Person that, directly or indirectly, through one or more intermediaries controls, or is controlled by, or is under common control with, such specified Person. For the purposes of this definition, “control”, as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise.
- (g) **“Agreement”** means this share purchase agreement and all of its Schedules, in each case as the same may be supplemented, amended, restated or replaced from time to time, and the expressions “hereof”, “herein”, “hereto”, “hereunder”, “hereby” and similar expressions refer to this share purchase agreement and all of its Schedules, and unless otherwise indicated, references to Articles, Sections, and Schedules are to Articles, Sections, and Schedules in this share purchase agreement.
- (h) **“Amended and Restated Initial Order”** means the order of the Court dated January 2, 2024, made in the CCAA Proceedings, amending and restating the Initial Order.
- (i) **“Applicable Law”** means any transnational, domestic or foreign, federal, provincial, territorial, state, local or municipal (or any subdivision of any of them) law (including common law and civil law), statute, ordinance, rule, regulation, restriction, limit, by-law (zoning or otherwise), judgment, order, direction or any consent, exemption, Transaction Regulatory Approval, or any other legal requirements of, or agreements with, any Governmental Authority, that applies in whole or in part to the Transactions contemplated by this Agreement, the members of the Applicants, Purchaser, the Business, or any of the New Common Shares or the Assumed Liabilities.
- (j) **“Applicants”** has the meaning given to such terms in Recital B.
- (k) **“Approved Cash Flow Projection”** means the cash flow projection attached to the DIP Term Sheet and approved by the DIP Lender, in consultation with the Monitor, as may be updated and substituted from time to time, with the approval of the DIP Lender, in consultation with the Monitor.
- (l) **“Assumed Liabilities”** has the meaning given to such term in Section 2.04.
- (m) **“Back-up Bid”** has the meaning given to such term in the SISP.
- (n) **“Break Fee”** has the meaning given to such term in Section 9.02.
- (o) **“Business”** has the meaning given to such term in Recital “A”.

- (p) “**Business Day**” means any day, other than a Saturday or Sunday, on which the principal commercial banks in Toronto, Ontario are open for commercial banking business during normal banking hours.
- (q) “**Cash Consideration**” has the meaning given to such term in Section 3.01(b).
- (r) “**CCAA Charge Amount**” means cash in an amount sufficient to satisfy the amounts owing in respect of obligations secured by the CCAA Charges (without duplication to amounts satisfied as Administrative Expense Costs, Employee Priority Claims or Priority Payments), in each case as reflected in the Approved Cash Flow Projection as of the Closing Time.
- (s) “**CCAA Charges**” means the Administration Charge, Subsequent Administration Charge, the Directors’ Charge, and the Subsequent Directors’ Charge.
- (t) “**CCAA Proceedings**” has the meaning given to such term in Recital C.
- (u) “**CCAA**” means the *Companies’ Creditors Arrangement Act* (Canada).
- (v) “**Claims**” means any and all demands, claims, liabilities, actions, causes of action, counterclaims, expenses, costs, damages, losses, suits, debts, sums of money, refunds, accounts, indebtedness, rights of recovery, rights of set-off, rights of recoupment and liens of whatever nature (whether direct or indirect, absolute or contingent, asserted or unasserted, secured or unsecured, matured or not yet matured due or to become due, accrued or unaccrued or liquidated or unliquidated) and including all costs, fees and expenses relating thereto.
- (w) “**Closing**” means the completion of the purchase of the New Common Shares and the Transactions in accordance with the provisions of this Agreement.
- (x) “**Closing Date**” means a date no later than five (5) Business Days after the conditions set forth in Article XI have been satisfied or waived; provided that, if there is to be a Closing hereunder, then the Closing Date shall be no later than the Outside Date, unless otherwise agreed to by the Parties in writing.
- (y) “**Closing Documents**” means all contracts, agreements, certificates, and instruments required by this Agreement to be delivered at or before the Closing Time.
- (z) “**Closing Time**” means 10:00 a.m. (Toronto time) on the Closing Date or such other time on the Closing Date as the Parties agree in writing that the Closing Time shall take place.
- (aa) “**Consolidation and Cancellation**” means the consolidation of all New Common Shares and Existing Shares in accordance with the Consolidation Ratio, and the cancellation of all fractional New Common Shares and Existing Shares in accordance with Article II.

- (bb) “**Consolidation Ratio**” means the ratio by which all New Common Shares and Existing Shares shall be consolidated, as determined by the Purchaser, acting reasonably and in consultation with Trees and the Monitor, given the intended effect of the Transactions.
- (cc) “**Court**” has the meaning given to such term in Recital “C”.
- (dd) “**Credit Bid Consideration**” has the meaning given to such term in Section 3.01(a).
- (ee) “**Credit Bid Consideration Statement**” has the meaning given to such term in Section 3.01(a).
- (ff) “**DIP Facility**” has the meaning given to such term in Recital “D”.
- (gg) “**DIP Lender**” has the meaning given to such term in Recital “D”.
- (hh) “**DIP Term Sheet**” means the DIP Term Sheet dated as of December 21, 2023 among the Applicants (as borrower), and the DIP Lender, as such agreement may be amended, restated, supplemented and/or otherwise modified from time to time in accordance with the terms thereof.
- (ii) “**Directors Charge**” has the meaning given to it in the Amended and Restated Initial Order.
- (jj) “**Employee Priority Claims**” means any Claim for: (i) accrued and unpaid wages and vacation pay owing to an employee of any of the members of the Applicants whose employment was terminated between the Filing Date and the Closing Date, including the Terminated Employees; and (ii) unpaid amounts provided for in Section 6(5)(a) of the CCAA.
- (kk) “**Encumbrance**” means any security interest (whether contractual, statutory or otherwise), lien, prior Claim, charge, hypothec, reservation of ownership, pledge, encumbrance, mortgage, trust (including any statutory, deemed or constructive trust), option or adverse Claim or encumbrance of any nature or kind.
- (ll) “**Equity Interests**” means any capital share, capital stock, partnership, membership, joint venture or other ownership or equity interest, participation or securities (whether voting or nonvoting, whether preferred, common or otherwise, and including share appreciation, contingent interest or similar rights) of a Person.
- (mm) “**ETA**” means the *Excise Tax Act* (Canada).
- (nn) “**Excluded Assets**” has the meaning given to such term in Section 2.03.
- (oo) “**Excluded Contracts**” means contracts of the members of the Applicants as described in Schedule 2.03(c).

- (pp) “**Excluded Leases**” means those leases of the members of the Applicants as described in Schedule 2.03(c).
- (qq) “**Excluded Liabilities**” has the meaning given to such term in Section 2.05.
- (rr) “**Existing Shares**” means all of the common shares of Trees that are issued and outstanding immediately prior to the Closing Time, which, for greater certainty, does not include the New Common Shares or the Post-Consolidation Shares.
- (ss) “**Filing Date**” means December 22, 2023.
- (tt) “**Governmental Authority**” means any government, regulatory authority, governmental department, agency, commission, bureau, official, minister, Crown corporation, court, board, tribunal or dispute settlement panel or other law, rule or regulation-making organization or entity: (i) having or purporting to have jurisdiction on behalf of any nation, province, municipality, territory or state or any other geographic or political subdivision of any of them, or (ii) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, taxing regulatory authority or power.
- (uu) “**GST/HST**” means all goods and services tax and harmonized sales tax imposed under Part IX of the ETA.
- (vv) “**Implementation Steps**” has the meaning given to such term in Section 5.01(b).
- (ww) “**Initial Order**” means the order of the Court dated December 22, 2023, pursuant to the CCAA commencing the CCAA Proceedings, as amended, restated, supplemented and/or modified from time to time.
- (xx) “**Intercompany Claim**” means any Claim that may be asserted against any of the members of the Applicants by or on behalf of any other member of the Applicants.
- (yy) “**Interim Period**” means the period from the date that this Agreement is entered into by the Parties to the Closing Time.
- (zz) “**Loan Agreements**” means the Secured Debentures, the Secured Convertible Promissory Notes, and the Secured Promissory Note.
- (aaa) “**Material Adverse Effect**” means any change, effect, event, occurrence, state of facts or development that has had a material adverse effect on: (i) the business, assets, liabilities, financial conditions or results of operations of the members of the Applicants, taken as a whole; or (ii) prevents the ability of any of the members of the Applicants to perform its obligations under, or to consummate the Transactions contemplated by, this Agreement, but excluding any such change, effect, event, occurrence, state of facts or development attributable to or arising from: (A) general economic or business conditions; (B) Canada, the U.S. or foreign economies, or financial, banking or securities markets in general, or other general business,

banking, financial or economic conditions (including: (I) any disruption in any of the foregoing markets; (II) any change in the currency exchange rates; or (III) any decline or rise in the price of any security, commodity, contract or index); (C) acts of God or other calamities, pandemics (including COVID-19 and any Governmental Authorities response thereto), national or international political or social conditions, including the engagement and/or escalation by the U.S. or Canada in hostilities, whether or not pursuant to the declaration of a national emergency or war, or the occurrence of any military or terrorist attack upon the U.S. or Canada or any of their territories, possessions or diplomatic or consular offices or upon any military installation, equipment or personnel of the U.S. or Canada; (D) the identity of the Purchaser or its Affiliates; (E) conditions generally affecting the industry in which the members of the Applicants participates; (F) the public announcement of, entry into or pendency of, actions required or contemplated by or performance of obligations under, this Agreement or the Transactions contemplated by this Agreement, or the identity of the Parties; (G) changes in Applicable Laws or the interpretation thereof; (H) any change in Accounting Standards or other accounting requirements or principles; (I) national or international political, labor or social conditions; (J) the failure of the members of the Applicants to meet or achieve the results set forth in any internal projections (but not the underlying facts giving rise to such failure unless such facts are otherwise excluded pursuant to the clauses contained in this definition); or (K) any change resulting from compliance with the terms of, or any actions taken (or not taken) by any Party pursuant to or in accordance with, this Agreement; provided that the exceptions set forth in clauses (A), (B), (C), (E), (G), (H) or (I) shall not apply to the extent that such event is disproportionately adverse to the members of the Applicants, taken as a whole, as compared to other companies in the industries in which the members of the Applicants operate.

- (bbb) “**Monitor’s Certificate**” means the certificate delivered to the Purchaser and Trees and filed with the Court by the Monitor in accordance with the Vesting Order certifying that the Monitor has received written confirmation in form and substance satisfactory to the Monitor from Trees and Purchaser that all conditions to Closing have been satisfied or waived by the applicable Parties and the Transactions contemplated by this Agreement have been completed.
- (ccc) “**Monitor**” means FTI Consulting Canada Inc., as Court-appointed monitor of the members of the Applicants in the CCAA Proceedings, and not in its personal or corporate capacity.
- (ddd) “**New Common Shares**” means the common shares of Trees to be issued to the Purchaser as part of Closing in exchange for the Purchase Price.
- (eee) “**Order**” means any order of the Court made in the CCAA Proceedings, or any order, directive, judgment, decree, injunction, decision, ruling, award or writ of any Governmental Authority.

- (fff) “**Outside Date**” means April 30, 2024.
- (ggg) “**Parties**” means Trees and Purchaser collectively, and “**Party**” means either Trees or Purchaser, as the context requires.
- (hhh) “**Permitted Encumbrances**” means the Encumbrances listed in Schedule 1.01(hhh).
- (iii) “**Person**” includes an individual, partnership, firm, joint venture, venture capital fund, limited liability company, unlimited liability company, association, trust, entity, corporation, unincorporated association, or organization, syndicate, committee, court appointed representative, Governmental Authority, the government of a country or any political subdivision thereof, or any agency, board, tribunal, commission, bureau, instrumentality, or department of such government or political subdivision, or any other entity, howsoever designated or constituted, including the trustees, executors, administrators, or other legal representatives of an individual.
- (jjj) “**Post-Consolidation Shares**” means the 1,000 common shares of Trees that will remain after the Consolidation and Cancellation, which shall: (i) represent 100% of the issued and outstanding common shares of Trees after the Consolidation and Cancellation; and (ii) be solely owned and controlled by the Purchaser.
- (kkk) “**Post-Filing Claim**” or “**Post-Filing Claims**” means, save and except for a Restructuring Period Claim and a Restructuring Period D&O Claim, any or all indebtedness, liability, or obligation of the members of the Applicants of any kind that arises during and in respect of the period beginning on the Filing Date and ending on the day immediately preceding the Closing Date in respect of services rendered or supplies provided to the members of the Applicants during such period.
- (lll) “**Pre-Closing Reorganization**” means the transactions, act or events described in Section 5.01 that are to occur immediately prior to the Closing Time.
- (mmm) “**Pre-Filing Tax Obligations**” has the meaning given to such term in Section 9.07(a).
- (nnn) “**Pre-Filing GST/HST Obligations**” means the GST/HST obligations required to be remitted by the Applicants that arose and were required to be remitted prior to the Filing Date, in the amount of \$198,773.48.
- (ooo) “**Priority Payments**” means those priority payments prescribed under subsections 6(3), 6(5) and 6(6) of the CCAA, and the amounts owing under the Employee Priority Claims, and including those amounts identified in the Implementation Steps.
- (ppp) “**Purchase Price**” has the meaning given to such term in Section 3.01.

- (qqq) “**Purchaser**” has the meaning given to such term in the preamble.
- (rrr) “**Released Claims**” means all claims, demands, complaints, grievances, actions, applications, suits, causes of action, Orders, charges, indictments, prosecutions or other similar processes, assessments or reassessments, judgments, debts, liabilities, expenses, costs, damages or losses, contingent or otherwise, whether liquidated or unliquidated, matured or unmatured, disputed or undisputed, contractual, legal or equitable, including loss of value, professional fees, including “claims” (as defined in the CCAA) and including fees and disbursements of legal counsel on a full indemnity basis, and all costs incurred in investigating or pursuing any of the foregoing or any proceeding relating to any of the foregoing.
- (sss) “**ResidualCo**” means a corporation to be incorporated to which the Excluded Assets and Excluded Liabilities will be transferred as part of the Pre-Closing Reorganization.
- (ttt) “**Restructuring Period Claim**” means any Claim owed by any member of the Applicants arising out of the restructuring, disclaimer, rescission, termination or breach by such member of the Applicants on or after the Filing Date of any contract, lease or other agreement, whether written or oral.
- (uuu) “**Restructuring Period D&O Claim**” means any Claim against one or more of the directors or officers of the Applicants arising after the Filing Date, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including any assessments and any right or ability of any Person to advance a claim for contribution, indemnity or otherwise against any of such directors or officers with respect to any matter, action, cause or chose in action, whether existing at present or arising or commenced in the future, for which any such director or officer is alleged to be, by statute or otherwise by law or equity, liable to pay in his or her capacity as a director or officer.
- (vvv) “**Secured Convertible Promissory Notes**” means, collectively: (i) the series of secured convertible promissory notes in the aggregate principal amount of \$1,005,000 that were issued to certain noteholders between October 2022 to January 2023; and (ii) the assignment agreements, each dated on or around March 14, 2024, by and between the Purchaser and each of the applicable noteholders assigning such secured convertible promissory notes to the Purchaser.
- (www) “**Secured Debentures**” collectively, means the: (i) subscription agreement for secured convertible debentures dated as October 20, 2021 made by Trees in favour of PMH Investco Ltd.; (ii) subscription agreement for secured convertible debentures dated as of October 20, 2021 made by Trees in favour of Minerva Investments Ltd.; (iii) subscription agreement for secured convertible debentures

dated as of October 20, 2021 made by Trees in favour of 606093 Saskatchewan Ltd.; and (iv) subscription agreement for secured convertible debentures dated as of October 20, 2021 made by Trees Corporation in favour of Echo Capital Growth Corporation; in each case as assigned to the Purchaser pursuant to an assignment agreement effective as of January 2, 2024.

- (xxx) “**Secured Promissory Note**” means the promissory note dated March 11, 2020 granted by OCH Ontario Consulting Corp. and Ontario Cannabis Holdings Corp. in favour of Tweed Inc., as successor by assignment of Tweed Franchise Inc., as secured by a general security agreement dated March 11, 2020, in each case as assigned to the Purchaser pursuant to an assignment agreement effective as of December 29, 2023.
- (yyy) “**SISP**” means the sale and investment solicitation process approved by the SISP Order, as may be amended by the Court from time to time, substantially in the form of the sale and investment solicitation process attached hereto as Schedule 1.01(yyy).
- (zzz) “**SISP Order**” means the Order authorizing and approving the commencement of the SISP.
- (aaaa) “**Stalking Horse Bid**” has the meaning given to such term in the SISP.
- (bbbb) “**Subsequent Administration Charge**” has the meaning given to it in the Amended and Restated Initial Order.
- (cccc) “**Subsequent Directors’ Charge**” has the meaning given to it in the Amended and Restated Initial Order.
- (dddd) “**Successful Bid(s)**” has the meaning given to such term in the SISP.
- (eeee) “**Successful Bidder(s)**” has the meaning given to such term in the SISP.
- (ffff) “**Tax**” and “**Taxes**” means taxes, duties, fees, premiums, assessments, imposts, levies and other charges of any kind whatsoever (including withholding on amounts paid to or by any Person) imposed by any Governmental Authority, including all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Authority in respect thereof, and including those levied on, or measured by, or referred to as, income, gross receipts, profits, capital, transfer, land transfer, sales, GST/HST, use, value-added, excise, stamp, withholding, business, franchising, escheat, property, development, occupancy, employer health, payroll, employment, health, disability, severance, unemployment, social services, education and social security taxes, all surtaxes, all customs duties and import and export taxes, countervail and anti-dumping, all license, franchise and registration fees and all employment insurance, health insurance and Canada, Ontario, British Columbia and other government pension plan premiums or contributions.

- (gggg) **“Terminated Employees”** means those individuals employed by the Applicants whose employment has or shall be terminated by the applicable member of the Applicants, including those deemed to be terminated pursuant to Section 9.08(d).
- (hhhh) **“Transactions”** has the meaning given to it in Recital “G”.
- (iiii) **“Transaction Regulatory Approvals”** means any material licenses, permits or approvals required from any Governmental Authority or under any Applicable Laws relating to the business and operations of the Applicants that would be required to be obtained in order to permit the Applicants and Purchaser to complete the Transactions contemplated by this Agreement, including any approvals required due to the change of control of the Applicants, as set forth in Schedule 11.01(c).
- (jjjj) **“Trees”** has the meaning given to such term in the preamble.
- (kkkk) **“Vesting Order”** means an order of the Court in a form to be mutually agreed upon by the Parties as set forth in Schedule 1.01(kkkk).

## 1.02 Statutes

Except as otherwise provided in this Agreement, any reference in this Agreement to a statute refers to such statute and all rules and regulations made under it, as it or they may have been or may from time to time be amended, re-enacted or replaced.

## 1.03 Headings, Table of Contents, etc.

The provision of a table of contents, the division of this Agreement into Articles, Sections and other subdivisions and the insertion of headings are for convenient reference only and do not affect the interpretation of this Agreement. The recitals to this Agreement are an integral part of this Agreement.

## 1.04 Gender and Number

In this Agreement, unless the context otherwise requires, words importing the singular include the plural and vice versa, and words importing gender include all genders.

## 1.05 Currency

Except where otherwise expressly provided, all amounts in this Agreement are stated and shall be paid in Canadian dollars. References to “\$” are to Canadian dollars.

## 1.06 Certain Phrases

In this Agreement: (a) the words “including”, “includes” and “include” and any derivatives of such words mean “including without limitation”, and (b) the words “the aggregate of”, “the total of”, “the sum of”, or a phrase of similar meaning means “the aggregate, without duplication, of”. The

expression “Article”, “Section” and other subdivision followed by a number, mean and refer to the specified Article, Section or other subdivision of this Agreement.

### **1.07 Invalidity of Provisions**

Each of the provisions contained in this Agreement is distinct and severable and a declaration of invalidity 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 hereof so long as the economic or legal substance of the Transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon: (a) such a determination of invalidity or unenforceability, or (b) any change in Applicable Law or other action by any Governmental Authority that materially detracts from the legal or economic rights or benefits, or materially increases the obligations, of any Party or any of its Affiliates under this Agreement, the Parties shall negotiate in good faith to amend this Agreement so as to give effect to the original intent of the Parties as closely as possible in an acceptable manner so that the Transactions contemplated by this Agreement be consummated as originally contemplated to the fullest extent possible.

### **1.08 Knowledge**

Any reference to the knowledge of: (a) Trees or the members of the Applicants, means the actual knowledge, after reasonable inquiry of Jeffrey Holmgren and Campbell Becher, and (b) Purchaser, means the actual knowledge, after reasonable inquiry, of Michael Serruya.

### **1.09 Schedules**

The following schedules attached hereto and incorporated in and form part of this Agreement:

#### **Schedules**

Schedule 1.01(d)	Administrative Expense Amount Estimate
Schedule 1.01(hhh)	Permitted Encumbrances
Schedule 1.01(yyy)	Sale and Investment Solicitation Process
Schedule 1.01(kkkk)	Form of Vesting Order
Schedule 2.03	Excluded Assets
Schedule 2.03(c)	Excluded Contracts and Excluded Leases
Schedule 2.04	Assumed Liabilities
Schedule 2.05	Non-Exhaustive List of Certain Enumerated Excluded Liabilities
Schedule 5.01(c)	Implementation Steps
Schedule 6.07	Subsidiaries

Schedule 10.02 [Intentionally Deleted]

Schedule 11.01(c) Transaction Regulatory Approvals to be Obtained Prior to the Closing Time

Unless the context otherwise requires, words and expressions defined in this Agreement will have the same meanings in the Exhibits and Schedules and the interpretation provisions set out in this Agreement will apply to the Exhibits and Schedules. Unless the context otherwise requires, or a contrary intention appears, references in the Exhibits and Schedules to a designated Article, Section, or other subdivision refer to the Article, Section, or other subdivision, respectively, of this Agreement.

### **1.10 Accounting Terms**

All accounting terms used in this Agreement are to be interpreted in accordance with the Accounting Standards unless otherwise specified.

### **1.11 Non-Business Days**

Whenever payments are to be made or an action is to be taken on a day that is not a Business Day, such payment will be made or such action will be taken on or not later than the next succeeding Business Day.

### **1.12 Computation of Time Periods**

If any action may be taken within, or any right or obligation is to expire at the end of, a period of days under this Agreement, then the first day of the period is not counted, but the day of its expiry is counted.

## **ARTICLE II PURCHASE OF SHARES AND ASSUMPTION OF LIABILITIES**

### **2.01 Issuance of New Common Shares and Treatment of Existing Shares**

- (a) Share Issuance. Trees shall issue the New Common Shares to the Purchaser in a number to be determined by the Purchaser, acting reasonably and in consultation with Trees and the Monitor, having regard to the intended effect of the Transactions, free and clear of all Encumbrances (other than Permitted Encumbrances), in exchange for the payment of the Purchase Price.
- (b) Share Consolidation. Trees' Articles of Incorporation shall be amended to, among other things: (i) consolidate the New Common Shares and the Existing Shares on the basis of the Consolidation Ratio, and (ii) provide for such additional changes to the rights and conditions attached to the New Common Shares and the Existing Shares as may be requested by the Purchaser.

- (c) Share Cancellation. Any fractional New Common Shares and Existing Shares held by any holder of such shares immediately following the consolidation of such shares shall be cancelled without any liability, payment or other compensation in respect thereof, and the Articles of Incorporation shall be altered as necessary to achieve such cancellation.
- (d) Equity Interests Extinguished. Any and all Equity Interests of Trees (other than the Post-Consolidation Shares) that remain issued and outstanding immediately following the Consolidation and Cancellation shall be cancelled and extinguished without any liability, payment or other compensation in respect thereof, and all Claims in respect of any Equity Interests of Trees (other than the Post-Consolidation Shares) shall be fully, finally, irrevocably and forever compromised, released, discharged, cancelled and barred without any liability, payment or other compensation in respect thereof.

## 2.02 Post-Consolidation Shares

Subject to the terms and conditions of this Agreement, effective immediately after the Closing Time and following the Consolidation and Cancellation, the Purchaser shall be the sole owner of the Post-Consolidation Shares, which shall represent 100% of Trees' issued and outstanding equity. For the avoidance of doubt, after the Closing Time and after the completion of the Implementation Steps, Trees and each and every direct and indirect subsidiary of Trees (with the exception of God's Greenery, a Delaware corporation) shall be wholly owned, directly or indirectly, by Purchaser.

## 2.03 Excluded Assets

Notwithstanding any provision of this Agreement to the contrary, as of the Closing, the assets of the members of the Applicants shall not include any of the following assets, together with any other assets as set forth on Schedule 2.03 (collectively, the "**Excluded Assets**"):

- (a) the Tax records and returns, and books and records pertaining thereto and other documents, in each case, that primarily or solely relate to any of the Excluded Liabilities, provided that the applicable member of the Applicants may take copies of all Tax records and books and records pertaining to such records (as redacted, if applicable) to the extent necessary or useful for the carrying on of the Business after Closing, including the filing of any tax return, provided, however that ResidualCo shall retain the original copies of any of the records required to be provided to the applicable member of the Applicants hereunder (and provide the applicable member of the Applicants with a copy thereof) to the extent ResidualCo is required to do so under Applicable Law;
- (b) the Administrative Expense Amount;
- (c) the Excluded Contracts;
- (d) the Excluded Leases;

- (e) all communications, information or records, written or oral, that are in any way related to (i) the transactions contemplated by this Agreement, (ii) the sale of the New Common Shares, (iii) any Excluded Asset or (iv) any Excluded Liability;
- (f) any rights that accrue to ResidualCo under this Agreement or the Vesting Order;
- (g) any and all rights or Claims by Trees in respect of the Business Combination Agreement dated July 12, 2023 between Trees and 420 Investments Ltd., including in respect of any indebtedness, liability or obligation of any kind whatsoever;
- (h) Miraculo Inc.'s Equity Interests in God's Greenery; and
- (i) any other asset, including contracts and leases, identified by the Purchaser to Trees in writing as an Excluded Asset no later than two (2) Business Days before the Closing Date.

Purchaser may, with the consent of Trees, which consent shall not be unreasonably withheld, and in consultation with the Monitor, amend the foregoing list and Schedule 2.03 as specifically enumerated Excluded Assets by no later than the Phase 1 Bid Deadline.

#### **2.04 Assumed Liabilities**

Pursuant to this Agreement and the Vesting Order, as of the Closing Time, the only obligations and liabilities of the Applicants shall consist of the items specifically set forth below, as applicable (collectively, the “**Assumed Liabilities**”); provided that the Assumed Liabilities of any member of the Applicants pursuant to this Section 2.04 shall continue to be liabilities of the applicable member of the Applicants as of the Closing:

- (a) all Post-Filing Claims;
- (b) all liabilities of the Applicants arising from and after Closing;
- (c) to the extent that the Applicants do not have sufficient funds on or before the Closing Date to satisfy such amounts or such amounts are not otherwise paid with the Cash Consideration, any and all Claims in priority to the Credit Bid Consideration;
- (d) Pre-Filing GST/HST Obligations;
- (e) Intercompany Claims between members of the Applicants; and
- (f) those specific Assumed Liabilities set forth in Schedule 2.04.

Purchaser may, with the consent of Trees, which consent shall not be unreasonably withheld, and in consultation with the Monitor, amend the foregoing list and Schedule 2.04 as specifically enumerated Assumed Liabilities by no later than the Phase 1 Bid Deadline.

## 2.05 Excluded Liabilities

- (a) Except as expressly retained pursuant to or specifically contemplated by Section 2.04, all Claims and all debts, obligations, and liabilities of the Applicants or any predecessors of the Applicants, of any kind or nature, shall be assigned and become the sole obligation of ResidualCo pursuant to the terms of the Vesting Order and this Agreement, and, as of the Closing, the members of the Applicants shall not have any obligation, duty, or liability of any kind whatsoever, except as expressly assumed pursuant to Section 2.04, whether accrued, contingent, known or unknown, express or implied, primary or secondary, direct or indirect, liquidated, unliquidated, absolute, accrued, contingent or otherwise, and whether due or to become due, and such liabilities or obligations shall be the sole responsibility of ResidualCo, including *inter alia*:
- (i) the non-exhaustive list of those certain liabilities set forth in Schedule 2.05;
  - (ii) any and all liability relating to any change of control provision that may arise in connection with the change of control contemplated by the transactions hereunder and to which the Applicants may be bound as at Closing;
  - (iii) all liabilities relating to or under the Excluded Assets;
  - (iv) any and all liabilities any obligations owing by Trees in favour of 1000321689 Ontario Ltd. under the Participation Agreement dated December 9, 2022;
  - (v) the \$535,000 secured debt of Ontario Cannabis Holdings Corp. in favour of CJ Marketing Inc. (Jon Conquergood);
  - (vi) the \$761,000 secured debt of Ontario Cannabis Holdings Corp. in favour of Arthur Nguyen-Cao (Vu Tran);
  - (vii) save and except for the Pre-Filing GST/HST Obligations, all Pre-Filing Tax Obligations;
  - (viii) all Post-Filing Tax Obligations;
  - (ix) liabilities for employees whose employment with the Applicants is terminated on or before Closing, including the Terminated Employees;
  - (x) the Restructuring Period Claims; and
  - (xi) the Restructuring Period D&O Claims
- (collectively, the “**Excluded Liabilities**”).

Purchaser may, with the consent of Trees, which consent shall not be unreasonably withheld, amend the foregoing list and the clarifying items listed in Schedule 2.05 as specifically enumerated Excluded Liabilities by no later than the Phase 1 Bid Deadline.

- (b) Pursuant to the Vesting Order, the Excluded Liabilities shall be channeled to and assumed in full by ResidualCo in accordance with and as further described in Article IV and the Applicants and their assets, undertakings, Business and properties shall be discharged of such Excluded Liabilities. All Claims attaching to the Excluded Liabilities, if any, shall continue to exist against ResidualCo and the Purchase Price and the Excluded Assets shall be available to satisfy such Claims.

### **ARTICLE III PURCHASE PRICE AND RELATED MATTERS**

#### **3.01 Purchase Price**

The purchase price payable by the Purchaser for the New Common Shares (the “**Purchase Price**”) shall be:

- (a) the release by the Purchaser of the Applicants from all amounts outstanding and obligations owing to the Purchaser pursuant to the Loan Agreements, the DIP Term Sheet and any other senior-ranking secured debt held by the Purchaser as of the Closing Date (including, for greater certainty, the Secured Convertible Promissory Notes and any other debt acquired from third parties prior to Closing), in each case including the principal amount of such claims and all interest accrued as of the Closing Date, which amount as of April 5, 2024 is estimated to be \$4,513,371, plus all accrued and unpaid interest thereon through to and including the Closing Date, plus any fees and expenses associated therewith (such aggregate amount, the “**Credit Bid Consideration**”), as particularized in a written estimated payout statement that was provided by the Purchaser to Trees and the Monitor two Business Days prior to the Phase 1 Bid Deadline, which shall be updated by no less than two Business Days prior to the Closing Date (each, a “**Credit Bid Consideration Statement**”); and
- (b) an amount sufficient to satisfy: (i) the Administrative Expense Amount, and (ii) any Post-Filing Tax Obligations, to the extent that the Applicants do not have sufficient funds on or before the Closing Date to satisfy such amounts (the “**Cash Consideration**”).

For greater certainty, the Purchase Price shall be paid to the Monitor, for the benefit of ResidualCo, and any Claim against the Applicants shall continue to exist as against ResidualCo after Closing.

#### **3.02 Satisfaction of Purchase Price**

The Purchaser shall satisfy the Purchase Price as follows:

- (a) the Purchaser shall release the applicable Applicant from amounts owing in respect of the Credit Bid Consideration; and
- (b) to the extent the Applicants do not have sufficient funds on or before the Closing Date to satisfy the Administrative Expense Amount, the Purchaser shall pay to the Monitor by wire transfer, certified cheque, bank draft or other means of immediately available funds, the Cash Consideration.

### **3.03 Purchase Price Allocation**

**[Intentionally Deleted.]**

### **3.04 Payment of Certain Liabilities**

On the Closing Date, the members of the Applicants shall satisfy, in accordance with the Implementation Steps, the Priority Payments as required to be paid on Closing in the Vesting Order such that all the Priority Payments shall be satisfied in full in connection with the Closing.

## **ARTICLE IV TRANSFER OF EXCLUDED ASSETS AND EXCLUDED LIABILITIES**

### **4.01 Transfer of Excluded Assets to ResidualCo**

On the Closing Date, pursuant to the terms of the Vesting Order and, where applicable, in consideration for ResidualCo assuming the Excluded Liabilities pursuant to Section 2.05 from the applicable member of the Applicants, Trees shall cause each of the members of the Applicants to assign and transfer the Excluded Assets to ResidualCo, and the Excluded Assets shall be vested in ResidualCo pursuant to the Vesting Order.

### **4.02 Transfer of Excluded Liabilities to ResidualCo**

At the Closing Time, the Excluded Liabilities shall have been channeled to and assumed by ResidualCo, in accordance with the Pre-Closing Reorganization and pursuant to the Vesting Order. Notwithstanding any other provision in this Agreement, neither the Purchaser nor the Applicants shall assume or have any liability for any of the Excluded Liabilities and all Excluded Liabilities shall be discharged from the Applicants and their assets, undertakings, Business and properties from and after the Closing Time.

## **ARTICLE V PRE-CLOSING AND CLOSING REORGANIZATION**

### **5.01 Pre-Closing and Closing Reorganization**

- (a) The specific mechanism for implementing the Closing and the structure of the transactions contemplated by this Agreement shall be structured in a tax efficient manner mutually agreed upon by the Parties, each acting reasonably.

- (b) On or prior to the Closing Date, the members of the Applicants shall effect the transaction steps and Pre-Closing Reorganization (collectively, the “**Implementation Steps**”) of the members of the Applicants as set forth on a schedule to be agreed upon by Trees and the Purchaser, each acting reasonably, at least seven (7) calendar days prior to the hearing of the Applicants’ motion seeking the Vesting Order; provided that in no event will the Implementation Steps described in Schedule 5.01(c) be materially prejudicial to the interests of the Purchaser under the other sections of this Agreement. The Implementation Steps may include, without limitation, the formation of new entities required to implement the transactions contemplated by this Agreement in a tax efficient manner, consistent with Section 5.01(a).
- (c) The Implementation Steps shall occur, and be deemed to have occurred in the order and manner to be set out in Schedule 5.01(c).
- (d) The steps to be taken and the compromises and releases to be effective on the Closing Date are deemed to occur and be effected in the steps and sequential order set forth in Schedule 5.01(c), beginning on or before the Closing Date at such time as is specified therein.
- (e) If Purchaser is the Successful Bidder, the timing and/or sequence of the Implementation Steps and the Closing on the Closing Date may be altered at the request of the Purchaser, acting reasonably, and with the consent of the Monitor.

## **ARTICLE VI REPRESENTATIONS AND WARRANTIES OF TREES**

Trees represents and warrants, on behalf of itself and all other members of the Applicants, to the Purchaser as follows, and acknowledges that the Purchaser is relying upon the following representations and warranties in connection with its purchase of the New Common Shares:

### **6.01 Due Authorization and Enforceability of Obligations**

Subject to the granting of the Vesting Order, this Agreement has been duly authorized, executed and delivered by it, and constitutes a legal, valid and binding obligation of it, enforceable against it in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, or other similar laws relating to or limiting creditors’ rights generally or by equitable principles relating to enforceability.

### **6.02 Existence and Good Standing**

Each of the members of the Applicants is validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization and: (a) has all requisite power and authority to execute and deliver this Agreement and (b) has taken all requisite corporate or other action necessary for it to execute and deliver this Agreement and to perform its obligations hereunder and consummate the transaction contemplated hereunder.

### **6.03 Sophisticated Parties**

Each of the members of the Applicants: (a) is a sophisticated party with sufficient knowledge and experience to evaluate properly the terms and conditions of this Agreement, (b) has conducted its own analysis and made its own decision to enter into this Agreement, including obtaining such independent advice as it deems appropriate, and (c) has not relied on the analysis or decision of any Person other than its own independent advisors.

### **6.04 Absence of Conflicts**

The execution and delivery of this Agreement by Trees and the completion by Trees of its obligations hereunder and the consummation of the transactions contemplated herein do not and will not violate or conflict with any Applicable Law, (subject to the receipt of any Transaction Regulatory Approvals and the granting of the Vesting Order) and will not result (with due notice or the passage of time or both) in a violation, conflict or breach of, or constitute a default under, or require any consent to be obtained under the certificate of incorporation, articles, by-laws or other constituent documents of any member of the Applicants. Subject to the granting of the Vesting Order, the execution, delivery and performance by Trees does not and will not violate any Order.

### **6.05 Approvals and Consents**

The execution and delivery of this Agreement by Trees, the completion by Trees of its obligations hereunder and the consummation by Trees of the transactions contemplated herein, do not and will not require any consent or approval or other action, with or by, any Governmental Authority, other than as contemplated by the Transaction Regulatory Approvals and the entry of the Vesting Order by the Court.

### **6.06 No Actions**

Except for as previously disclosed in writing to the Purchaser, there is not, as of the date hereof, pending or, to Trees' knowledge, threatened against any member of the Applicants or any of its properties, nor has any member of the Applicants received any written notice in respect of, any Claim, potential Claim, litigation, action, suit, arbitration, investigation or other proceeding before any Governmental Authority or legislative body that, would prevent Trees from executing and delivering this Agreement, performing its obligations hereunder and consummating the transactions and agreements contemplated by this Agreement.

### **6.07 HST Registrant**

Each of the Applicants is required to be registered and is, or will be on the Closing Date, registered under Subdivision (d) of Division V of Part IX of the ETA.

### **6.08 Subsidiaries**

Schedule 6.07 sets forth a complete and correct list of the name and jurisdiction of organization of each member of the Applicants.

### **6.09 Authorized and Issued Capital and Title to New Common Shares.**

Immediately following the Closing Time and the Consolidation and Cancellation, the Post-Consolidation Shares will constitute all of the issued and outstanding shares in the capital of Trees and the Purchaser will be the sole registered and beneficial owner of the Post-Consolidation Shares, with good and valid title thereto, free and clear of all Encumbrances, pursuant to and in accordance with the Vesting Order. Immediately following the Closing Time and the Consolidation and Cancellation, the Post-Consolidation Shares will be: (i) duly authorized and validly issued as fully paid and non-assessable, (ii) issued by Trees in compliance with all applicable corporate and securities laws and (iii) there will be no issued and outstanding common shares or other securities of Trees other than the Post-Consolidation Shares nor will there be any securities convertible into or options, equity-based awards or other rights, agreements or commitments that are held by any Person and which are convertible into or exchangeable for common shares or any other securities of Trees. The issuance of the New Common Shares and the Consolidation and Cancellation will not violate any pre-emptive, right of first offer or refusal or similar rights.

### **6.10 Competition Act**

Neither the aggregate book value of the assets in Canada of the Applicants, nor the consolidated gross revenues from sales in or from Canada generated from assets in Canada of the Applicants, both calculated in the manner prescribed under the *Competition Act* (Canada), exceeds \$93 million.

## **ARTICLE VII REPRESENTATIONS AND WARRANTIES OF THE PURCHASER**

The Purchaser represents and warrants to Trees as follows, and acknowledges that Trees is relying upon the following representations and warranties in connection with the sale of the New Common Shares:

### **7.01 Due Authorization and Enforceability of Obligations**

This Agreement has been duly authorized, executed and delivered by the Purchaser, and, assuming the due authorization, execution and delivery by it, this Agreement constitutes a legal, valid and binding obligation of it, enforceable against it in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, or other similar laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability.

### **7.02 Existence and Good Standing**

The Purchaser is validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization and has all requisite power and authority to execute and deliver this Agreement and to perform its obligations hereunder and consummate the transactions contemplated by this Agreement.

### **7.03 Sophisticated Party**

Purchaser: (a) is a sophisticated party with sufficient knowledge and experience to evaluate properly the terms and conditions of this Agreement, (b) has conducted its own analysis and made its own decision to enter into this Agreement, including obtaining such independent advice as it deems appropriate, and (c) has not relied on the analysis or decision of any Person other than its own independent advisors.

### **7.04 Absence of Conflicts**

The execution and delivery of this Agreement by the Purchaser and the completion by the Purchaser of its obligations hereunder and the consummation of the transactions contemplated herein do not and will not violate or conflict with any Applicable Law, or any of its properties or assets, (subject to the receipt of any Transaction Regulatory Approvals) and will not result (with due notice or the passage of time or both) in a violation, conflict or breach of, or constitute a default under, or require any consent to be obtained under its certificate of incorporation, articles, by-laws or other constituent documents.

### **7.05 Approvals and Consents**

The execution and delivery of this Agreement by the Purchaser, the completion by the Purchaser of its obligations hereunder and the consummation by the Purchaser of the transactions contemplated herein, do not and will not require any consent or approval or other action, with or by, any Governmental Authority, other than as contemplated by the Transaction Regulatory Approvals and the granting of the Vesting Order by the Court.

### **7.06 No Actions**

There is not, as of the date hereof, pending or, to the Purchaser's knowledge, threatened against it or any of its properties, nor has the Purchaser received notice in respect of, any Claim, potential Claim, litigation, action, suit, arbitration, investigation or other proceeding before any Governmental Authority or legislative body that, would prevent it from executing and delivering this Agreement, performing its obligations hereunder and consummating the transactions and agreements contemplated by this Agreement.

### **7.07 HST Registrant**

The Purchaser is, or will be on the Closing Date, registered under Subdivision d of Division V of Part IX of the ETA.

### **7.08 Credit Bid; Availability of Funds**

The Purchaser has executed, on or prior to the date hereof, the requisite instruction letters to fully authorize the Purchaser, and the Purchaser is duly authorized, to, among other things, deliver the Credit Bid Consideration and Cash Consideration in connection with the consummation of the Closing hereunder.

## **ARTICLE VIII AS IS, WHERE IS TRANSACTION**

The Purchaser acknowledges and agrees that it has conducted to its satisfaction an independent investigation and verification of the Business, the New Common Shares, the Assumed Liabilities and all related operations of the members of the Applicants, and, based solely thereon and the advice of its financial, legal and other advisors, has determined to proceed with the transactions contemplated by this Agreement. The Purchaser has relied solely on the results of its own independent investigation and verification and, except for the representations and warranties of Trees expressly set forth in Article VI, the Purchaser understands, acknowledges and agrees that all other representations, warranties, conditions and statements of any kind or nature, expressed or implied (including any relating to the future or historical financial condition, results of operations, prospects, assets or liabilities of the Applicants or the Business, or the quality, quantity or condition of the New Common Shares) are specifically disclaimed by Trees, the other members of the Applicants, their respective financial and legal advisors and the Monitor and its legal counsel. THE PURCHASER SPECIFICALLY ACKNOWLEDGES AND AGREES THAT, EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES OF TREES EXPRESSLY AND SPECIFICALLY SET FORTH IN Article VI: (A) THE PURCHASER IS ACQUIRING THE NEW COMMON SHARES ON AN “AS IS, WHERE IS” BASIS; AND (B) NONE OF TREES, THE OTHER MEMBERS OF THE APPLICANTS, THE MONITOR OR ANY OTHER PERSON (INCLUDING ANY REPRESENTATIVE OF TREES, THE OTHER MEMBERS OF THE APPLICANTS OR THE MONITOR WHETHER IN ANY INDIVIDUAL, CORPORATE OR ANY OTHER CAPACITY) IS MAKING, AND THE PURCHASER IS NOT RELYING ON, ANY REPRESENTATIONS, WARRANTIES, CONDITIONS OR OTHER STATEMENTS OF ANY KIND WHATSOEVER, WHETHER ORAL OR WRITTEN, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, AS TO ANY MATTER CONCERNING THE APPLICANTS, THE BUSINESS, THE NEW COMMON SHARES, THE ASSUMED LIABILITIES, THE EXCLUDED ASSETS, THE EXCLUDED LIABILITIES, THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THE AGREEMENT, OR THE ACCURACY OR COMPLETENESS OF ANY INFORMATION PROVIDED TO (OR OTHERWISE ACQUIRED BY) THE PURCHASER OR ANY OF ITS RESPECTIVE REPRESENTATIVES, INCLUDING WITH RESPECT TO MERCHANTABILITY, PHYSICAL OR FINANCIAL CONDITION, DESCRIPTION, FITNESS FOR A PARTICULAR PURPOSE, OR IN RESPECT OF ANY OTHER MATTER OR THING WHATSOEVER, INCLUDING ANY AND ALL CONDITIONS, WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, PURSUANT TO ANY APPLICABLE LAWS IN ANY JURISDICTION, WHICH THE PURCHASER CONFIRMS DO NOT APPLY TO THIS AGREEMENT, AND ARE HEREBY WAIVED IN THEIR ENTIRETY BY THE PURCHASER.

## **ARTICLE IX COVENANTS**

### **9.01 Closing Date**

The Parties shall cooperate with each other and shall use their commercially reasonable efforts to effect the Closing on or before the Outside Date.

## 9.02 Break Fee

In consideration for Purchaser's expenditure of time and money (including professional fees) in connection with its agreement to act as the Stalking Horse Bid, and the preparation of this Agreement, and in performing due diligence pursuant to this Agreement, Purchaser shall be entitled to a break fee equal to \$60,000 (the "**Break Fee**"). The Break Fee is subject to Court approval, shall be approved in the SISP Order and shall be payable to the Purchaser out of the sale proceeds derived from, and upon completion of, a Successful Bid other than the Stalking Horse Bid. Each of Trees and the Purchaser acknowledges and agrees that the Break Fee: (a) represents a fair and reasonable estimate of the costs and damages that will be incurred by the Purchaser as a result of non-completion of this Agreement, and (b) is not intended to be punitive in nature nor to discourage competitive bidding with respect to the SISP. The Break Fee shall be paid by Trees to the Purchaser without deduction or withholding for taxes ("**Tax Deduction**") unless required by Applicable Law. If Trees determines that a Tax Deduction is required by Applicable Law to be made in respect of the payment of the Break Fee, or any portion thereof, Trees shall pay such additional amount as shall be required to result in the Purchaser receiving an amount equal to the amount which it would have received if no Tax Deduction had been required.

## 9.03 Interim Period

During the Interim Period, except as contemplated or permitted by this Agreement (including the Vesting Order and the Pre-Closing Reorganization): (i) the Applicants shall continue to maintain its business and operations in substantially the same manner as conducted on the date of this Agreement, (ii) the Applicants shall not, without the prior written approval of the Purchaser, sell or transfer any assets outside of the ordinary course for amounts greater than \$50,000, and (iii) the Applicants shall not enter into any transaction involving the Business outside of the ordinary course for an amount greater than \$50,000 without the prior written approval of the Purchaser.

## 9.04 Access During the Interim Period

Until the Closing Time, Trees shall give to the Purchaser's personnel engaged in the transactions contemplated by this Agreement and their accountants, legal advisers, consultants, financial advisors and representatives during normal business hours reasonable access to its premises and to all of the books and records relating to the Business, the members of the Applicants, the Assumed Liabilities and the employees, and shall furnish them with all such information relating to the Business, the members of the Applicants, the Assumed Liabilities and the employees as Purchaser may reasonably request in connection with the transactions contemplated by this Agreement; provided that such access shall be conducted at the Purchaser's expense, in accordance with Applicable Law and under supervision of Trees' personnel and in such a manner as to maintain confidentiality, and Trees will not be required to provide access to or copies of any such books and records if: (a) the provision thereof would cause Trees to be in contravention of any Applicable Law; or (b) making such information available would: (i) result in the loss of any lawyer-client or other legal privilege; or (ii) cause Trees to be found in contravention of any Applicable Law, or contravene any fiduciary duty or agreement (including any confidentiality agreement to which Trees or any of its Affiliates are a party). Notwithstanding anything in Section 9.03 to the contrary, any such investigation shall be conducted upon reasonable advance

notice and in such manner as does not materially disrupt the conduct of the Business or the possible sale thereof to any other Person.

#### **9.05 Transaction Regulatory Approvals**

- (a) The Parties shall use commercially reasonable efforts to apply for and obtain any Transaction Regulatory Approvals as soon as reasonably practicable and no later than the time limits imposed by Applicable Laws, in accordance with this Section 9.05, in each case at the sole cost and expense of the Purchaser.
- (b) The Parties shall co-operate with one another in connection with obtaining any Transaction Regulatory Approvals. Without limiting the generality of the foregoing, the Parties shall: (i) give each other reasonable advance notice of all meetings or other oral communications with any Governmental Authority relating to the Transaction Regulatory Approvals, as applicable, and provide as soon as practicable but in any case, if any, within the required time, any additional submissions, information and/or documents requested by any Governmental Authority necessary, proper or advisable to obtain the Transaction Regulatory Approvals; (ii) not participate independently in any such meeting or other oral communication without first giving the other Party (or their outside counsel) an opportunity to attend and participate in such meeting or other oral communication, unless otherwise required or requested by such Governmental Authority; (iii) if any Governmental Authority initiates an oral communication regarding the Transaction Regulatory Approvals, promptly notify the other Party of the substance of such communication; (iv) subject to Applicable Laws relating to the exchange of information, provide each other with a reasonable advance opportunity to review and comment upon and consider in good faith the views of the other in connection with all written communications (including any filings, notifications, submissions, analyses, presentations, memoranda, briefs, arguments, opinions and proposals) made or submitted by or on behalf of a Party with a Governmental Authority regarding the Transaction Regulatory Approvals as applicable; and (v) promptly provide each other with copies of all written communications to or from any Governmental Authority relating to the Transaction Regulatory Approvals as applicable.
- (c) Each of the Parties may, as advisable and necessary, reasonably designate any competitively or commercially sensitive material provided to the other under this Section as “Outside Counsel Only Material”, provided that the disclosing Party also provides a redacted version to the receiving Party. Such materials and the information contained therein shall be given only to the outside legal counsel of the recipient and, subject to any additional agreements between the Parties, will not be disclosed by such outside legal counsel to employees, officers or directors of the recipient unless express written permission is obtained in advance from the source of the materials or its legal counsel.

- (d) The obligations of either Party to use its commercially reasonable efforts to obtain the Transaction Regulatory Approvals does not require either Party (or any Affiliate thereof) to undertake any divestiture of any business or business segment of such Party, to agree to any material operating restrictions related thereto or to incur any material expenditure(s) related therewith, unless agreed to by the Parties. In connection with obtaining the Transaction Regulatory Approvals, no member of the Applicants shall agree to any of the foregoing items without the prior written consent of the Purchaser.

#### **9.06 Other Covenants Relating to this Agreement**

- (a) From the date hereof until the Closing Date, Trees and the Purchaser agree, and agree to cause their respective representatives and Affiliates, to keep each other informed on a reasonably current basis and no less frequently than on a weekly basis through teleconference or other meeting, or as reasonably requested by the Monitor, as to their progress in satisfying the conditions precedent in this Agreement.
- (b) From the date hereof until the Closing Date, Trees agrees, and agrees to cause its representatives, to promptly notify the Purchaser of: (i) any event, condition, or development that has resulted in the inaccuracy in a material respect or material breach of any representation or warranty, covenant or agreement contained in this Agreement, or (ii) any Material Adverse Effect occurring from and after the date hereof prior to the Closing Date.
- (c) Trees and the Purchaser agree to use commercial reasonable efforts to timely prepare and file all documentation and pursue all steps reasonably necessary to obtain any material third-party consents and approvals as may be required in connection with the transaction contemplated by this Agreement.
- (d) Trees and the Purchaser shall cooperate and use commercially reasonable efforts to cause Trees to cease to be a reporting issuer (or equivalent thereof) in the applicable jurisdictions of Canada as soon as reasonably practicable after the Closing Date.
- (e) If Purchaser is the Successful Bidder, at the request of Purchaser, Trees shall proceed with the liquidation, winding-up, dissolution and/or amalgamation of any members of the Applicants designated by Purchaser on or prior to the Closing Date, which costs shall be borne by the Purchaser.

#### **9.07 Tax Matters**

- (a) Trees shall be responsible for all Taxes owed or owing or accrued by the Applicants in respect of the period commencing on the Filing Date and ending on the Closing Date (the “**Post-Filing Tax Obligations**”), if any.
- (b) Save and except for the Pre-Filing GST/HST Obligations, all Taxes owed or owing or accrued by the Applicants prior to the Filing Date (the “**Pre-Filing Tax**”

**Obligations**”) shall be transferred to, assumed by, and vested in ResidualCo as Excluded Liabilities. For greater certainty, any audits or reassessments by the Canada Revenue Agency or any other Governmental Authority with respect to Taxes that relate to a time period occurring, or facts arising, prior to the Filing Date shall be a Pre-Filing Tax Obligation, regardless upon when such audit was commenced or completed, and any and all such obligations with respect to such audits and reassessments shall be transferred to and assumed by ResidualCo as Excluded Liabilities.

- (c) Prior to Closing, Trees shall provide evidence in form and substance satisfactory to the Purchaser that all such Post-Filing Tax Obligations have been paid in full to the relevant Governmental Authority or that sufficient cash reserves will be held by the Applicants at Closing to pay all such Post-Filing Tax Obligations in full post-Closing.
- (d) After Closing, the Purchaser shall cause to be prepared and filed on a timely basis all Tax Returns for the Applicants for (a) any period which ends on or before the Closing Date and for which Tax Returns have not been filed as of such date, and (b) for any period that begins prior to the Closing Date and ends after the Closing Date for which Tax Returns are required to be prepared and filed.

#### **9.08 Employee Matters**

- (a) The Purchaser intends to assume all store-level employees of the Applicants. The Purchaser may in as many separate instances as it may require, acting reasonably, interview any employee, contractor, or consultant beforehand. The Purchaser shall notify Trees of its intention, and upon receipt of a request thereof, Trees will use reasonable efforts to facilitate such interviews as soon as practicable.
- (b) The Purchaser may, but is not obligated to, in the name of the applicable member of the Applicants, make conditional (upon Closing) continued or new (as applicable) offers of employment on such terms as it may determine in its absolute and sole discretion.
- (c) The Purchaser shall make commercially reasonable efforts to make such offers in writing on or prior to the date that is ten (10) calendar days prior to the anticipated Closing Date, provided that such offers shall be made no later than five (5) calendar days prior to the anticipated Closing Date, and leave such offers open for acceptance up to and including one (1) calendar day prior to the Closing Date. The Purchaser agrees that no fewer than 95% of the total current number of store-level employees of the Applicants shall receive an offer of employment in accordance with this section 9.08(c). Notwithstanding any other provision of this Agreement, the Purchaser has no obligation to offer employment to any particular employee.
- (d) In the event:

- (i) no conditional offer of employment is made to such employee of the Applicants; or
- (ii) an employee who receives an offer of employment rejects such offer in writing or fails to accept such offer of employment up to and including one (1) calendar day prior to the Closing Date,

such employee shall be deemed to be a “**Terminated Employee**”.

### **9.09 Administrative Expense Amount**

- (a) On the Closing Date, Trees shall pay the Administrative Expense Amount to the Monitor, which the Monitor shall use to pay the Administrative Expense Costs and the CCAA Charge Amount.
- (b) From time to time after the Closing Date, the Monitor may pay from the Administrative Expense Amount the Administrative Expense Costs and amounts secured by the CCAA Charges at its sole discretion and without further authorization from Trees or the Purchaser. Any unused portion of the Administrative Expense Amount after payment or reservation for all Administrative Expense Costs, as determined by the Monitor, shall be transferred by the Monitor to Trees.
- (c) Notwithstanding the foregoing or anything else contained herein or elsewhere, each of Trees and the Purchaser acknowledges and agrees that: (i) the Monitor’s obligations hereunder are and shall remain limited to those specifically set out in this Section 9.09; and (ii) the Monitor is acting solely in its capacity as the CCAA Court-appointed Monitor of the Applicants pursuant to the Initial Order and not in its personal or corporate capacity, and the Monitor has no liability in connection with this Agreement whatsoever, in its personal or corporate capacity or otherwise, save and except for and only to the extent of the Monitor’s gross negligence or intentional fault.
- (d) The Parties acknowledge that the Monitor may rely upon the provisions of this Section 9.09 notwithstanding that the Monitor is not a party to this Agreement. The provisions of this Section 9.09 shall survive the termination or non-completion of the transactions contemplated by this Agreement.

### **9.10 ResidualCo**

On the Closing Date, Trees shall convey all Equity Interests in ResidualCo to Thornton Grout Finnigan LLP (“**TGF**”) to hold as agent and bare trustee on behalf of the common shareholders of Trees immediately prior to the Consolidation and Cancellation as their interests may be agreed or as they may be determined by the Court in the CCAA Proceedings. For greater certainty, TGF shall not have any obligation or duties to take any actions, steps or otherwise in respect of the Equity Interests of ResidualCo, subject to direction from the Monitor, or Order of the Court in the CCAA Proceeding.

### **9.11 Release by Purchaser**

Except in connection with any obligations of Trees or the Monitor contained in this Agreement and any Closing Documents, effective as of the Closing Time, Purchaser and its Affiliates hereby releases and forever discharges Trees, the Monitor, and their respective Affiliates, and each of their respective successors and assigns, and all present and former officers, directors, partners, members, shareholders, limited partners, employees, agents, financial and legal advisors of each of them, from any and all actual or potential Released Claims which such Person had, has or may have in the future to the extent relating to the Business, the New Common Shares or the Assumed Liabilities, save and except for Released Claims arising out of fraud, bad faith or illegal acts (unless such Person believed in good faith that its conduct was legal). For greater certainty, this section does not release Trees of any obligations in respect of the Loan Agreements.

### **9.12 Release by Trees**

Except in connection with any obligations of Purchaser and the Monitor contained in this Agreement and any Closing Documents, effective as of the Closing Time, Trees and its Affiliates hereby release and forever discharge Purchaser, the Monitor and their respective Affiliates, and each of their respective successors and assigns, and all former and present officers, directors, partners, members, shareholders, limited partners, employees, agents, financial and legal advisors of each of them, from any and all actual or potential Released Claims which such Person had, has or may have in the future to the extent relating to: (a) the New Common Shares, (b) the Excluded Assets, or (c) the Excluded Liabilities, save and except for Released Claims arising out of fraud, bad faith or illegal acts (unless such Person believed in good faith that its conduct was legal).

## **ARTICLE X CLOSING**

### **10.01 Location and Time of the Closing**

Closing shall take place electronically (or as otherwise determined by mutual agreement of the Parties in writing), by the exchange of deliverables (in counterparts or otherwise) by electronic transmission in PDF format.

### **10.02 Pre-Closing Reorganization**

- (a) Subject to the other terms of this Agreement, Trees shall effect the Pre-Closing Reorganization.
- (b) The Purchaser and Trees shall work cooperatively and use commercially reasonable efforts to prepare, before the Closing Date, all documentation necessary and do such other acts and things as are necessary to give effect to the Pre-Closing Reorganization.

### **10.03 Trees' Deliveries at Closing**

At or before the Closing Time, Trees shall deliver or cause to be delivered to the Purchaser the following:

- (a) a true copy of the Vesting Order and the SISP Order, as issued and entered by the Court, each of which shall be a final order which shall not have been appealed, set aside, varied or stayed within the applicable appeal period, or if either the Vesting Order or the SISP Order have been appealed within the applicable appeal period or if any motion has been commenced to set aside, vary or stay the Vesting Order or the SISP Order, all such appeals and motions shall have been finally dismissed;
- (b) share certificates representing the New Common Shares;
- (c) a certificate dated as of the Closing Date confirming that all of the representations and warranties of Trees contained in this Agreement are true in all material respects as of the Closing Time, with the same effect as though made at and as of the Closing Time, and that Trees has performed in all material respects the covenants to be performed by it prior to the Closing Time;
- (d) written confirmation of the due incorporation and organization of ResidualCo on the terms set forth herein;
- (e) evidence that the Consolidation and Cancellation has been completed including a copy of the filed articles of amendment thereof; and
- (f) such other agreements, documents and instruments as may be reasonably required by the Purchaser to complete the Transaction, all of which shall be in form and substance satisfactory to the Parties, acting reasonably.

#### **10.04 Purchaser's Deliveries at Closing**

At or before the Closing Time, the Purchaser shall deliver or cause to be delivered to Trees (or to the Monitor, as applicable), the following:

- (a) the Cash Consideration and the Credit Bid Consideration Statement;
- (b) a certificate dated as of the Closing Date confirming that all of the representations and warranties of the Purchaser contained in this Agreement are true in all material respects as of the Closing Time, with the same effect as though made at and as of the Closing Time, and that the Purchaser has performed in all material respects the covenants to be performed by it prior to the Closing Time; and
- (c) such other agreements, documents and instruments as may be reasonably required by Trees to complete the Transaction, all of which shall be in form and substance satisfactory to the Parties, acting reasonably.

#### **10.05 Simultaneous Transactions**

All actions taken and transactions consummated at the Closing shall be deemed to have occurred in the manner and sequence set forth in the Implementation Steps and the Vesting Order (subject

to the terms of any escrow agreement or arrangement among the Parties relating to the Closing), and no such transaction shall be considered consummated unless all are consummated.

## **ARTICLE XI CLOSING CONDITIONS**

### **11.01 Conditions for the Benefit of the Purchaser and Trees**

The respective obligations of the Purchaser and Trees to consummate the transactions contemplated by this Agreement are subject to the satisfaction of, or compliance with, at or prior to the Closing Time, each of the following conditions:

- (a) No Law: No provision of any Applicable Law and no judgment, injunction or Order preventing or otherwise frustrating the consummation of the purchase of the New Common Shares or any of the other transactions pursuant to this Agreement shall be in effect;
- (b) Vesting Order: The Court shall have granted the Vesting Order in form and substance satisfactory to each of the Purchaser and Trees, in their sole discretion, substantially in the form attached hereto as Schedule 1.01(kkkk), *provided*, however, that it shall not be a condition to closing that the Court grant the releases in the form of Vesting Order.
- (c) Transaction Regulatory Approvals: The members of the Applicants shall have received all required Transaction Regulatory Approvals, and all required Transaction Regulatory Approvals shall be in full force and effect, except for Transaction Regulatory Approvals that need not be in full force and effect prior to Closing.

The Parties acknowledge that the foregoing conditions are for the mutual benefit of Trees and the Purchaser. Any condition in this Section 11.01 may be waived by Trees and the Purchaser, in whole or in part, without prejudice to any of their respective rights of termination in the event of non-fulfillment of any other condition in whole or in part. Any such waiver will be binding on Trees or the Purchaser, as applicable, only if made in writing.

### **11.02 Conditions for the Benefit of Purchaser**

The obligation of the Purchaser to consummate the transactions contemplated by this Agreement is subject to the satisfaction of, or compliance with, or waiver by the Purchaser of, at or prior to the Closing Time, each of the following conditions (each of which is acknowledged to be for the exclusive benefit of the Purchaser):

- (a) Performance of Covenants: The covenants contained in this Agreement to be performed or complied with by Trees at or prior to the Closing Time shall have been performed or complied with in all material respects as at the Closing Time;

- (b) No Breach of Representations and Warranties: Except as such representations and warranties may be affected by the occurrence of events or transactions specifically contemplated by this Agreement, each of the representations and warranties contained in Article VI shall be true and correct in all material respects: (i) as of the Closing Date as if made on and as of such date, or (ii) if made as of a date specified therein, as of such date.
- (c) No Material Adverse Effect: Since the date hereof, no change effect, event, occurrence, state of facts or development shall have occurred that resulted in, or would reasonably be expected to result in, a Material Adverse Effect;
- (d) Trees' Deliverables: Trees shall have delivered to the Purchaser all of the deliverables contained in Section 10.03 in form and substance reasonably satisfactory to Purchaser;
- (e) Implementation Steps: The members of the Applicants shall have completed the Implementation Steps that are required to be completed prior to Closing, in form and substance reasonably acceptable to Purchaser, acting reasonably;
- (f) Terminated Employees: The applicable member of the Applicants shall have terminated the employment of the Terminated Employees, and all liabilities owing to any such Terminated Employees in respect of such terminations, including all amounts owing on account of or damages in lieu of, statutory notice, termination payments, severance, benefits, bonuses or other compensation or entitlements, shall be Excluded Liabilities which, pursuant the Vesting Order, shall be assigned and transferred as against the applicable member of the Applicants to and assumed by ResidualCo.
- (g) ResidualCo.: Pursuant to the Vesting Order: (i) all Excluded Assets and Excluded Liabilities shall have been transferred to ResidualCo or discharged, (ii) the Excluded Liabilities shall have attached to the Excluded Assets and the proceeds from the Purchase Price, and (iii) Trees, its Business and property shall have been released and forever discharged of all Claims and Encumbrances (other than Assumed Liabilities, if any) such that, from and after Closing the Business and property of Trees shall exclude the Excluded Assets and shall not be subject to any Excluded Liabilities.
- (h) CCAA Proceeding: Upon Closing, the CCAA Proceedings shall have been terminated in respect of the Applicants, their Business and property, as set out in the Vesting Order, but, for greater certainty, shall continue in respect of ResidualCo.
- (i) Disclaim Excluded Contracts: Trees or its Affiliates shall have sent notices of disclaimer for all such known Excluded Contracts and other agreements, and such known Excluded Contracts shall form part of the Excluded Assets.

### 11.03 Conditions for the Benefit of Trees

The obligation of Trees to consummate the transactions contemplated by this Agreement is subject to the satisfaction of, or compliance with, or waiver where applicable by Trees of, at or prior to the Closing Time, each of the following conditions (each of which is acknowledged to be for the exclusive benefit of Trees):

- (a) Performance of Covenants: The covenants contained in this Agreement to be performed by the Purchaser at or prior to the Closing Time shall have been performed in all material respects as at the Closing Time;
- (b) No Breach of Representations and Warranties: Except as such representations and warranties may be affected by the occurrence of events or transactions specifically contemplated by this Agreement, each of the representations and warranties contained in Article VII shall be true and correct in all material respects: (i) as of the Closing Date as if made on and as of such date, or (ii) if made as of a date specified therein, as of such date.
- (c) Purchaser Deliverables: The Purchaser shall have delivered to Trees all of the deliverables contained in Section 10.04 in form and substance satisfactory to Trees.

### 11.04 Monitor's Certificate

As soon as practicable following the Closing Time, the Monitor shall file a copy of the Monitor's Certificate with the Court and shall provide a copy of the Monitor's Certificate to the Purchaser and Trees. The Parties hereby acknowledge and agree that the Monitor will be entitled to file the Monitor's Certificate with the Court, without independent investigation, upon receiving written confirmation from Trees and the Purchaser in form and substance satisfactory to the Monitor that all conditions to Closing have been met or waived, and the Monitor will have no liability to the Purchaser, Trees or any other Person as a result of filing the Monitor's Certificate in accordance with this Section 11.04.

## ARTICLE XII INSOLVENCY PROVISIONS

### 12.01 Court Orders and Related Matters

- (a) From and after the date of this Agreement and until the Closing Date, Trees shall deliver to the Purchaser drafts of any and all pleadings, motions, notices, statements, applications, schedules, and other papers to be filed or submitted by any member of the Applicants in connection with or related to this Agreement, including with respect to the Vesting Order, for Purchaser's prior review at least three (3) days in advance of service and filing of such materials (or where circumstances make it impracticable to allow for three (3) days' review, with as much opportunity for review and comment as is practically possible in the circumstances). Trees acknowledges and agrees (i) that any such pleadings, motions, notices, statements, applications, schedules, or other papers shall be in

form and substance satisfactory to the Purchaser, acting reasonably, and (ii) to consult and cooperate with the Purchaser regarding any discovery, examinations and hearing in respect of any of the foregoing, including the submission of any evidence, including witnesses testimony, in connection with such hearing.

- (b) Notice of the motions seeking the issuance of the Vesting Order shall be served or be caused to be served by Trees on all persons required to receive notice under Applicable Law and the requirements of the CCAA, the Court, and any other Person determined necessary by Trees or Purchaser, acting reasonably.
- (c) As soon as practicable if the Purchaser is selected or deemed to be the Successful Bidder in accordance with the SISP, the Applicants shall file a motion seeking the issuance of the Vesting Order.
- (d) If the Vesting Order relating to this Agreement is appealed or a motion for leave to appeal, rehearing, re-argument or reconsideration is filed with respect thereto, Trees agrees (subject to the available liquidity of Trees) to take all action as may be commercially reasonable and appropriate to defend against such appeal, petition or motion.
- (e) Trees acknowledges and agrees, that the Vesting Order shall provide that, on the Closing Date and concurrently with the Closing, the New Common Shares shall be transferred to Purchaser free and clear of all Encumbrances, other than Permitted Encumbrances.

### **ARTICLE XIII TERMINATION**

#### **13.01 Termination**

This Agreement may be terminated on or prior to the Closing Date as follows:

- (a) by the mutual written agreement of Trees and the Purchaser;
- (b) by either Party upon written notice to the other Party:
  - (i) if this Agreement is not the Successful Bid or the Back-Up Bid (as determined pursuant to the SISP); or this Agreement is the Back-Up Bid and the transaction contemplated by the Successful Bid is closed;
  - (ii) if Closing has not occurred on or before the Outside Date, provided that the terminating Party is not in breach of any representation, warranty, or covenant in this Agreement that would prevent the satisfaction of the conditions in Article XI on or before the Outside Date;

- (iii) if at any time after the date hereof any of the conditions in Article XI is not capable of being satisfied by the applicable dates required in Article XI of this Agreement or if not otherwise required, by the Outside Date;
  - (iv) upon the termination, dismissal or conversion of the CCAA Proceedings;
  - (v) upon dismissal of the motion for the Vesting Order (or if any such order is stayed, vacated or varied without the consent of Purchaser); or
  - (vi) if a court of competent jurisdiction, including the Court or a Governmental Authority has issued an Order or taken any other action to restrain, enjoin or otherwise prohibit the consummation of closing of the Transactions and such Order or action has become a final Order;
- (c) by Purchaser upon written notice to Trees:
- (i) upon the appointment of a receiver, trustee in bankruptcy or similar official in respect of any member of the Applicants or any of the property of any member of the Applicants, other than with the prior written consent of Purchaser;
  - (ii) if an Event of Default (as defined in the DIP Term Sheet) has occurred and such Event of Default has not been waived by Purchaser or cured within ten (10) Business Days after receipt of written notice from Purchaser;
  - (iii) if there has been a material violation or breach by Trees of any covenant, representation or warranty which would prevent the satisfaction of the conditions set forth in Section 11.01 or Section 11.02, as applicable, by the Outside Date and such violation or breach has not been waived by Purchaser or cured within ten (10) Business Days after receipt of written notice thereof from Purchaser, unless Purchaser is in material breach of its obligations under this Agreement which would prevent the satisfaction of the conditions set forth in Section 11.01 or Section 11.03, as applicable, by the Outside Date; or
- (d) by Trees upon written notice to the Purchaser, if there has been a material violation or breach by Purchaser of any covenant, representation or warranty which would prevent the satisfaction of the conditions set forth in Section 11.01 or Section 11.03, as applicable, by the Outside Date, and such violation or breach has not been waived by Trees or cured within ten (10) Business Days after written notice thereof from Trees, unless Trees is in material breach of their obligations under this Agreement which would prevent the satisfaction of the conditions set forth in Section 11.01 or Section 11.02, as applicable, by the Outside Date;

**13.02 Effect of Termination.**

If this Agreement is terminated pursuant to Section 13.01, all further obligations of the Parties under this Agreement will terminate, and no Party will have any liability or further obligations hereunder. For certainty, if this Agreement is terminated pursuant to Section 13.01, the DIP Facility shall become immediately repayable on demand in accordance with the DIP Term Sheet. Notwithstanding anything to the contrary in this Agreement: (a) this Section 13.02, Section 14.10 Section 14.11, and Section 14.13 shall survive termination of this Agreement, and (b) termination of this Agreement shall relieve any Party of any liability for any wilful breach by it of this Agreement.

**ARTICLE XIV  
GENERAL MATTERS****14.01 Access to Books and Records**

For a period of five years from the Closing Date or for such longer period as may be reasonably required for ResidualCo (or any trustee in bankruptcy of the estate of ResidualCo) to comply with Applicable Law, the Purchaser shall cause Trees and its Affiliates to retain all original books and records. So long as any such books and records are retained by the Applicants pursuant to this Agreement, ResidualCo (and any representative, agent, former director or officer of the Applicants or trustee in bankruptcy of the estate of ResidualCo, including the Monitor) has the right to inspect and to make copies (at its own expense) of them at any time upon reasonable request during normal business hours and upon reasonable notice for any proper purpose and without undue interference to the business operations of the Applicants.

**14.02 Time**

Time shall, in all respects, be of the essence hereof, provided that the time for doing or completing any matter provided for herein may be extended or abridged by an agreement in writing signed by Trees and the Purchaser.

**14.03 Entire Agreement**

This Agreement and the agreements and other documents required to be delivered pursuant to this Agreement, constitute the entire agreement among the Parties, and set out all the covenants, promises, warranties, representations, conditions and agreements among the Parties in connection with the subject matter of this Agreement, and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, pre-contractual or otherwise. There are no covenants, promises, warranties, representations, conditions, understandings or other agreements, whether oral or written, pre-contractual or otherwise, express, implied or collateral among the Parties in connection with the subject matter of this Agreement, except as specifically set forth in this Agreement and any document required to be delivered pursuant to this Agreement.

#### **14.04 Paramountcy**

In the event of any conflict or inconsistency between the provisions of this Agreement, and any other agreement, document or instrument executed or delivered in connection with the Transactions or this Agreement, the provisions of this Agreement shall prevail to the extent of such conflict or inconsistency.

#### **14.05 Waiver, Amendment**

Except as expressly provided in this Agreement, no amendment or waiver of this Agreement shall be binding unless executed in writing by the Parties. No waiver of any provision of this Agreement shall constitute a waiver of any other provision nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.

#### **14.06 Governing Law; Jurisdiction and Venue**

This Agreement, the rights and obligations of the Parties under this Agreement, and any Claim or controversy directly or indirectly based upon or arising out of this Agreement or the transactions contemplated by this Agreement (whether based on contract, tort or any other theory), including all matters of construction, validity and performance, shall in all respects be governed by, and interpreted, construed and determined in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein, without regard to the conflicts of law principles thereof. The Parties consent to the jurisdiction and venue of the Court for the resolution of any such disputes arising under this Agreement. Each Party agrees that service of process on such Party as provided in Section 14.13 shall be deemed effective service of process on such Party.

#### **14.07 Further Assurances**

As reasonably required by a Party in order to effectuate the transactions contemplated by this Agreement, the Purchaser and Trees shall execute and deliver at (and after) the Closing such other documents, and shall take such other actions, as are necessary or appropriate, to implement and make effective the transactions contemplated by this Agreement.

#### **14.08 Public Notices**

No press release or other announcement concerning the transactions contemplated by this Agreement shall be made by Trees or the Purchaser without the prior written consent of the other Party (such consent not to be unreasonably withheld, conditioned or delayed); provided, however, that subject to the last sentence of this Section 14.08, any Party may, without such consent, make such disclosure if the same is required by Applicable Law (including the CCAA Proceedings) or by any stock exchange on which any of the securities of such Party or any of its Affiliates are listed, or by any insolvency or other court or securities commission, or other similar Governmental Authority having jurisdiction over such Party or any of its Affiliates, and, if such disclosure is required, the Party making such disclosure shall use commercially reasonable efforts to give prior written notice to the other Party to the extent legally permissible and reasonably practicable, and if such prior notice is not legally permissible or reasonably practicable, to give such notice reasonably promptly following the making of such disclosure. Notwithstanding the foregoing: (a)

this Agreement may be filed by Trees: (i) with the Court; and (ii) on its profile on [www.sedar.com](http://www.sedar.com); and (b) the transactions contemplated in this Agreement may be disclosed by Trees to the Court. The Parties further agree that:

- (a) the Monitor may prepare and file reports and other documents with the Court containing references to the transactions contemplated by this Agreement and the terms of such transactions; and
- (b) Trees, the Purchaser and their respective professional advisors may prepare and file such motions, affidavits, materials, reports and other documents with the Court containing references to the transactions contemplated by this Agreement and the terms of such transactions as may reasonably be necessary to complete the transactions contemplated by this Agreement or to comply with their obligations in connection therewith.

#### **14.09 Survival**

None of the representations, warranties and covenants of any of the Parties set forth in this Agreement or in any other agreement, document or certificate delivered pursuant to or in connection with this Agreement or the transactions contemplated hereby shall survive the Closing. Notwithstanding the foregoing, the following covenants shall survive Closing and remain in full force and effect: Article II, Article III, Article XII, and Article XIV.

#### **14.10 Non-Recourse**

No past, present or future director, officer, employee, incorporator, member, partner, security holder, Affiliate, agent, lawyer or representative of the respective Parties, in such capacity, shall have any liability for any obligations or liabilities of the Purchaser or Trees, as applicable, under this Agreement, or for any Claims based on, in respect of or by reason of the transactions contemplated hereby.

#### **14.11 Assignment; Binding Effect**

No Party may assign its right or benefits under this Agreement without the consent of each of the other Parties, except that the Purchaser may assign this Agreement or any or all of its rights and obligations hereunder to one or more of its Affiliates, provided that no such assignment or direction shall relieve the Purchaser of its obligations hereunder. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective permitted successors and permitted assigns.

#### **14.12 Benefit of Agreement**

This Agreement shall enure to the benefit of and be binding upon the Parties, their Affiliates and their respective successors and permitted assigns, including for greater certainty, ResidualCo. Nothing in this Agreement shall create or be deemed to create any third-party beneficiary rights in any other Person not a Party to this Agreement.

### 14.13 Notices

Any notice, request, demand or other communication required or permitted to be given to a Party pursuant to the provisions of this Agreement will be in writing and will be effective and deemed given under this Agreement on the earliest of: (a) the date of personal delivery; (b) the date of transmission by email, with confirmed transmission and receipt (if sent during normal business hours of the recipient, if not, then on the next Business Day); (c) two (2) days after deposit with a nationally-recognized courier or overnight service; or (d) five (5) days after mailing via certified mail, return receipt requested. All notices not delivered personally or by email will be sent with postage and other charges prepaid and properly addressed to the Party to be notified at the address set forth for such Party:

If to Purchaser at:

One Plant (Retail) Corp.  
210 Shields Court  
Markham, ON L3R 8V2

Attention: Michael Serruya

Email: [michael@serruyaequity.com](mailto:michael@serruyaequity.com)

With a copy to:

**Fasken LLP**  
Bay Adelaide Centre  
Suite 2400, 333 Bay Street  
Toronto, ON M5H 2T6

Attention: Dylan Chochla  
Daniel Richer

Email: [dchochla@fasken.com](mailto:dchochla@fasken.com)  
[dricher@fasken.com](mailto:dricher@fasken.com)

If to Trees at:

**Trees Corporation**  
181 Bay Street, Suite 1800  
Toronto, ON M5J 2T9

Attention: Campbell Becher  
Jeffrey Holmgren

Email: [rwbecher@gmail.com](mailto:rwbecher@gmail.com)  
[jeffh@treescorp.ca](mailto:jeffh@treescorp.ca)

With a copy to:

**Thornton Grout Finnigan LLP**  
Toronto-Dominion Centre  
Suite 3200, 100 Wellington Street West  
Toronto, ON M5K 1K7

Attention: Mitch Grossell  
Derek Harland

Email: [mgrossell@tgf.ca](mailto:mgrossell@tgf.ca)  
[धारलंद@tgf.ca](mailto:धारलंद@tgf.ca)

With a copy to the Monitor:

**FTI Consulting Canada Inc.**  
TD South Tower  
79 Wellington Street West, Suite 2010  
Toronto, ON M5K 1G8

Attention: Jeffrey Rosenberg  
Jodi Porepa  
Carter Wood

Email: [Jeffrey.Rosenberg@fticonsulting.com](mailto:Jeffrey.Rosenberg@fticonsulting.com)  
[Jodi.Porepa@fticonsulting.com](mailto:Jodi.Porepa@fticonsulting.com)  
[Carter.Wood@fticonsulting.com](mailto:Carter.Wood@fticonsulting.com)

With a copy to:

**Torys LLP**  
79 Wellington St. W.  
30th Floor (deliveries)  
Box 270, TD South Tower  
Toronto, ON M5K 1N2

Attention: David Bish  
Mike Noel

Email: [dbish@torys.com](mailto:dbish@torys.com)  
[mnoel@torys.com](mailto:mnoel@torys.com)

Any Party may change its address for service from time to time by notice given in accordance with the foregoing and any subsequent notice shall be sent to such Party at its changed address.

#### **14.14 Monitor's Certificate**

The Parties acknowledge and agree that the Monitor shall be entitled to deliver to the Purchaser, and file with the Court, an executed Monitor's Certificate without independent investigation, upon receiving written confirmation from both Parties (or the applicable Party's counsel) that all conditions of Closing in favour of such Party have been satisfied or waived, and the Monitor shall have no Liability to the Parties in connection therewith. The Parties further acknowledge and agree that upon written confirmation from both Parties that all conditions of Closing in favour of such Party have been satisfied or waived, the Monitor may deliver the executed Monitor's Certificate to the Purchaser's counsel in escrow, with the sole condition of its release from escrow being the Monitor's written confirmation that all such funds have been received. Upon such confirmation being given, the Monitor's Certificate will be released from escrow to the Purchaser, and the Closing shall be deemed to have occurred.

#### **14.15 Monitor's Capacity**

In addition to all of the protections granted to the Monitor under the CCAA or any Order of the Court in the CCAA Proceeding, Trees and the Purchaser acknowledge and agree that the Monitor, acting in its capacity as Monitor of the Applicants and not in its personal capacity, will have no Liability, in its personal capacity or otherwise, in connection with this Agreement or the Transaction contemplated herein whatsoever as Monitor.

#### **14.16 Counterparts; Electronic Signatures**

This Agreement may be signed in counterparts and each counterpart shall constitute an original document and such counterparts, taken together, shall constitute one and the same instrument. Execution of this Agreement may be made by electronic signature which, for all purposes, shall be deemed to be an original signature.

*[Signature pages to follow]*

**IN WITNESS WHEREOF** the Parties have executed this Agreement as of the date first written above.

**TREES CORPORATION**

By:   
Name: Jeffrey Holmgren  
Title: President and Chief Financial Officer

I have the authority to bind the corporation.

**ONE PLANT (RETAIL) CORP.**

By: \_\_\_\_\_  
Name:  
Title:

**IN WITNESS WHEREOF** the Parties have executed this Agreement as of the date first written above.

**TREES CORPORATION**

By: \_\_\_\_\_  
Name: Jeffrey Holmgren  
Title: President and Chief Financial Officer

I have the authority to bind the corporation.

**ONE PLANT (RETAIL) CORP.**

By:  \_\_\_\_\_  
Name: Michael Serruya  
Title: Director

**Schedule 1.01(d)**  
**Administrative Expense Amount Estimate**

**Trees Corporation**  
**Administration Expense Estimate**

Administrative Expense Estimate	Amount (\$)	Notes
Estimate to Close	425,000	Note A
Post-Close Estimate	75,000	Note A
CCAA Charge Amounts	483,000	Note B
<b>Total Administrative Expense Amount</b>	<b>983,000</b>	

Note A - Administrative Expense Costs	Amount in CFF <sup>1</sup>	Incurred to Date	Estimate to Close	Incurred + Estimate to Close	Post-Close Estimate
FTI/EY	735,000	549,000	200,000	749,000	50,000
Torys	282,562	310,000	25,000	335,000	25,000
TGF	471,620	406,000	200,000	606,000	-
<b>Total Administrative Expense Costs</b>	<b>1,489,182</b>	<b>1,265,000</b>	<b>425,000</b>	<b>1,690,000</b>	<b>75,000</b>

Note B - CCAA Charges	Amount (\$)
Administration Charges <sup>2</sup>	-
Subsequent Administration Charge <sup>2</sup>	-
Director's Charge	100,000
Subsequent Director's Charge	383,000
Employee Priority Claims	-
<b>Total CCAA Charge Amounts</b>	<b>483,000</b>

Note 1: The following amounts are based on the cash flow forecast provided in FTI's First Monitor's Report dated January 24, 2024. The amount is determined by taking the professional fees paid to date, plus the outstanding invoices and WIP, plus the remaining cash flow forecast until the end of the stay extension period (April 12, 2024). These amounts will be paid by the Applicants in the ordinary course through the DIP Facility.

Note 2: The Administrative Charge and Subsequent Administrative Charge will be satisfied through the total amount of the Administrative Expense Cost calculated in Note A. The Administration Charge per the Amended and Restated Initial Order ("ARIO") shall not exceed an aggregate amount of \$100,000 and the Subsequent Administration Charge per the ARIO shall not exceed an aggregate amount of \$400,000.

**Defined Terms**

"**Administrative Expense Amount**" means cash in an amount of the Administrative Expense Costs and CCAA Charge Amount, in each case as reflected in the Approved Cash Flow Projection as of the Closing Time, and shall be paid by the Applicants to the Monitor on the Closing Date out of the cash and cash equivalents of the Applicants as at the Closing Date for the Monitor to hold and use to pay the Administrative Expense Costs and the CCAA Charge Amount, subject to the terms hereof.

"**Administrative Expense Amount Estimate**" means an estimate of the Administrative Expense Amount to be agreed upon by Trees and the DIP Lender, in consultation with the Monitor, on or before the Phase 1 Bid Deadline (as defined in the SISP), as set out in Schedule 1.01(d).

"**Administrative Expense Costs**" means the reasonable and documented fees and costs of the Monitor and its professional advisors, and professional advisors of the Applicants and ResidualCo, as reflected in the Approved Cash Flow Projections as of the Closing Time and in each case, for services performed prior to and after the Closing Date relating directly or indirectly to the CCAA Proceedings and this Agreement, and including: (i) costs required to wind down and/or dissolve and/or bankrupt ResidualCo; and (ii) costs and expenses required to administer the Excluded Assets, Excluded Liabilities and ResidualCo.

"**CCAA Charge Amount**" means cash in an amount sufficient to satisfy the amounts owing in respect of obligations secured by the CCAA Charges (without duplication to amounts satisfied as Administrative Expense Costs, Employee Priority Claims or Priority Payments), in each case as reflected in the Approved Cash Flow Projection as of the Closing Time.

"**CCAA Charges**" means the Administration Charge, Subsequent Administration Charge, the Directors' Charge, and the Subsequent Directors' Charge.

"**Employee Priority Claims**" means any Claim for: (i) accrued and unpaid wages and vacation pay owing to an employee of any of the members of the Applicants whose employment was terminated between the Filing Date and the Closing Date, including the Terminated Employees; and (ii) unpaid amounts provided for in Section 6(5)(a) of the CCAA.

**Schedule 1.01(hhh)**  
**Permitted Encumbrances**

- 1) Nil.

**Schedule 1.01(yyy)**  
**Sale and Investment Solicitation Process**

(Attached)

## SALE AND INVESTOR SOLICITATION PROCESS

On December 22, 2023, Trees Corporation (“**Trees**”), Ontario Cannabis Holdings Corp. (“**OCH**”), Miraculo Inc. (“**Miraculo**”), 2707461 Ontario Ltd. (“**270**”), OCH Ontario Consulting Corp. (“**Ontario Consulting**”), and 11819496 Canada Inc. (“**118**” and, collectively, the “**Companies**”) commenced proceedings (the “**CCAA Proceedings**”) under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”) before the Ontario Superior Court of Justice (Commercial List) in the City of Toronto (the “**Court**”) pursuant to an order granted by the Court on the same day.

On January 2, 2024, the Companies obtained an Amended and Restated Initial Order (as may be further amended or restated from time to time, the “**ARIO**”) from the Court. The ARIO provides, among other things, an extension of the Stay Period (as defined therein) until February 29, 2024, which may be extended by the Court from time to time. Pursuant to the ARIO, FTI Consulting Canada Inc. was appointed as monitor in the CCAA Proceedings (in such capacity, the “**Monitor**”).

On January 29, 2024, the Court granted an order (the “**SISP Order**”) that, among other things: (a) approved this sale and investor solicitation process (the “**SISP**”), and (b) authorized the execution by the Companies of the stalking horse share purchase agreement between Trees and the Stalking Horse Bidder (as defined below) dated January 23, 2024 (the “**Stalking Horse Agreement**”) as the stalking horse bid for the purpose of conducting the SISP.

The purpose of the SISP is to identify one or more financiers for, purchasers of and/or investors in the Companies, the Business and/or Assets (each as defined below) to make an offer (each a “**Bid**”) that is superior to the offer contemplated by the Stalking Horse Agreement, and to complete the transactions contemplated by any such offer, or the Stalking Horse Agreement if no other offers are accepted. Set forth below are the procedures (the “**SISP Procedures**”) that shall govern the SISP and any transactions consummated as a result thereof.

### 1. Defined Terms

The following capitalized terms have the following meanings when used in this SISP:

“**Acknowledgment of the SISP**” means an acknowledgment of the SISP in the form attached as Schedule “A”;

“**Additional Confidential Information**” means commercially sensitive information with respect to the Companies, the Business and/or Assets, which may include copies of material customer and vendor agreements, details of the equity and capital structure of the Business, and meetings with management and key employees;

“**Aggregate Bid**” means a combination of Portion Bids that do not overlap for Assets sought to be purchased, and which, when totalled, equal or exceed the Minimum Bid Amount;

“**Assets**” means the assets, undertakings and property of the Companies;

“**Auction**” has the meaning given to it in Section 15;

“**Auction Procedure**” has the meaning given to it in Section 15;

“**Back-Up Bid Expiration Date**” has the meaning given to it in Section 19;

“**Back-Up Bid**” has the meaning given to it in Section 15;

“**Back-Up Bidder**” has the meaning given to it in Section 15;

“**Bid**” has the meaning given to it in the introduction;

“**Break Fee**” has the meaning given to it in Section 2;

“**Business**” means the business carried on by the Companies, which consists primarily of the operation of cannabis retail stores and the marketing and sale of cannabis products and accessories;

“**Business Day**” means any day, other than a Saturday, Sunday or statutory holiday in the Province of Ontario, on which commercial banks in Toronto, Ontario are open for business;

“**Companies**” has the meaning given to it in the introduction;

“**Confidentiality Agreement**” means the confidentiality agreement, upon terms satisfactory to the Companies, with the consent of the Monitor, entered into between the Companies and an Interested Party;

“**Court**” has the meaning given to it in the introduction;

“**Data Room**” means an electronic data room created and maintained by the Companies or the Monitor containing confidential information in respect of the Companies, the Business and the Assets, but which does not contain the Additional Confidential Information;

“**DIP Lender**” means One Plant (Retail) Corp.;

“**DIP Term Sheet**” means the debtor-in-possession financing term sheet dated December 21, 2023, as amended and restated on January 23, 2024, between the Companies, as borrowers, and the DIP Lender, as lender;

“**Form Purchase Agreement**” means the template share purchase agreement posted in the Data Room substantially in the form of the Stalking Horse Agreement;

“**Interested Party**” has the meaning given to it in Section 2;

“**Investment Proposal**” has the meaning given to it in Section 9;

“**Known Potential Bidders**” has the meaning give to it in Section 5(a);

“**Minimum Bid Amount**” means the Purchase Price under the Stalking Horse Agreement, including the Credit Bid Consideration, the Pre-Filing GST/HST Obligations, and the Cash Consideration, plus: (a) the Break Fee, and (b) CAD\$50,000. For greater certainty, as of the Phase II Bid Deadline, the Minimum Bid Amount is estimated to be CAD\$3,638,192.08.

“**Monitor**” has the meaning given to it in the introduction;

“**Notice**” has the meaning given to it in Section 5(b);

“**Outside Date**” means April 30, 2024, or such other date as the Companies, the Monitor, and the Successful Bidder(s) or the Back-Up Bidder, if applicable, may agree, acting reasonably;

“**Phase I Bid**” means an initial non-binding Bid submitted by an Interested Party pursuant to Section 9 hereof;

“**Phase I Bid Deadline**” has the meaning given to it in Section 9;

“**Phase I Bidder**” means a bidder submitting a Phase I Bid;

“**Phase I Deposit**” has the meaning given to it in Section 11(i);

“**Phase I Participant Requirements**” has the meaning given to it in Section 10 hereof;

“**Phase II Bid**” means a binding unconditional Bid submitted by a Qualified Phase I Bidder;

“**Phase II Bidder**” means a bidder submitting a Phase II Bid;

“**Phase II Bid Deadline**” has the meaning given to it in Section 9;

“**Portion Bid**” means a Bid for less than all, or substantially all of the Assets, that is otherwise a Qualified Phase I Bid or a Qualified Phase II Bid;

“**Portion Bidder**” means a Qualified Phase I Bidder and/or a Qualified Phase II Bidder that submits a Portion Bid;

“**Pre-Filing GST/HST Obligations**” has the meaning given to it in the Stalking Horse Agreement;

“**Purchase Price**” has the meaning given to it in Section 11(a)(i);

“**Qualified Phase I Bid**” means a Phase I Bid that satisfies the conditions set out in Section 11. For greater certainty, a Portion Bid may be a Qualified Phase I Bid if it forms part of an Aggregate Bid;

“**Qualified Phase I Bidder**” means a bidder submitting a Qualified Phase I Bid;

“**Qualified Phase II Bid**” means a Phase II Bid that satisfies the conditions set out in Section 14. For greater certainty, a Portion Bid may be a Qualified Phase II Bid if it forms part of an Aggregate Bid;

“**Qualified Phase II Bidder**” means a bidder submitting a Qualified Phase II Bid;

“**Qualified Investment Bid**” is an Investment Proposal that is determined to be a Qualified Phase II Bid by the Companies and the Monitor pursuant to Section 14;

“**Qualified Sale Bid**” is a Sale Proposal that is determined to be a Qualified Phase II Bid by the Companies and the Monitor pursuant to Section 14;

“**Sale Approval Hearing**” has the meaning given to it in Section 18;

“**Sale Proposal**” has the meaning given to it in Section 9;

“**SISP**” has the meaning given to it in the introduction;

“**SISP Procedures**” has the meaning given to it in the introduction;

“**Stalking Horse Agreement**” has the meaning given to it in the introduction;

“**Stalking Horse Bidder**” means the DIP Lender, or an affiliate thereof;

“**Successful Bid**” has the meaning given to it in Section 15;

“**Successful Bidder**” has the meaning given to it in Section 15; and

“**Teaser Letter**” has the meaning given to it in Section 5(c).

## 2. **The SISP Procedures**

The SISP shall consist of two phases. In the first phase, any interested party (an “**Interested Party**”) that meets the preliminary participant requirements set out herein, including executing a Confidentiality Agreement and an Acknowledgment of the SISP, shall be provided with access to the Data Room in order to prepare and submit a Phase I Bid by the Phase I Bid Deadline. Phase I Bidders that are determined by the Companies, with the consent of the Monitor, to be Qualified Phase I Bidders shall be invited to participate in the second phase wherein they will be given access to the Additional Confidential Information, if any, in order to complete diligence prior to submitting a Phase II Bid by the Phase II Bid Deadline.

The Companies, in consultation with the Monitor, shall supervise the SISP Procedures and each will generally consult with the other in respect of all matters arising out of this SISP. The Monitor shall direct and preside over the Auction, if applicable. In the event that there is disagreement as to the interpretation or application of this SISP, the Court will have the jurisdiction to hear and resolve such dispute.

Certain bid protections are provided for in the Stalking Horse Agreement (including a break fee (the “**Break Fee**”), subject to the conditions set forth therein. No other bidder may request or receive any form of bid protection as part of any bid made pursuant to the SISP.

### 3. “As Is, Where Is”

The sale of the Business or all or any part of the Assets or an investment in the Companies will be on an “as is, where is” basis and without surviving representations or warranties of any kind, nature or description by the Companies, the Monitor or any of their respective employees, officers, directors, agents or advisors, except to the extent set forth in the relevant definitive Sale Proposal or Investment Proposal agreement, as applicable, with a Successful Bidder.

By participating in this process, each Interested Party is deemed to acknowledge and represent that it has had an opportunity to conduct any and all due diligence regarding the Business, the Assets or the Companies prior to making its Bid, that it has relied solely on its own independent review, investigation, and/or inspection of any documents and/or regarding the Business, the Assets or the Companies in making its Bid, and that it did not rely on any written or oral statements, representations, promises, warranties, conditions or guaranties whatsoever, whether express, implied, by operation of law or otherwise, regarding the Business, the Assets or the Companies or the completeness of any information provided in connection therewith, except as expressly stated in the terms of any definitive transaction documents.

### 4. Timeline

The following table sets out the key milestones under the SISP:

<b>Milestone</b>	<b>Deadline</b>
Commencement of SISP	January 29, 2024
Distribution of the Notice, Teaser Letter Confidentiality Agreement and Acknowledgement of SISP	As soon as reasonably practicable following the date on which the SISP Order is granted
Phase I Bid Deadline (5:00 PM (Eastern Time))	February 29, 2024

Phase II Bid Deadline (5:00 PM (Eastern Time))	March 15, 2024
Selection of Successful Bid(s), Back-Up Bid(s), or Notification of Auction (if any)	March 19, 2024
Auction (if any)	No later than March 22, 2024
Sale Approval Hearing	As soon as practicable
Closing Date Deadline	A maximum of 4 weeks after the Sale Approval Hearing, but by no later than the Outside Date

## 5. Solicitation of Interest

As soon as is reasonably practicable:

- (a) the Companies and the Monitor will prepare a list of potential bidders, including (i) parties that have approached the Companies or the Monitor indicating an interest in the opportunity; and (ii) strategic parties whom the Companies or the Monitor believe may be interested in purchasing all or part of the Business and Assets, or investing in the Companies, pursuant to the SISP (collectively, “**Known Potential Bidders**”);
- (b) the Monitor, with the assistance of the Companies, will cause a notice of the SISP and such other relevant information that the Companies, with the consent of the Monitor, consider appropriate (the “**Notice**”) to be published in *The Globe and Mail* (National Edition) and *Insolvency Insider*, and any other newspaper, journal or industry publication as the Companies and the Monitor consider appropriate, if any; and
- (c) the Monitor, in consultation with the Companies, will prepare: (i) a process summary (the “**Teaser Letter**”) describing the opportunity, outlining the process under the SISP, and inviting recipients of the Teaser Letter to express their interest pursuant to the SISP; and (ii) a Confidentiality Agreement, in each case in form and substance satisfactory to the Companies and the Monitor.

The Monitor, with the assistance of the Companies, will publish the Notice and send the Teaser Letter, Confidentiality Agreement, and Acknowledgement of the SISP to all Known Potential Bidders as soon as reasonably practicable following the date on which the SISP Order is granted and to any other party who requests a copy of the Teaser Letter, Confidentiality Agreement, and Acknowledgement of the SISP, or who is identified to the Companies or the Monitor as a potential bidder, as soon as reasonably practicable after such request or identification, as applicable.

## 6. Role of Management of the Companies

In the event that any party that is associated with the Board of Directors or management of the Companies intends to submit a Bid pursuant to the SISP, any such party must advise the Monitor of such intention in writing by February 5, 2024. Any such party(ies) shall be entitled to participate in the SISP as an Interested Party, provided that, and only to the extent that, such party(ies) shall: (i) be excluded from participating in the SISP in any manner or capacity that would be reasonably likely to create an unfair advantage for any party or otherwise jeopardize the integrity of the SISP, as determined by the Monitor in its sole discretion; and (ii) be subject to such restrictions as the Monitor, in its sole discretion, determines to be necessary to ensure compliance with (i).

## 7. **Role of the Monitor**

The Monitor's responsibilities pursuant to the SISP include:

- (a) consulting with the Companies in connection with the bidding procedures included in this SISP and the closing of the transaction contemplated in the Successful Bid(s);
- (b) assisting the Companies with supervision of the SISP Procedures;
- (c) reporting to the Court in connection with the SISP Procedures, including the bidding procedures described in this SISP, and the closing of the transaction contemplated in the Successful Bid(s);
- (d) conducting an Auction, if necessary, in accordance with the Auction Procedures attached hereto as Schedule "C"; and
- (e) assisting the Companies to facilitate information requests, including assisting the Companies in preparing or modifying financial information to assist with the bidding procedures described in this SISP and the closing of the transaction contemplated in the Successful Bid(s) (including the Stalking Horse Agreement).

## 8. **Access to Due Diligence Materials**

Only Interested Parties that satisfy the Phase I Participant Requirements will be eligible to receive access to the Data Room. If the Companies, with the consent of the Monitor, determine that a Phase I Bidder does not constitute a Qualified Phase I Bidder, then such Phase I Bidder shall not be eligible to receive the Additional Confidential Information, if any. For greater certainty, the Data Room shall not contain the Additional Confidential Information and the Companies or the Monitor shall provide the Additional Confidential Information to a Qualified Phase I Bidder by alternative means.

The Monitor, with the assistance of the Companies, will be responsible for the coordination of all reasonable requests for additional information and due diligence access from Interested Parties. Neither the Companies nor the Monitor shall be obligated to furnish any additional due diligence information after the Phase I Bid Deadline other than the Additional Confidential Information, if any, to Qualified Phase I Bidders before the Phase II Bid Deadline. Neither the Companies nor the Monitor shall be obligated to furnish any

due diligence information after the Phase II Bid Deadline, provided however that the Companies and the Monitor may, but are not obligated to, provide further information including, without limitation, financial information to the Successful Bidder (including the Stalking Horse Bidder). Neither the Companies nor the Monitor are responsible for, and will bear no liability with respect to, any information obtained by any party in connection with the sale of the Assets and the Business, or an investment in the Companies. If the Companies provide additional information and due diligence to an Interested Party that was not previously provided to the Stalking Horse Bidder, the Companies shall concurrently provide such additional information to the Stalking Horse Bidder or notify the Stalking Horse Bidder that such information is available in the Data Room.

## 9. **Bid Deadlines**

An Interested Party that wishes to make a Bid to: (a) acquire the Business or all, substantially all or any part of the Assets, including any offer to acquire some or all of the Companies' intellectual property, accounts receivable and furniture, fixtures and equipment (a "Sale Proposal"); or (b) make an investment in the Companies by way of private issuances, sale or placement of newly issued or treasury equity, equity-linked or debt securities, instruments or obligations of the Companies with one or more lenders and/or investors or security holders (an "Investment Proposal"), must deliver an executed copy of a Phase I Bid to the Monitor, at the email address specified in Schedule "B", so as to be received by it **not later than 5:00 p.m. (Eastern Time) on February 29, 2024**, or such other later date or time as may be agreed by the Companies and the Monitor (the "Phase I Bid Deadline").

All Phase II Bids must be submitted to the Monitor, at the email address specified in Schedule "B", so as to be received by it **not later than 5:00 p.m. (Eastern Time) on March 15, 2024**, or such other later date or time as may be agreed by the Companies and the Monitor (the "Phase II Bid Deadline").

## **PHASE I – NON BINDING BIDS**

### 10. **Phase I Participant Requirements.**

To participate in Phase I of the SISP and to otherwise be considered for any purpose hereunder, each Interested Party must provide the Companies and the Monitor with an executed copy of each of the following prior to being provided with access to the Data Room: (i) a Confidentiality Agreement; and (ii) an Acknowledgement of the SISP (collectively, the "Phase I Participant Requirements").

### 11. **Qualified Phase I Bids**

Only Qualified Phase I Bidders shall be allowed to participate in Phase II of the SISP and be eligible to receive the Additional Confidential Information, if any.

In order for the Companies, with the consent of the Monitor, to determine whether an Interested Party is a Qualified Phase I Bidder, the Interested Party must provide, in form and substance satisfactory to the Companies and the Monitor, each of the following on or

before the Phase I Bid Deadline:

- (a) Non-Binding Letter of Intent Describing the Phase I Bid: A non-binding letter of intent describing the material terms of the Phase I Bid, which includes the following information:
- (i) Sale Proposal: In the case of a Sale Proposal, the material terms and conditions of the proposed transaction, including identification of the Business or the Assets proposed to be acquired, the obligations to be assumed, the purchase price for the Business or Assets proposed to be acquired (the “**Purchase Price**”), and the structure and financing of the proposed transaction; and
  - (ii) Investment Proposal: In the case of an Investment Proposal, the material terms and conditions of the proposed transaction, including details regarding the proposed equity and debt structure of the Companies following completion of the proposed transaction, the direct or indirect investment target and the aggregate amount of equity and debt investment (including the sources of such capital, the underlying assumptions regarding the *pro forma* capital structure, as well as anticipated tranches of debt, debt service fees, interest and amortization) to be made in the Companies, and the debt, equity, or other securities, if any, proposed to be allocated to creditors of the Companies;
- (b) Purchase Price: Evidence that the Purchase Price (in the case of a Sale Proposal) or imputed value (in the case of an Investment Proposal) under the Phase I Bid or Aggregate Bid shall be an amount equal to or greater than the Minimum Bid Amount (a “**Superior Offer**”); provided that any Portion Bidder shall not be subject to the Minimum Bid Amount except to the extent that it forms part of an Aggregate Bid. For greater certainty, any Phase I Bid must provide for payment in full in cash on closing in an amount sufficient to satisfy all indebtedness, fees, and expenses owed by the Applicants to the DIP Lender in accordance with the DIP Term Sheet and all other indebtedness, fees, and expenses owed by the Applicants to the DIP Lender in connection with any first-ranking secured debt of the Applicants held by the DIP Lender or its nominees or Affiliates. Relevant information in this regard will be contained in the Data Room;
- (c) Proof of Financial Ability to Perform: Written evidence upon which the Companies and the Monitor may reasonably conclude that the Interested Party has obtained, or shall obtain on or before the Phase II Bid Deadline, the necessary sources of financing that it shall require to close the contemplated transaction on or before the Outside Date, including, without limitation: (i) the sources of such financing and contact names and phone numbers required to verify same; and (ii) any such other form of financial disclosure or credit-quality support information or enhancement requested by and reasonably acceptable to the Companies and the Monitor demonstrating that the Phase II Bidder has, or will have, the ability to close the contemplated transaction;

- (d) Outstanding Due Diligence: a description of any additional due diligence required to be conducted in order to submit a Qualified Phase II Bid and the impact any additional due diligence may have on the final Purchase Price or imputed value;
- (e) Identification: Full written disclosure of the identity of each person (including any person that controls such person) that will be directly or indirectly sponsoring or participating in the Phase I Bid, including whether any prior or current member of the Companies' board, management, any employee or consultant to the Companies or any creditor) or shareholder of the Companies is involved in any way with the Phase I Bid or assisted with the Phase I Bid, and the complete terms of any such participation as well as evidence of corporate authority to sponsor or participate in the Phase I Bid;
- (f) Acknowledgment: An acknowledgement and representation that the Interested Party: (i) has relied solely upon its own independent review, investigation and/or inspection of any documents regarding the Companies, the Business and/or the Assets to be acquired, or the liabilities to be assumed in making its Phase I Bid; and (ii) did not rely upon any written or oral statements, representations, promises, warranties conditions or guaranties whatsoever, whether express or implied (by operation of law or otherwise) by the Companies, the Monitor or any of their respective employees, directors, officers, agents, advisors or other representatives, regarding the Companies, the Business, the Assets to be acquired, or the liabilities to be assumed, or the completeness of any information provided in connection therewith, except as expressly provided in any definitive transaction documents;
- (g) Authorization: Evidence, in form and substance reasonably satisfactory to the Companies and the Monitor, of authorization and approval from the Interested Party's board of directors (or comparable governing body) with respect to the submission, execution and delivery of the Phase I Bid, and identification of any anticipated shareholder, regulatory or other approvals outstanding, and the anticipated time frame and any anticipated impediments for obtaining such approvals;
- (h) No Break or Termination Fee: Evidence that the Phase I Bid does not include any request for or entitlement to any break or termination fee, expense reimbursement or similar type of payment, and confirmation that the Interested Party shall be responsible for all of its costs and expenses associated with conducting due diligence and submitting a Bid;
- (i) Deposit: A cash deposit (the "**Phase I Deposit**") in an amount equal to 10% of the Purchase Price (in the case of a Sale Proposal) or imputed value (in the case of an Investment Proposal) that shall be paid to the Monitor in trust, which Phase I Deposit shall be held and dealt with in accordance with this SISP;
- (j) Employees: If applicable, the proposed number of employees of the Companies who are expected to become employees of the Phase I Bidder if determined to be the Successful Bidder;

- (k) Other: Such other information as may reasonably be requested by the Companies or the Monitor; and
- (l) Phase I Bid Deadline: It is received by the Monitor, at the email address specified in Schedule "B" on or before the Phase I Bid Deadline.

The Companies, with the consent of the Monitor, may waive any one or more minor and non-material violations of the requirements specified for Qualified Phase I Bids and deem such non-compliant Bids to be Qualified Phase I Bids.

## **12. Evaluation of Qualified Phase I Bids and Designation as Qualified Phase I Bidder**

The Companies and the Monitor shall evaluate Qualified Phase I Bids on various grounds including, but not limited to: the Purchase Price or imputed or projected value, the treatment of creditors and related implied recovery for creditors (in each case, as applicable), the assumed liabilities, the number of employees assumed, the certainty of closing the transactions contemplated by the Phase I Bid on or before the Outside Date and any delay or other risks (including closing risks) in connection with the Qualified Phase I Bids.

The Companies, with the consent of the Monitor, shall have the option, in their discretion, to aggregate Portion Bids into an Aggregate Bid.

The Companies shall be under no obligation to accept the highest or best offer or any offer (other than the offer contained in the Stalking Horse Agreement if no Superior Offer is accepted).

As soon as practicable after the Phase I Bid Deadline, the Companies, with the consent of the Monitor, will advise an Interested Party whether or not its Phase I Bid constitutes a Qualified Phase I Bid and that it is a Qualified Phase I Bidder and, if such Phase I Bidder is a Qualified Phase I Bidder, that it is invited to participate in Phase II of the SISP.

Notwithstanding the requirements set forth in Section 11, the Stalking Horse Agreement shall be deemed to be a Qualified Phase I Bid and the Stalking Horse Bidder shall be deemed to be a Qualified Phase I Bidder for all purposes of this SISP.

## **13. No Qualified Phase I Bids**

If no Qualified Phase I Bid other than the Bid pursuant to the Stalking Horse Agreement is received by the Phase I Bid Deadline, the Stalking Horse Bidder shall be declared the Successful Bidder and the Stalking Horse Agreement shall be declared the Successful Bid.

## **PHASE II – BINDING BIDS**

### **14. Qualified Phase II Bid Requirements**

Only Qualified Phase I Bidders shall be entitled to submit a Phase II Bid. In order to be considered a Qualified Phase II Bid, as determined by the Companies and the Monitor: (i) a Phase II Bid must satisfy all of the requirements for a Qualified Phase I Bid contained in

Section 11, provided, however, that the Phase II Bid Deadline shall apply in lieu of the Phase I Bid Deadline, as set forth below, and; (ii) the Qualified Phase I Bidder must also submit the following, in form and substance satisfactory to the Companies and the Monitor, on or before the Phase II Bid Deadline:

- (a) Irrevocable Bid: A cover letter stating that the Phase II Bid is irrevocable until Court approval of the Successful Bid(s), provided that if such Phase II Bidder is selected as the Successful Bidder or the Back-Up Bidder, its Phase II Bid shall remain irrevocable until the Back-Up Bid Expiration Date (as defined below), which includes:
- (i) Sale Proposal: In the case of a Sale Proposal, a duly authorized and executed definitive purchase agreement, together with all completed schedules thereto substantially in the form of the Form Purchase Agreement, together with a blackline comparing the purchase agreement submitted to the Form Purchase Agreement, which includes all or substantially all of the terms set out in the non-binding letter of intent submitted in Phase I; and
- (ii) Investment Proposal: In the case of an Investment Proposal, a duly authorized and executed binding term sheet that includes all or substantially all of the terms set out in the non-binding investment proposal submitted in Phase I;
- (b) Unconditional Bid: Evidence that it is not conditioned on: (i) the outcome of unperformed due diligence including the review of any Additional Confidential Information; (ii) obtaining financing; and/or (iii) any other material closing conditions;
- (c) Proof of Financial Ability to Perform: Written evidence upon which the Companies and the Monitor may reasonably conclude that the Phase II Bidder has the necessary financial ability to fully fund and consummate the transaction contemplated by the Phase II Bid and satisfy its obligations under the definitive purchase agreement, including: (i) binding equity/debt commitment letters and/or guarantees (*i.e.*, bank guarantees) covering the full value of all cash consideration; (ii) evidence of the Phase II Bidder's internal resources; and/or (iii) any such other form of financial disclosure or credit-quality support information or enhancement requested by and reasonably acceptable to the Companies and the Monitor demonstrating that the Phase II Bidder has the ability to close the contemplated transaction;
- (d) Acknowledgment: An acknowledgement and representation that the Phase II Bidder: (i) has relied solely upon its own independent review, investigation and/or inspection of any documents regarding the Companies, the Business and/or the Assets to be acquired, or liabilities to be assumed in making its Phase II Bid; (ii) did not rely upon any written or oral statements, representations, promises, warranties conditions or guaranties whatsoever, whether express or implied (by operation of law or otherwise) by the Companies, the Monitor or any of their respective employees, directors, officers, agents, advisors or other representatives, regarding the Companies, the Business, the Assets to be acquired, liabilities to be

assumed, or the completeness of any information provided in connection therewith, except as expressly provided in any definitive transaction documents; and (iii) promptly will commence any governmental or regulatory review of the proposed transaction by the applicable competition, antitrust or other applicable governmental authorities, including those regulating in the cannabis sector;

- (e) Authorization: Evidence, in form and substance reasonably satisfactory to the Companies and the Monitor, of authorization and approval from the Interested Party's board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the transaction contemplated by the Phase II Bid, and confirmation that any other required approvals have been obtained;
- (f) Employees: If applicable, full details of the proposed number of employees of the Companies who will become employees of the Phase II Bidder if determined to be the Successful Bidder and the proposed terms and conditions of employment to be offered to those employees;
- (g) Other: Such other information as may reasonably be requested by the Companies or the Monitor; and
- (h) Phase II Bid Deadline: It is received by the Monitor, at the address specified in Schedule "B" hereto (including by email) on or before the Phase II Bid Deadline.

#### 15. Evaluation of Qualified Phase II Bids and Subsequent Actions

The Companies and the Monitor shall evaluate Qualified Phase II Bids on various grounds including, but not limited to: the Purchase Price or imputed or projected value, the treatment of creditors and related implied recovery for creditors (in each case, as applicable), the assumed liabilities, the number of employees assumed, the certainty of closing the transactions contemplated by the Qualified Phase II Bid on or before the Outside Date and any delay or other risks (including closing risks) in connection with the Qualified Phase II Bids.

Notwithstanding the requirements set forth in Section 14, the Stalking Horse Agreement shall be deemed to be a Qualified Phase II Bid and the Stalking Horse Bidder shall be deemed to be a Qualified Phase II Bidder for all purposes of this SISP.

Following such evaluation, the Companies, with the consent of the Monitor, shall:

- (a) identify if any Qualified Phase II Bid is a Superior Offer; and
- (b) if one or more Qualified Phase II Bids are considered to be a Superior Offer, each Qualified Phase II Bidder presenting a Superior Offer shall proceed to an auction (the "**Auction**") with the Stalking Horse Bidder in accordance with the procedures set out in the attached Schedule "C" (the "**Auction Procedure**") to identify the "**Successful Bid**", and the Qualified Phase II Bidder making such Successful Bid will be the "**Successful Bidder**". The determination of any Successful Bid by the

Companies, with the consent of the Monitor, shall be subject to approval by the Court.

The Companies, with the consent of the Monitor, shall have the option to aggregate Portion Bids into an Aggregate Bid. Notwithstanding anything to the contrary herein, the Companies, with the consent of the Monitor, shall be permitted to include Qualified Investment Bids or Qualified Sale Bids in the Auction, including to the extent such Qualified Phase II Bids are Portion Bids, provided that such Qualified Investment Bids or Qualified Sale Bids constitute a Superior Offer.

Following the selection of the Successful Bid, the Companies shall take such steps as may be necessary to finalize definitive transaction documents for the Successful Bid(s) with the Successful Bidder(s) prior to Court approval of the Successful Bid.

The Companies may conditionally accept one or more (if for distinct and compatible transactions that are Portion Bids) Qualified Phase II Bids, which acceptance will be conditional upon the failure of the transaction(s) contemplated by the Successful Bid to close (the “**Back-up Bid**”, and Qualified Phase II Bidder making such Back-up Bid being the “**Back-Up Bidder**”).

For greater certainty, any accepted offer, whether at the Auction or otherwise, must constitute a Superior Offer.

As soon as reasonably practicable and by no later than three days after the Phase II Bid Deadline, the Companies shall advise the Qualified Phase II Bidders if Successful Bid(s) and Back-Up Bid(s) have been accepted, or conditionally accepted, as the case may be. If the Companies and the Monitor determine it is necessary to conduct an Auction pursuant to the SISP Procedures, the Monitor, as soon as reasonably practicable and by no later than March 19, 2024, will advise the Qualified Phase II Bidders of the date, time, location and the rules (if any) of the Auction in accordance with the Auction Procedure.

**16. No Qualified Phase II Bids**

If no Superior Offer is received by the Phase II Bid Deadline, the Auction will not be held, and the Stalking Horse Bidder will be declared to be the Successful Bidder and the Stalking Horse Agreement shall be declared the Successful Bid.

**17. Allocation of Purchase Price**

The Companies reserve the right to allocate the Purchase Price of a Successful Bid, acting reasonably and in consultation with the Monitor, at a later date for distribution purposes.

**APPROVAL MOTION**

**18. Approval Motion**

The Companies shall use reasonable efforts to bring a motion to the Court to approve the Successful Bid(s) and Back-Up Bid(s) as soon as practicable following the determination by the Companies and the Monitor of the Successful Bidder(s) and the execution of

definitive documents (the “**Sale Approval Hearing**”). The Companies will be deemed to have accepted the Successful Bid(s) only when it has been approved by the Court. All Qualified Phase II Bids (other than the Successful Bid(s) and the Back-Up Bid(s)) shall be deemed rejected by the Companies on and as of the date of approval of the Successful Bid(s) by the Court.

**19. Back-Up Bidder**

If a Successful Bidder fails to close the transaction contemplated by the Successful Bid(s) on or before the Outside Date for any reason, then the Companies will be deemed to have accepted the Back-Up Bid(s) and will proceed with the transaction pursuant to the terms thereof. The Back-Up Bid(s) shall remain open for acceptance until the closing of the Successful Bid(s), or such other later date as the Companies and the Back-Up Bidder may agree, acting reasonably (the “**Back-Up Bid Expiration Date**”).

**MISCELLANEOUS**

**20. Information From Interested Parties**

Each Interested Party shall comply with all reasonable requests for additional information by the Companies or the Monitor regarding such Interested Party and its contemplated transaction. Failure by an Interested Party to comply with requests for additional information will be a basis for the Companies to determine that the Interested Party is not a Qualified Phase I Bidder or a Qualified Phase II Bidder, as applicable.

**21. Deposits**

All deposits shall be held by the Monitor in a single interest-bearing account designated solely for such purpose. A deposit made by a Successful Bidder shall be dealt with in accordance with the definitive documents for the transactions contemplated by the Successful Bid. Deposits, and any interest earned thereon, paid by Phase I Bidders not selected as either a Qualified Phase I Bidder or a Qualified Phase II Bidder shall be returned to such Phase I Bidder or Phase II Bidder as soon as practicable, and in any event no later than seven (7) Business Days of being advised that it is not a Qualified Phase I Bidder or a Qualified Phase II Bidder, as the case may be. Deposits, and any interest thereon, paid by Qualified Phase II Bidders not selected as either a Successful Bidder or a Back-Up Bidder shall be returned to such Qualified Phase II Bidders as soon as practicable, and in any event no later than seven (7) Business Days following Court approval of the Successful Bid. In the case of Back-Up Bid(s), the deposit and any interest earned thereon shall be retained by the Monitor until the Back-Up Bid Expiration Date and returned to the Back-Up Bidder as soon as practicable, and in any event no later than seven (7) Business Days thereafter or, if a Back-Up Bid becomes a Successful Bid, shall be dealt with in accordance with the definitive documents for the Back-Up Bid.

**22. Modifications and Termination**

The Companies, with the consent of the Monitor, shall have the right to adopt such other rules for the SISP Procedures (including rules that may depart from those set forth herein)

that will better promote the sale of the Business or all or any part of the Assets or investment in the Companies under this SISP. The Companies, with the consent of the Monitor, shall apply to the Court if it wishes to materially modify or terminate the process set out in this SISP. For certainty, any amendments to the Phase I Bid Deadline or the Phase II Deadline or other dates set out in this SISP, including those relating to the Auction, shall not constitute a material modification, provided that any extensions to the Phase I Bid Deadline or the Phase II Deadline are not longer than seven calendar days.

**23. Other**

Neither the Companies nor the Monitor shall be liable for any claim for a brokerage commission, finder's fee or like payment in respect of the consummation of any of the transactions contemplated under the SISP arising out of any agreement or arrangement entered into by the parties that submitted the Successful Bid(s) and Back-Up Bid(s). Any such claim shall be the sole liability of the parties that submitted such Successful Bid(s) and Back-Up Bid(s).

Neither the Companies nor the Monitor shall have any liability whatsoever to any person or party, including without limitation, to any Known Potential Bidder, Phase I Bidder, Phase II Bidder, a Successful Bidder or Back-Up Bidder, or any creditor, or other stakeholder, for any act or omission related to this SISP. By submitting a Bid, each Interested Party shall be deemed to have agreed that it has no claim against the Companies or the Monitor for any reason, matter or thing whatsoever related to this SISP.

## SCHEDULE "A"

### Acknowledgement of the SISP

The undersigned hereby acknowledges receipt of the Sale and Investor Solicitation Process approved by the Order of the Honourable Justice Osborne of the Ontario Superior Court of Justice (Commercial List) dated January 29, 2024 (the "**SISP**") and that compliance with the terms and provisions of the SISP is required in order to participate in the SISP and for any Bids to be considered by the Companies.

This \_\_\_\_ day of \_\_\_\_\_, 2024.

[NAME]

By:

\_\_\_\_\_  
[Signing Officer]

**SCHEDULE "B"**  
**ADDRESS PARTICULARS**

**FTI Consulting Canada Inc.**

TD South Tower  
77 Wellington Street West, Suite 2010  
Toronto, ON M5K 1G8

Attention: Jeffrey Rosenberg; Jodi Porepa  
Phone: (416) 649-8073; (416) 649-8059  
Email: jeffrey.rosenberg@fticonsulting.com; jodi.porepa@fticonsulting.com

**With a copy to:**

**Torys LLP**

79 Wellington Street West  
30<sup>th</sup> Floor (Deliveries)  
Box 270, TD South Tower  
Toronto, ON M5K 1N2

Attention: David Bish; Mike Noel  
Phone: (416) 865-7353; (416) 865-7378  
Email: dbish@torys.com; mnoel@torys.com

## SCHEDULE "C" AUCTION PROCEDURES

### Auction

1. If the Companies and the Monitor, decide to conduct an Auction pursuant to the SISP Procedures, the Monitor will notify the Qualified Phase II Bidders (including the Stalking Horse Bidder) who made a Qualified Phase II Bid that the Auction will be held at a location to be determined at 9:00 a.m. (Eastern Time) on a date that is determined by the Companies and the Monitor, provided that it is a date that is not later than March 22, 2024, or such other place, date and time as the Companies or the Monitor may advise. Capitalized terms used but not defined herein have the meaning given to them in the SISP Procedures.

The Auction shall be conducted in accordance with the following procedures:

- (a) Participation at the Auction. Only a Qualified Phase II Bidder is eligible to participate in the Auction. Each Qualified Phase II Bidder must inform the Companies and the Monitor whether it intends to participate in the Auction by no later than 12:00 p.m. (Eastern Time) on the Business Day prior to the Auction. Only the authorized representatives of each of the Qualified Phase II Bidders, the Monitor and the Companies, and their respective counsel and other advisors, and any other parties acceptable to the Companies and the Monitor, shall be permitted to attend the Auction.
- (b) Bidding at the Auction. Bidding at the Auction shall be conducted in rounds. The highest Qualified Phase II Bid at the beginning of the Auction shall constitute the "**Opening Bid**" for the first round and the highest Overbid (as defined below) at the end of each round shall constitute the "**Opening Bid**" for each following round. In each round, a Qualified Phase II Bidder may submit no more than one Overbid. Only a Qualified Phase II Bidder who bids in a round (including the Qualified Phase II Bidder that submitted the Opening Bid for such round) shall be entitled to participate in the next round of bidding at the Auction. For greater certainty, an Aggregate Bid may be determined to be the Opening Bid for any round including the opening round.
- (c) Monitor Shall Conduct the Auction. The Monitor and its advisors shall direct and preside over the Auction. At the start of the Auction, the Monitor shall provide the terms of the Opening Bid to all participating Qualified Phase II Bidders at the Auction. The determination by the Monitor, in consultation with the Companies, of which Qualified Phase II Bid constitutes the Opening Bid for each round shall take into account any factors that the Monitor reasonably deems relevant to the value of the Qualified Phase II Bid, including, among other things, the following: (i) the amount and nature of the consideration, including the value of any non-cash consideration; (ii) the proposed assumption of any liabilities and the related implied impact on recoveries for creditors; (iii) the number of employees assumed by the Qualified Phase II Bidder; (iv) the Monitor's reasonable assessment of the certainty of the Qualified Phase II Bidder to close the proposed transaction on or before the Outside Date; (v) the likelihood, extent and impact of any potential delays in

closing; (vi) the impact of the contemplated transaction on any actual or potential litigation; (vii) the net economic effect of any changes from the Opening Bid of the previous round; (viii) the net after-tax consideration to be received by the Companies; and (ix) such other considerations as the Monitor deems relevant in its reasonable business judgment (collectively, the “**Bid Assessment Criteria**”). For greater certainty, the Monitor may ascribe monetary values to non-monetary terms in Overbids for the purposes of assessing and valuing such Overbids, including without limitation, the value to be ascribed to any liabilities or contracts to be assumed. All Bids made after the Opening Bid shall be Overbids, and shall be made and received on an open basis, and all material terms of the highest and best Overbid shall be fully disclosed to all other Qualified Phase II Bidders that are participating in the Auction. The Monitor shall maintain a record of the Opening Bid and all Overbids made and announced at the Auction, including the Successful Bid and the Back-Up Bid.

- (d) Terms of Overbids. An “**Overbid**” is any Bid made at the Auction subsequent to the Monitor’s announcement of the Opening Bid. To submit an Overbid, in any round of the Auction, a Qualified Phase II Bidder must comply with the following conditions:
- (i) *Minimum Overbid Increment:* Any Overbid shall be made in CAD\$50,000 increments (the “**Minimum Overbid Increment**”). The amount of the cash purchase price consideration or value of any Overbid shall not be less than the cash purchase price consideration or value of the Opening Bid, plus the Minimum Overbid Increment(s) at that time plus any additional Minimum Overbid Increments. In respect of the Stalking Horse Agreement and any Overbid by the Stalking Horse Bidder, the value shall include the amount of any indebtedness owing to it that is to be deemed repaid or otherwise released and any priority indebtedness to be assumed pursuant to and in accordance with the terms of the Stalking Horse Agreement.
  - (ii) *The Bid Requirements same as for Qualified Phase II Bids:* Except as modified herein, an Overbid must comply with the bid requirements contained herein, provided, however, that the Phase II Bid Deadline shall not apply. Any Overbid made by a Qualified Phase II Bidder must provide that it remains irrevocable and binding on the Qualified Phase II Bidder and open for acceptance until the closing of the Successful Bid(s).
  - (iii) *Announcing Overbids:* At the end of each round of bidding, the Monitor shall announce the identity of the Qualified Phase II Bidder and the material terms of the then highest and/or best Overbid, including the nature of the proposed transaction contemplated by the best Overbid, the assets proposed to be acquired and the obligations proposed to be assumed, the basis for calculating the total consideration offered in such Overbid, and the resulting benefit to the Companies based on, among other things, the Bid Assessment Criteria. For greater certainty, an Aggregate Bid may be determined to be the highest and/or best Overbid.

- (iv) *Consideration of Overbids:* The Monitor reserves the right, in consultation with the Companies, to make one or more adjournments in the Auction to, among other things: (A) facilitate discussions between the Companies and individual Qualified Phase II Bidders; (B) allow individual Qualified Phase II Bidders to consider how they wish to proceed; (C) consider and determine the current highest and/or best Overbid at any given time during the Auction; and (D) give Qualified Phase II Bidders the opportunity to provide the Monitor with such additional evidence as it, or the Companies, may require, that the Qualified Phase II Bidder has obtained all required internal corporate approvals, has sufficient internal resources, or has received sufficient non-contingent debt and/or equity funding commitments, to consummate the proposed transaction at the prevailing Overbid amount. The Monitor and Companies may have clarifying discussions with a Qualified Phase II Bidder, and the Monitor may allow a Qualified Phase II Bidder to make technical clarifying changes to its Overbid following such discussions.
- (v) *Portion Bids:* Notwithstanding the forgoing, each Portion Bidder entitled to participate in the Auction shall be entitled to submit an Overbid with respect to the Assets on which it is bidding without being required to submit an Overbid with respect to all Assets or the applicable Opening Bid; provided that any Aggregate Bid that is an Overbid shall be subject to these Auction Procedures as any other Overbid, including that such Aggregate Bid that is an Overbid shall be subject to the Minimum Overbid Increment. Portion Bids can be aggregated with any other Qualified Phase II Bid, as determined by the Companies and the Monitor.
- (vi) *Failure to Bid:* If at the end of any round of bidding a Qualified Phase II Bidder (other than a Portion Bidder, or the Qualified Phase II Bidder that submitted the then highest and/or best Overbid or Opening Bid, as applicable) fails to submit an Overbid, then such Qualified Phase II Bidder shall not be entitled to continue to participate in the next round of the Auction.
- (e) Discussion with other Bidders. A Qualified Phase II Bidder shall not strategize or have discussions with other Qualified Phase II Bidders for the purpose of submitting an Overbid without the consent of the Monitor.
- (f) Additional Procedures. The Monitor may, in consultation with the Companies, adopt rules for the Auction at or prior to the Auction that will better promote the goals of the Auction, including rules pertaining to the structure of the Auction and the order of bidding, provided they are not inconsistent with any of the provisions of the SISP Procedures and provided further that no such rules may change the requirement that all material terms of the then highest and/or best Overbid at the end of each round of bidding will be fully disclosed to all other Qualified Phase II Bidders.

- (g) Closing the Auction. The Auction shall be closed after the Monitor, with the assistance of the Companies and their respective legal counsel, has (i) reviewed the final Overbid of each Qualified Phase II Bidder on the basis of financial and contractual terms and the factors relevant to the sale process, including those factors affecting the speed and certainty of consummating the proposed sale, and (ii) identified the Successful Bid and the Back-Up Bid and advised the Qualified Phase II Bidders participating in the Auction of such determination. One or more Portion Bids can, in the discretion of the Monitor, form part of a Successful Bid and Back-Up Bid so long as such Portion Bids do not overlap in respect of the Assets sought to be purchased and in such case, such Portion Bid(s) shall be included in the definition of Successful Bidder or Back-Up Bid, as applicable.
- (h) Finalizing Documentation. Promptly following a Bid of a Qualified Phase II Bidder being declared the Successful Bid or the Back-Up Bid, the applicable Qualified Phase II Bidder shall execute and deliver such revised and updated definitive transaction agreements as may be required to reflect and evidence the Successful Bid or Back-Up Bid.
- (i) Qualified Investment Bids. Notwithstanding any other provision of this SISP, if a Qualified Phase II Bidder submits a Qualified Investment Bid that the Companies or the Monitor consider would result in a greater value being received for the benefit of the Companies' creditors than the Qualified Sale Bids, then the Monitor may allow such Qualified Phase II Bidder to participate in the Auction, notwithstanding that such Qualified Investment Bid may not otherwise comply with the terms of these Auction Procedures. In such case, the Monitor may adopt appropriate rules to facilitate such Qualified Phase II Bidder's participation in the Auction.

**Schedule 1.01(kkkk)  
Form of Vesting Order**

(Attached)

Court File No. CV-23-00711935-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

THE HONOURABLE ) FRIDAY, THE 5TH  
 )  
JUSTICE OSBORNE ) DAY OF APRIL, 2024  
 )

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR  
ARRANGEMENT OF **TREES CORPORATION, ONTARIO  
CANNABIS HOLDINGS CORP., MIRACULO INC., 2707461  
ONTARIO INC., OCH ONTARIO CONSULTING CORP.,  
AND 11819496 CANADA INC.** (the "**Applicants**")

**ORDER  
(Approval and Reverse Vesting Order)**

**THIS MOTION**, made by the Applicants pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, (the "**CCAA**") for an order, among other things: (i) approving the amended share purchase agreement between Trees Corporation ("**Trees**") and One Plant (Retail) Corp. (in such capacity, the "**Purchaser**") dated March 25, 2024 (the "**Share Purchase Agreement**") and the transactions contemplated therein (the "**Transaction**"), (ii) adding 15892929 Canada Inc. ("**ResidualCo**") as an applicant to these CCAA proceedings; (iii) transferring and vesting all of the Applicants' right, title and interest in and to the Excluded Assets, Excluded Contracts, Excluded Leases and Excluded Liabilities (as defined in the Share Purchase Agreement) to and in ResidualCo; (iv) authorizing and directing Trees to file the Articles of Amendment, vesting all of the right, title and interest in and to the

Post-Consolidation Shares (as defined in the Share Purchase Agreement) in the Purchaser free and clear of all Claims and Encumbrances (each as defined below); (v) releasing and discharging all Claims and Encumbrances (each as defined below) from the Applicants' Property (as defined below); and (vi) canceling and terminating, without consideration, all Equity Interests (as defined in the Share Purchase Agreement) of Trees other than the Post-Consolidation Shares, was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Motion Record of the Applicants dated March 25, 2024 (the "**Motion Record**"), the Second Report of FTI Consulting Canada Inc. ("**FTI**"), in its capacity as Monitor (in such capacity, the "**Monitor**") dated [●], 2024 (the "**Second Report**"), and on hearing the submissions of counsel for the Applicants, counsel for the Monitor, counsel for the Purchaser and those other parties listed on the Participant Information Form, no one else appearing although duly served as appears from the affidavit of service of [●] sworn March [●], 2024, filed,

### **SERVICE AND DEFINITIONS**

1. **THIS COURT ORDERS** that the time for service of the notice of motion of the Applicants dated March 25, 2024 (the "**Notice of Motion**") and Motion Record is validated such that this Motion is properly returnable today, and further service of the Notice of Motion and the Motion Record is hereby dispensed with.
2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein shall have the meaning ascribed to them in the Share Purchase Agreement.

**APPROVAL AND VESTING**

3. **THIS COURT ORDERS** that the Share Purchase Agreement and the Transaction be and are hereby approved, and that the execution of the Share Purchase Agreement by Trees is hereby authorized, approved and ratified, with such minor amendments as the parties thereto may deem necessary, with the consent of the Monitor. Trees is hereby authorized and directed to perform its obligations under the Share Purchase Agreement and to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction, including the filing of the Articles of Amendment, the conveyance of the New Common Shares and the Post-Consolidation Shares to the Purchaser, and the cancellation of Equity Interests (other than the Post-Consolidation Shares).

4. **THIS COURT ORDERS** that notwithstanding any provision hereof, the closing of the Transaction shall be deemed to occur in the manner, order and sequence set out in the Share Purchase Agreement, including in accordance with the Implementation Steps, with such alterations, changes or amendments as may be agreed to by the Purchaser and Trees, with the consent of the Monitor, provided that such alterations, changes or amendments do not materially alter or impact the Transaction or the consideration which the Applicants and/or its applicable stakeholders will benefit from as part of the Transaction.

5. **THIS COURT ORDERS** that this Order shall constitute the only authorization required by the Applicants to proceed with the Transaction (including, for certainty, the Pre-Closing Reorganization and the Implementation Steps), and that no shareholder or other approval shall be required in connection therewith.

6. **THIS COURT ORDERS** that upon the Monitor's delivery of a certificate substantially in the form attached hereto as Schedule "A" (the "**Monitor's Certificate**") to the Purchaser (the "**Effective Time**"), the following shall occur and shall be deemed to have occurred immediately prior to the Effective Time in the following sequence:

- (a) first, all of the Applicants' right, title and interest in and to the Excluded Assets shall vest absolutely and exclusively in ResidualCo, with all applicable Claims and Encumbrances (each as defined below) continuing to attach to the Excluded Assets and to the Proceeds (as defined below) in accordance with paragraph 10 of this Order, in either case with the same nature and priority as they had immediately prior to the transfer;
- (b) second, all Excluded Contracts, Excluded Leases, and Excluded Liabilities shall be channeled to, assumed by and vested absolutely and exclusively in ResidualCo, such that the Excluded Contracts, Excluded Leases and Excluded Liabilities shall become the obligations of ResidualCo, and shall no longer be obligations of the Applicants and all of the Applicants' respective assets, licenses, undertakings and properties of every nature and kind whatsoever and wherever situate, including property held in trust for the Applicants (the "**Applicants' Property**"), shall be and are hereby forever released and discharged from such Excluded Contracts, Excluded Leases and Excluded Liabilities and all related Claims and all Encumbrances affecting or relating to the Applicants' Property are to be expunged and discharged as against the Applicants' Property;
- (c) third, in consideration for the Purchase Price, Trees shall issue the New Common Shares to the Purchaser, and all of the right, title and interest in and to the New

Common Shares shall vest absolutely in the Purchaser, and the Applicants' assets, other than the Excluded Assets, will be retained by the Applicants, free and clear of and from any and all debts, liabilities, obligations, indebtedness, contracts, leases, agreements, and undertakings of any kind or nature whatsoever, whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or equity and whether based in statute or otherwise, including any and all encumbrances, security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**"), including without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Second Amended and Restated Initial Order dated January 29, 2024 (as may be further amended or restated from time to time, the "**Amended and Restated Initial Order**") or any other Order of the Court in the CCAA Proceedings; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry systems; (iii) any charges, security interests or claims evidenced by registrations pursuant to the *Land Titles Act* (Ontario), the *Registry Act* (Ontario), the *Land Registration Reform Act* (Ontario) or any other real property or real property related registry or recording system; and (iv) those Claims listed on Schedule "B" (all of which are collectively referred to as the

“**Encumbrances**”, which term shall not include the Permitted Encumbrances listed on Schedule “C” hereto with respect to the Share Purchase Agreement);

- (d) fourth, the Articles of Amendment in respect of Trees shall be filed or deemed to have been filed which, among other things, will: (i) consolidate the New Common Shares and the Existing Shares on the basis of the Consolidation Ratio; (ii) provide for such additional changes to the rights and conditions attached to the New Common Shares as may be requested by the Purchaser; and (iii) if necessary, provide for the cancellation of any fractional New Common Shares or Existing Shares immediately following the consolidation referred to in (i) above;
- (e) fifth, any fractional New Common Shares and all Equity Interests of Trees outstanding prior to the issuance of the New Common Shares (other than the Post-Consolidation Shares), including all options, conversion privileges, equity-based awards, warrants, securities, debentures, loans, notes or other rights, agreements or commitments of any character whatsoever that are held by any Person (defined below) which are convertible or exchangeable for any securities of Trees or which require the issuance, sale or transfer by Trees, of any shares or other securities of Trees and/or the share capital of Trees, or otherwise relating thereto, shall be deemed terminated and cancelled without consideration and the only Equity Interests of Trees that shall remain shall be the Post-Consolidation Shares, which shall represent 100% of Trees’ issued and outstanding equity; and
- (f) sixth, the Applicants shall be deemed to cease being Applicants in these CCAA Proceedings, and the Applicants shall be deemed to be released from the purview of the Amended and Restated Initial Order and all other Orders of this Court

granted in respect of these CCAA proceedings, save and except for this Order, the provisions of which (as they relate to the Applicants) shall continue to apply in all respects.

7. **THIS COURT ORDERS AND DIRECTS** the Monitor to file with the Court a copy of the Monitor's Certificate, forthwith after delivery thereof in connection with the Transaction.

8. **THIS COURT ORDERS** that the Monitor may rely on written notice from Trees and the Purchaser regarding the fulfilment of conditions to closing under the Share Purchase Agreement and shall have no liability with respect to delivery of the Monitor's Certificate.

9. **THIS COURT ORDERS** that upon delivery of the Monitor's Certificate, and upon filing of a copy of this Order, together with any applicable registration fees, all governmental authorities and any other applicable registrar or government ministries or authorities exercising jurisdiction with respect to the Applicants, the Applicants' Property or the Excluded Assets (collectively, the "**Governmental Authorities**") are hereby authorized, requested and directed to accept delivery of such Monitor's Certificate and a copy of this Order as though they were originals and to register such transfers and interest authorizations as may be required to give effect to the terms of this Order and the Share Purchase Agreement. Presentment of this Order and the Monitor's Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of interest against any of the Property and the Monitor and the Purchaser are hereby specifically authorized to discharge the registrations on the Applicants' Property and the Excluded Assets, as applicable.

10. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, subject to the satisfaction of the Priority Payments and the Administrative Expense

Amount in accordance with the Share Purchase Agreement and paragraph 11 hereof, the net proceeds, if any, from the sale of the New Common Shares (including, for greater certainty, the Cash Consideration) (the “**Proceeds**”) shall stand in the place and stead of the Applicants’ Property, and that from and after the delivery of the Monitor’s Certificate, all Claims and Encumbrances shall attach to the Proceeds and the Excluded Assets with the same priority as they had with respect to the Applicants’ Property immediately prior to the Transaction as if the Transaction had not occurred.

11. **THIS COURT ORDERS** that the Administrative Expense Amount held by the Monitor shall be subject to the CCAA Charges, and any remaining portion of the Administrative Expense Amount after payment in full of the Administrative Expense Costs and the other amounts, if any, secured by the CCAA Charges shall be paid to Trees in accordance with the terms of the Share Purchase Agreement.

12. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, as amended, the Applicants are authorized, permitted and directed to, at the Effective Time, disclose to the Purchaser all human resources and payroll information in the Applicants’ records pertaining to past and current employees of the Applicants. The Purchaser shall maintain and protect the privacy of such information in accordance with applicable law and shall be entitled to use the personal information provided to it in a manner that is in all material respects identical to the prior use of such information by the Applicants.

13. **THIS COURT ORDERS** that, at the Effective Time and without limiting the provisions of paragraph 6 hereof, the Purchaser, the Applicants and the Monitor shall be deemed released from any and all claims, liabilities (direct, indirect, absolute or contingent), or obligations with

respect to any Taxes (including penalties and interest thereon) of, collectible by, or that relate to, the Applicants, including without limiting the generality of the foregoing, all Taxes that could be assessed against the Purchaser or the Applicants (including its affiliates and any predecessor corporations) pursuant to section 325 of the *Excise Tax Act*, R.S.C. 1985 c. E-15, section 160 of the *Income Tax Act*, R.S.C. 1985 c. 1 (5<sup>th</sup> Supp.), or any provincial equivalent, in connection with the Applicants or that relate to the transfer of any property or services by the Applicants pursuant to this Order, provided that, as it relates to the Applicants, such release shall not apply to: (a) Taxes in respect of the business and operations conducted by the Applicants after the Effective Time, or (b) Taxes that are an Assumed Liability in the Share Purchase Agreement, including the Pre-Filing GST/HST Obligations. For greater certainty, nothing in this paragraph shall release or discharge any Claims with respect to Taxes that are transferred to ResidualCo.

14. **THIS COURT ORDERS** that except to the extent expressly contemplated by the Share Purchase Agreement, all pending and executory contracts, agreements, leases and arrangements (whether oral or written) by which any of the Applicants or any of their property or assets is bound or under which any of the Applicants has rights (each, a “**Contract**”) to any of the Applicants is a party at the time of delivery of the Monitor’s Certificate will be and remain in full force and effect upon and following delivery of the Monitor’s Certificate and no individual, firm, corporation, governmental body or agency, or any other entity (all of the foregoing, collectively being “**Persons**” and each being a “**Person**”) who is a party to any such arrangement may accelerate, terminate, rescind, refuse to perform or otherwise repudiate its obligations thereunder, or enforce or exercise any right (including any right of set off, dilution or other remedy) or make any demand under or in respect of any such arrangement and no automatic termination will have any validity or effect, by reason of:

- (a) any event that occurred on or prior to the delivery of the Monitor's Certificate and is not continuing that would have entitled such Person to enforce those rights or remedies (including defaults or events of default arising as a result of the insolvency of the Applicants);
- (b) the insolvency of the Applicants or the fact that the Applicants sought or obtained relief under the CCAA;
- (c) any compromises, releases, discharges, cancellations, transactions, arrangements, reorganizations or other steps taken or effected pursuant to the Share Purchase Agreement, the Transaction or the provisions of this Order, or any other Order of the Court in these proceedings; or
- (d) any transfer or assignment, or any change of control of the Applicants arising from the implementation of the Share Purchase Agreement, the Transaction or the provisions of this Order.

15. **THIS COURT ORDERS**, for greater certainty, that (a) nothing in paragraph 14 hereof shall waive, compromise or discharge any obligations of the Applicants in respect of any Assumed Liabilities, and (b) the designation of any Claim as an Assumed Liability is without prejudice to the Applicants' right to dispute the existence, validity or quantum of any such Assumed Liability, and (c) nothing in this Order or the Share Purchase Agreement shall affect or waive the Applicants' rights and defences, both legal and equitable, with respect to any Assumed Liability, including, but not limited to, all rights with respect to entitlements to set offs or recoupments against such Assumed Liability.

16. **THIS COURT ORDERS** that from and after the Effective Time, all Persons shall be deemed to have waived any and all defaults of the Applicants then existing or previously committed by the Applicants, or caused by the Applicants, directly or indirectly, or non-compliance with any covenant, warranty, representation, undertaking, positive or negative pledge, term, provision, condition, or obligation, expressed or implied in any Contract existing between such Person and the Applicants arising directly or indirectly from the commencement of the CCAA Proceedings and the implementation of the Transaction, including without limitation any of the matters or events listed in paragraph 14 hereof and any and all notices of default and demands for payment or any step or proceeding taken or commenced in connection therewith under a Contract shall be deemed to have been rescinded and of no further force or effect, provided that nothing herein shall be deemed to excuse the Applicants from performing its obligations under the Share Purchase Agreement or be a waiver of defaults by the Applicants under the Share Purchase Agreement and the related documents.

17. **THIS COURT ORDERS** that from and after the Effective Time, any and all Persons shall be and are hereby forever barred, estopped, stayed and enjoined from commencing, taking, applying for or issuing or continuing any and all steps or proceedings, whether directly, derivatively or otherwise, and including without limitation, administrative hearings and orders, audits, declarations and assessments, commenced, taken or proceeded with or that may be commenced, taken or proceeded with against the Applicants relating in any way to or in respect of any Excluded Assets, Excluded Liabilities, Excluded Contracts or Excluded Leases and any other claims, obligations and other matters that are waived, released, expunged or discharged pursuant to this Order.

18. **THIS COURT ORDERS** that from and after the Effective Time:

- (a) the nature of the Assumed Liabilities retained by the Applicants, including, without limitation, their amount and their secured or unsecured status, shall not be affected or altered as a result of the Transaction or this Order;
- (b) the nature of the Excluded Liabilities, including, without limitation, their amount and their secured or unsecured status, shall not be affected or altered as a result of their transfer to ResidualCo;
- (c) any Person that prior to the Effective Time had a valid right or claim against the Applicants under or in respect of any Excluded Asset, Excluded Contract, Excluded Lease or Excluded Liability (each an “**Excluded Liability Claim**”) shall no longer have such right or claim against the Applicants but will have an equivalent Excluded Liability Claim against ResidualCo in respect of the Excluded Contract or Excluded Liability from and after the Effective Time in its place and stead, and nothing in this Order limits, lessens or extinguishes the Excluded Liability Claim of any Person as against ResidualCo; and
- (d) the Excluded Liability Claim of any Person against ResidualCo following the Effective Time shall have the same rights, priority and entitlement as such Excluded Liability Claim had against the Applicants prior to the Effective Time.

19. **THIS COURT ORDERS** that, as of the Effective Time:

- (a) ResidualCo shall be a company to which the CCAA applies; and
- (b) ResidualCo shall be added as an Applicant in these CCAA Proceedings and all references in any Order of the Court in respect of these CCAA Proceedings to:
  - (i) an “Applicant” shall refer to and include ResidualCo; and
  - (ii) “Property” shall

include the current and future assets, licenses, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof, of ResidualCo (the “**ResidualCo Property**”), and, for greater certainty, each of the Charges (as defined in the Amended and Restated Initial Order), shall constitute a charge on the ResidualCo Property.

20. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the “**BIA**”), in respect of ResidualCo and any bankruptcy order issued pursuant to any such applications;  
and
- (c) any assignment in bankruptcy made in respect of ResidualCo,

the Share Purchase Agreement, the implementation of the Transaction (including without limitation the transfer and vesting of the Excluded Assets, Excluded Contracts, Excluded Leases and Excluded Liabilities in and to ResidualCo and the transfer and vesting of the Post-Consolidation Shares in and to the Purchaser and the issuance of the New Common Shares to the Purchaser) and any payments by or to the Purchaser, ResidualCo or the Monitor authorized herein shall be binding on any trustee in bankruptcy that may be appointed in respect of ResidualCo and shall not be void or voidable by creditors of ResidualCo, as applicable, nor shall they constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the CCAA, the BIA or any other

applicable federal or provincial legislation, nor shall they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

## **MONITOR**

21. **THIS COURT ORDERS** that nothing in this Order, including the release of the Applicants from the purview of these CCAA Proceedings pursuant to paragraph 6(f) hereof and the addition of ResidualCo as an Applicant in these CCAA Proceedings, shall affect, vary, derogate from, limit or amend any rights, approvals and protections afforded to the Monitor in these CCAA Proceedings, and FTI shall continue to have the benefit of, any and all rights and approvals and protections in favour of the Monitor at law or pursuant to the CCAA, the Amended and Restated Initial Order, any other Orders in these CCAA proceedings or otherwise, including all approvals, protections and stays of proceedings in favour of FTI in its capacity as Monitor, all of which are expressly continued and confirmed.

22. **THIS COURT ORDERS** that no action lies against the Monitor by reason of this Order or the performance of any act authorized by this Order, except with leave of the Court following a motion brought on not less than fifteen (15) days' notice to the Monitor and its legal counsel. The entities related or affiliated with the Monitor or belonging to the same group as the Monitor (including, without limitation, any agents, employees, legal counsel or other advisors retained or employed by the Monitor) shall benefit from the protection granted to the Monitor under this paragraph 22.

23. **THIS COURT ORDERS** that the Monitor shall not, as a result of this Order or any matter contemplated hereby: (a) be deemed to have taken part in the management or supervision of the management of the Applicants or ResidualCo or to have taken or maintained possession or

control of the business or property of any of the Applicants or ResidualCo, or any part thereof; or (b) be deemed to be in Possession (as defined in the Amended and Restated Initial Order) of any property of the Applicants or ResidualCo within the meaning of any applicable Environmental Legislation and/or Cannabis Legislation (both as defined in the Amended and Restated Initial Order) or otherwise.

24. **THIS COURT ORDERS** that notwithstanding anything contained in this Order, the Monitor, its employees and representatives are not and shall not be or be deemed to be, a director, officer, or employee of ResidualCo, *de facto* or otherwise, and shall incur no liability as a result of acting in accordance with this Order, other than any liability arising as a direct result of the gross negligence or wilful misconduct of the Monitor.

25. **THIS COURT ORDERS** that nothing in this Order shall constitute or be deemed to constitute the Monitor as receiver, assignee, liquidator, administrator, receiver-manager, agent of the creditors of or legal representative of ResidualCo.

## **RESIDUALCO**

26. **THIS COURT ORDERS** that Jeffrey Holmgren (the “**First Director**”) is hereby authorized, *nunc pro tunc*, to act as a director and officer of ResidualCo and, in such capacity, is authorized to take such steps and perform such tasks as are necessary or desirable to facilitate the terms of this Order and the Transaction.

27. **THIS COURT ORDERS** that the First Director shall not incur any liability as a result of becoming a director or officer of ResidualCo, save and except any liability or obligation incurred as a result of gross negligence or wilful misconduct on his part.

**RELEASES**

28. **THIS COURT ORDERS** that effective upon the filing of the Monitor's Certificate: (a) the Applicants and their present directors, officers, employees and financial and legal advisors; (b) the First Director and legal counsel to ResidualCo; and (c) One Plant (Retail) Corp., in its capacities as (i) Purchaser, (ii) DIP Lender, and (iii) secured creditor of the Applicants, and its current and former directors, officers, partners, employees, financial and legal advisors (collectively, the "**Released Parties**") shall be deemed to be forever irrevocably released and discharged from any and all present and future liabilities, claims (including, without limitation, claims for contribution or indemnity), indebtedness, demands, actions, causes of action, counterclaims, suits, damages, judgments, executions, recoupments, debts, sums of money, expenses, accounts, liens, taxes, recoveries, and obligations of any nature or kind whatsoever (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or equity and whether based in statute or otherwise) (collectively, "**Claims**") based in whole or in part of any act or omission, transaction, dealing or other occurrence existing or taking place during these CCAA Proceedings and prior to the filing of the Monitor's Certificate, or undertaken or completed in connection with or pursuant to the terms of this Order or these CCAA Proceedings, or arising in connection with or relating to the Share Purchase Agreement, the completion of the Transaction, the closing documents, any agreement, document, instrument, matter or transaction involving the Applicants arising in connection with or pursuant to any of the foregoing, and/or the consummation of the Transaction (collectively, the "**Released Claims**"), which Released Claims are hereby and shall be deemed to be fully, finally, irrevocably and forever waived, discharged, released, cancelled and barred as against the Released Parties, provided that nothing herein shall release any claim that that is not permitted to be released pursuant to section 5.1(2)

of the CCAA, or any obligations of any Released Party under, or in connection with, the Share Purchase Agreement or the closing documents.

29. **THIS COURT ORDERS** that effective upon the filing of the Termination Certificate (as defined in the Stay Extension and CCAA Termination Order dated April 5, 2024), the Monitor (in its personal capacity and in its capacity as the Monitor), its counsel, and each of their respective affiliates, officers, directors, partners, employees and agents, as applicable (collectively, the “**Monitor Released Parties**”) are hereby released and forever discharged from any and all Claims that may be made against the Monitor Released Parties that relate to or arise out of any act, omission, transaction, dealing or other occurrence in respect of these CCAA proceedings, including in carrying out any Monitor Incidental Matters (as defined in the Stay Extension and CCAA Termination Order dated April 5, 2024) or carrying out the terms of any Order granted in the CCAA proceedings (collectively, the “**Monitor Released Claims**”), and any such Monitor Released Claims are hereby irrevocably and permanently released, stayed, extinguished, and forever barred and the Monitor Released Parties shall have no liability in respect therefore, save and except for any gross negligence or wilful misconduct on the part of the Monitor Released Parties.

#### **GENERAL**

30. **THIS COURT ORDERS** that in the event of a conflict between the terms of this Order and those of the Amended and Restated Initial Order or any other Order of this Court, the provisions of this Order shall govern.

31. **THIS COURT ORDERS** that, following the Effective Time, the Purchaser shall be authorized to take all steps as may be necessary to effect the discharge of the Claims and Encumbrances as against the Post-Consolidation Shares and the New Common Shares.

32. **THIS COURT ORDERS** that, following the Effective Time, the title of these proceedings is hereby changed to:

IN THE MATTER OF THE *COMPANIES' CREDITORS*  
*ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED  
AND IN THE MATTER OF THE COMPROMISE OR  
ARRANGEMENT OF 15892929 CANADA INC.

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

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

35. **THIS COURT ORDERS** that each of ResidualCo and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

36. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. prevailing Eastern Time on the date hereof without any need for entry and/or filing; provided that the transaction steps set out in paragraph 6 hereof shall be deemed to have occurred sequentially, one after the other, in the order set out in paragraph 6 hereof.

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**Schedule A – Form of Monitor’s Certificate**

Court File No. CV-23-00711935-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR  
ARRANGEMENT OF **TREES CORPORATION, ONTARIO  
CANNABIS HOLDINGS CORP., MIRACULO INC., 2707461  
ONTARIO LTD., OCH ONTARIO CONSULTING CORP.,  
AND 11819496 CANADA INC.** (the “**Applicants**”)

**MONITOR’S CERTIFICATE**

**RECITALS**

A. Pursuant to the Initial Order of the Honourable Chief Justice Morawetz of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated December 22, 2023, as amended and restated from time to time, the Applicants were granted protection from their creditors pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, and FTI Consulting Canada Inc. was appointed as the monitor of the Applicants (in such capacity, the “**Monitor**”).

B. Pursuant to the approval and reverse vesting order of the Court dated April 5, 2024 (the “**Order**”), the Court approved the amended share purchase agreement between Trees Corporation (“**Trees**”) and One Plant (Retail) Corp. (in such capacity, the “**Purchaser**”), dated March 25, 2024 (the “**Share Purchase Agreement**”), and the transaction contemplated therein (the “**Transaction**”), and ordered, *inter alia*, that: (i) all of the Applicants’ right, title and interest in and to the Excluded Assets shall vest absolutely and exclusively in ResidualCo; (ii) all of the Excluded Assets, Excluded Contracts, Excluded Leases and Excluded Liabilities shall be transferred to, assumed by and vest in ResidualCo; (iii) all of the right, title and interest in and to

the Post-Consolidation Shares and New Common Shares shall vest absolutely and exclusively in the Purchaser free and clear of all Claims and Encumbrances; (iv) all Claims and Encumbrances shall be released and discharged from the Applicants' Property; and (v) all Equity Interests of Trees other than the Post-Consolidation Shares shall be cancelled and terminated without consideration, all of the foregoing, in each case, to be effective upon the delivery by the Monitor to the Purchaser of a certificate confirming that the Monitor has received written confirmation in the form and substance satisfactory to the Monitor from the Purchaser and the Applicants that all conditions to closing have been satisfied or waived by the parties to the Share Purchase Agreement.

C. Capitalized terms not defined herein shall have the meaning given to them in the Order, including those defined by reference to the Share Purchase Agreement.

**THE MONITOR CERTIFIES** the following:

1. The Monitor has received written confirmation from the Purchaser and Trees, in form and substance satisfactory to the Monitor, that all conditions to closing have been satisfied or waived by the parties to the Share Purchase Agreement.
2. This Monitor's certificate was delivered by the Monitor at \_\_\_\_\_ on \_\_\_\_\_, 2024.

**FTI Consulting Canada Inc., in its capacity as Monitor of the Applicants, and not in its personal capacity.**

Per: \_\_\_\_\_

Name:

Title:

**Schedule “B” – Encumbrances to be Discharged from the Applicants’ Property****(A) Personal Property Security Interests****1. Ontario***(i) Personal Property Security Act (Ontario)*

<b>DEBTOR NAME(S)</b>	<b>SECURED PARTY NAME(S)</b>	<b>FILE NUMBER</b>	<b>EXPIRY DATE</b>
Trees Corporation	1000321689 Ontario Ltd.	500994765	December 6, 2033
Trees Corporation	1000321689 Ontario Ltd.	500307858	November 14, 2026
OCH Ontario Consulting Corp	Trees Corporation	769866165	February 12, 2026
Ontario Cannabis Holdings Corp.	Arthur Minh Tri Nguyen-Cao	761342562	April 1, 2025
Ontario Cannabis Holdings Corp.	CJ Marketing Ltd.	761342625	April 1, 2025
2707461 Ontario Inc.	OCH Ontario Consulting Corp	760294827	February 21, 2025

**2. Alberta***(ii) Personal Property Security Act (Alberta)*

<b>DEBTOR NAME(S)</b>	<b>SECURED PARTY NAME(S)</b>	<b>ORIGINAL REGISTRATION NUMBER &amp; TYPE</b>	<b>LATEST REGISTRATION NUMBER</b>	<b>EXPIRY DATE</b>
Ontario Cannabis Holdings Corp.	Nguyen-Cao, Arthur, Minh Tri	20040114345 Security Agreement	20040114345	April 1, 2025
Ontario Cannabis Holdings Corp.	CJ Marketing Ltd.	20040114432 Security Agreement	20040114432	April 1, 2025
2707461 Ontario Inc.	OCH Ontario Consulting Corp.	20022123757 Security Agreement	20022123757	February 21, 2025

### 3. British Columbia

#### (iii) Personal Property Security Act (British Columbia)

DEBTOR NAME(S)	SECURED PARTY NAME(S)	BASE REGISTRATION NUMBER & TYPE	EXPIRY DATE
Trees Corporation	Ministry of Finance Receivables Management Office	794602P  Crown Charge Filed Pursuant to <i>Provincial Sales Tax Act</i>	Never
Trees Corporation	1000321689 Ontario Ltd.	908280P  PPSA Security Agreement	November 14, 2026
Trees Corporation	1000321689 Ontario Ltd.	952895P  PPSA Security Agreement	December 6, 2033

### (B) Litigation

#### 1. Ontario

PLAINTIFF(S)/ APPELLANT(S)	DEFENDANT(S)/ RESPONDENT(S)	JURISDICTION/ COURT FILE NO.	ADDITIONAL INFORMATION	CASE STATUS
First Land (Overlea) Ltd.	11819496 Canada Inc.	SCJ - Toronto  CV-2200682677- 0000	Case Opened Date: 2022-06-15	Judgment  Most Recent Order Date: 2023-12-11  Writ Issued on December 13, 2023, Execution # 23-0005567

### (C) Real Property Registrations

Ontario – nil

British Columbia - nil

**Schedule "C" – Permitted Encumbrances**

**NIL**

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 TREES CORPORATION, ONTARIO CANNABIS HOLDINGS CORP., MIRACULO INC., 2707461 ONTARIO INC., OCH ONTARIO CONSULTING CORP., AND 11819496 CANADA INC. (the "**Applicants**")

Court File No. CV-23-00711935-00CL

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**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

Proceedings commenced at Toronto

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**ORDER  
(Approval and Reverse Vesting Order)**

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Lawyers for the Applicants

**Schedule 2.03**  
**Excluded Assets**

- 1) Accounts receivable and all intangible assets of Ontario Cannabis Holdings Corp.
- 2) Accounts receivable and all intangible assets of OCH Ontario Consulting Corp.
- 3) All intangible assets of 11819496 Canada Inc.
- 4) All intangible assets of 2707461 Ontario Inc.
- 5) Accounts receivable, notes receivable, and all intangible assets of Trees Corporation.

**Schedule 2.03(c)**  
**Excluded Contracts and Excluded Leases**

- 1) All leases and contracts terminated pursuant to a disclaimer notice delivered under Section 32 of the CCAA sent as of February 26, 2024, including: (i) the lease in respect of the premises at 305 Port Union Road; (ii) the lease in respect of the premises at 131 Kennedy Road North; (iii) the lease in respect of the premises at 695 Alpha Street; (iv) the lease in respect of the premises at 3812 Bloor Street West; and (v) the lease in respect of the premises at 395 Ontario Street, and any further leases and contracts that may be terminated prior to the Closing Date.
- 2) All leases other than those in respect of the following addresses:
  - a) 3007 New Street, Burlington, ON
  - b) 1735 Kipling Ave., Etobicoke, ON
  - c) 5485 Dundas St. West, Etobicoke, ON
  - d) 680 Rexdale Blvd., Etobicoke, ON
  - e) 76 St. Clair Ave. West, Toronto, ON
  - f) 230 Cook St., Victoria, BC
  - g) 1545 Fort St., Victoria, BC
  - h) 510 Fifth St., Nanaimo, BC
  - i) 1483a Bowen Rd., Nanaimo, BC
- 3) Except as otherwise agreed to be assumed by the Purchaser in writing, all contracts of the Applicants, including but not limited to, the participation agreement between Trees and 1000321689 Ontario Ltd. (“**1000 SPV**”) dated December 9, 2022, whereby 1000 SPV agreed to assume certain liabilities regarding the opening of the 680 Rexdale Blvd., Etobicoke, and the 3812A Bloor St., Toronto, locations (the “**Participation Agreement**”).
- 4) Business Combination Agreement between Trees Corporation and 420 Investments Ltd. Dated July 12, 2023.

**Schedule 2.04**  
**Assumed Liabilities**

Nil.

**Schedule 2.05**  
**Non-Exhaustive List of Certain Enumerated Excluded Liabilities**

- 1) Any and all liabilities relating to any change of control provisions that may arise in connection with the change of control of any of the Applicants pursuant to the Transactions.
- 2) Any and all liabilities in respect of any legal proceedings brought or initiated, or which could be brought or initiated against the Applicants.
- 3) Any and all liabilities relating to or under the Excluded Assets and Excluded Contracts.
- 4) Any and all liabilities owing to third parties including, without limitation, credit card debt, loyalty program liabilities and trade payables, to the extent that such liabilities are not Assumed Liabilities.
- 5) All pre-filing Claims and any liabilities arising from the termination of leases or other contracts.
- 6) All loans made to the Applicants pursuant to the Canada Emergency Business Account program.
- 7) All amounts owing by any of the Applicants to Donnabelle Jeanne King.
- 8) All amounts owing by any of the Applicants to Becher Family Holdings Ltd., Capital Z Corp., Caroline Kolompar, and BMO Nesbitt Burns ITF, except those amounts owing under the Secured Convertible Promissory Notes.
- 9) All amounts owing by any of the Applicants to Paul Matthew Hill.
- 10) All amounts owing by any of the Applicants to Meysam Soltani.
- 11) All amounts owing by any of the Applicants to Hybrid Financial Ltd.
- 12) All trade payables of the Applicants.
- 13) All amounts owing by any of the Applicants in respect of the \$175,000 principal amount unsecured term debt issued in August 18, 2023.
- 14) All amounts owing pursuant to the Participation Agreement.
- 15) All amounts owing to, and security rights in favour of, Merchant Opportunities Fund Limited Partnership by the Applicants pursuant to Ontario PPSA registrations # 20210528 1548 6083 1199 and 20240102 1515 6083 5875.
- 16) The Claim dated April 20, 2020 made by Jakline Ajamian, in her capacity as Estate Trustee for the Estate of Hratch Abrahamian, naming Ontario Cannabis Holdings Corp. as a Respondent (CV200063977800CL CLDCL – Directed on Commercial List NN).
- 17) The Claim dated December 2, 2021 made by Fox Contracting Ltd. Naming OCH Ontario Consulting Corp. as a Defendant (CV21006730750000 CL Construction Lien NN).
- 18) The Claim dated June 22, 2022 made by Fox Contracting Ltd. Naming OCH Ontario Consulting Corp. as a Defendant (CV220006830390000 CL Construction Lien NN).

**Schedule 5.01(c)**  
**Implementation Steps**

1. At least three (3) Business Days prior to the Closing Date, Trees shall form ResidualCo in accordance with the terms contained herein, in form satisfactory to Purchaser, acting reasonably, and the directors thereof shall not include the directors or related parties of the Purchaser, and no such entity shall be a flow through entity for Canadian or U.S. tax purposes unless approved by Purchaser.
2. At least three (3) Business Days prior to the Closing Date, Trees shall form a new subsidiary corporation (“**Newco**”) under the *Business Corporations Act* (Ontario) (the “**OBCA**”), in form satisfactory to the Purchaser, acting reasonably.
3. On the Closing Date, all employees deemed to be Terminated Employees pursuant to Section 9.08 will be terminated by Trees, and all Employee Priority Claims shall be calculated to include such Terminated Employees and if not paid at the time of such termination by Trees, shall be included in the calculation of the Priority Payments required to be paid by Trees at Closing.
4. On the Closing Date, the following amounts shall be paid and satisfied from the funds on hand of the Applicants:
  - (a) the Priority Payments in accordance with the Vesting Order and Section 3.04 hereof; and
  - (b) the Administrative Expense Amount to the Monitor in accordance with the Vesting Order and Section 9.09(a) hereof.
5. On the Closing Date, the Applicants shall file articles of amalgamation to effect the amalgamation of Newco, Ontario Cannabis Holdings Corp., and OCH Ontario Consulting Corp. under the name “OCH Ontario Consulting Corp.” to be effective as of the Closing Date, and a certificate of amalgamation in respect of OCH Ontario Consulting Corp. shall have been issued by the Ontario Ministry of Public and Business Service Delivery.
6. At the Closing Time, the Closing shall take place in the following sequence:
  - (a) Payment of Purchase Price: The Purchaser shall satisfy the Purchase Price in accordance with Section 3.02.
  - (b) Reverse Vesting: The Applicants shall be deemed to transfer to ResidualCo the Excluded Assets and the Excluded Liabilities, in accordance with the Vesting Order and Sections 4.01 and 4.02 of this Agreement.
  - (c) Issuance of New Common Shares and Treatment of Existing Shares. The issuance of New Common Shares, the Consolidation and Cancellation, and the extinguishing of any and all existing Equity Interests of Trees (other than the Post-Consolidation

Shares) shall each take place in the order and manner set forth in Section 2.01 and in accordance with the Vesting Order.

**Schedule 6.07**  
**Subsidiaries**

	<b>Name</b>	<b>Jurisdiction of Incorporation</b>
1.	Trees Corporation	Canada
2.	Ontario Cannabis Holdings Corp.	Ontario
3.	Miraculo Inc.	Ontario
4.	2707461 Ontario Inc.	Ontario
5.	OCH Ontario Consulting Corp.	Ontario
6.	11819496 Canada Inc.	Canada
7.	God's Greenery, Inc.	Delaware

**Schedule 10.02**

[Intentionally Deleted]

**Schedule 11.01(c)**

**Transaction Regulatory Approvals to be Obtained Prior to the Closing Time**

- 1) Any approval required prior to closing of the Transactions under Ontario Cannabis Laws. For the purposes hereof “Ontario Cannabis Laws” shall mean the Cannabis Licence Act, 2018, S.O. 2018, c.12, Sched. 2, the Cannabis Act, S.C. 2018, c. 16 (Canada), the Cannabis Control Act, 2017, S.O. 2017, c. 26, Schedule 1 (Ontario), and any other applicable governing legislation and the regulations thereunder, and standards established pursuant thereto, all as may be amended, supplemented or replaced from time to time and those which regulate the use, licensing, sale or distribution of Cannabis (in various forms), cannabinoid product, accessory or paraphernalia commonly associated with Cannabis and/or related cannabinoid products.
  
- 2) Any approval required prior to closing of the Transactions under BC Cannabis Laws. For the purposes hereof “BC Cannabis Laws” shall mean the Cannabis Control and Licensing Act, SBC 2018, c. 29, the Cannabis Act, S.C. 2018, c. 16 (Canada), the Cannabis Distribution Act, SBC 2018, c. 28, the Cannabis Control Regulation, BC Reg 204/2018, the Cannabis Licensing Regulation, BC Reg 202/2018, and any other applicable governing legislation and regulations thereunder and standards established pursuant thereto, all as may be amended, supplemented or replaced from time to time and those which regulate the use, licensing, sale or distribution of Cannabis (in various forms), cannabinoid product, accessory or paraphernalia commonly associated with Cannabis and/or related cannabinoid products.

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 TREES CORPORATION, ONTARIO CANNABIS HOLDINGS CORP., MIRACULO INC., 2707461 ONTARIO INC., OCH ONTARIO CONSULTING CORP., AND 11819496 CANADA INC.

Court File No. CV-23-00711935-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

Proceedings commenced at Toronto

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Lawyers for the Applicants

# TAB 3

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

THE HONOURABLE ) FRIDAY, THE 5TH  
 )  
JUSTICE OSBORNE ) DAY OF APRIL, 2024

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR  
ARRANGEMENT OF **TREES CORPORATION, ONTARIO  
CANNABIS HOLDINGS CORP., MIRACULO INC., 2707461  
ONTARIO INC., OCH ONTARIO CONSULTING CORP.,  
AND 11819496 CANADA INC.** (the “**Applicants**”)

**ORDER  
(Approval and Reverse Vesting Order)**

**THIS MOTION**, made by the Applicants pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, (the “**CCAA**”) for an order, among other things: (i) approving the amended share purchase agreement between Trees Corporation (“**Trees**”) and One Plant (Retail) Corp. (in such capacity, the “**Purchaser**”) dated March 25, 2024 (the “**Share Purchase Agreement**”) and the transactions contemplated therein (the “**Transaction**”), (ii) adding 15892929 Canada Inc. (“**ResidualCo**”) as an applicant to these CCAA proceedings; (iii) transferring and vesting all of the Applicants’ right, title and interest in and to the Excluded Assets, Excluded Contracts, Excluded Leases and Excluded Liabilities (as defined in the Share Purchase Agreement) to and in ResidualCo; (iv) authorizing and directing Trees to file the Articles of Amendment, vesting all of the right, title and interest in and to the

Post-Consolidation Shares (as defined in the Share Purchase Agreement) in the Purchaser free and clear of all Claims and Encumbrances (each as defined below); (v) releasing and discharging all Claims and Encumbrances (each as defined below) from the Applicants' Property (as defined below); and (vi) canceling and terminating, without consideration, all Equity Interests (as defined in the Share Purchase Agreement) of Trees other than the Post-Consolidation Shares, was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Motion Record of the Applicants dated March 25, 2024 (the "**Motion Record**"), the Second Report of FTI Consulting Canada Inc. ("**FTI**"), in its capacity as Monitor (in such capacity, the "**Monitor**") dated [●], 2024 (the "**Second Report**"), and on hearing the submissions of counsel for the Applicants, counsel for the Monitor, counsel for the Purchaser and those other parties listed on the Participant Information Form, no one else appearing although duly served as appears from the affidavit of service of [●] sworn March [●], 2024, filed,

## **SERVICE AND DEFINITIONS**

1. **THIS COURT ORDERS** that the time for service of the notice of motion of the Applicants dated March 25, 2024 (the "**Notice of Motion**") and Motion Record is validated such that this Motion is properly returnable today, and further service of the Notice of Motion and the Motion Record is hereby dispensed with.
2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein shall have the meaning ascribed to them in the Share Purchase Agreement.

## **APPROVAL AND VESTING**

3. **THIS COURT ORDERS** that the Share Purchase Agreement and the Transaction be and are hereby approved, and that the execution of the Share Purchase Agreement by Trees is hereby authorized, approved and ratified, with such minor amendments as the parties thereto may deem necessary, with the consent of the Monitor. Trees is hereby authorized and directed to perform its obligations under the Share Purchase Agreement and to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction, including the filing of the Articles of Amendment, the conveyance of the New Common Shares and the Post-Consolidation Shares to the Purchaser, and the cancellation of Equity Interests (other than the Post-Consolidation Shares).

4. **THIS COURT ORDERS** that notwithstanding any provision hereof, the closing of the Transaction shall be deemed to occur in the manner, order and sequence set out in the Share Purchase Agreement, including in accordance with the Implementation Steps, with such alterations, changes or amendments as may be agreed to by the Purchaser and Trees, with the consent of the Monitor, provided that such alterations, changes or amendments do not materially alter or impact the Transaction or the consideration which the Applicants and/or its applicable stakeholders will benefit from as part of the Transaction.

5. **THIS COURT ORDERS** that this Order shall constitute the only authorization required by the Applicants to proceed with the Transaction (including, for certainty, the Pre-Closing Reorganization and the Implementation Steps), and that no shareholder or other approval shall be required in connection therewith.

6. **THIS COURT ORDERS** that upon the Monitor's delivery of a certificate substantially in the form attached hereto as Schedule "A" (the "**Monitor's Certificate**") to the Purchaser (the "**Effective Time**"), the following shall occur and shall be deemed to have occurred immediately prior to the Effective Time in the following sequence:

- (a) first, all of the Applicants' right, title and interest in and to the Excluded Assets shall vest absolutely and exclusively in ResidualCo, with all applicable Claims and Encumbrances (each as defined below) continuing to attach to the Excluded Assets and to the Proceeds (as defined below) in accordance with paragraph 10 of this Order, in either case with the same nature and priority as they had immediately prior to the transfer;
- (b) second, all Excluded Contracts, Excluded Leases, and Excluded Liabilities shall be channeled to, assumed by and vested absolutely and exclusively in ResidualCo, such that the Excluded Contracts, Excluded Leases and Excluded Liabilities shall become the obligations of ResidualCo, and shall no longer be obligations of the Applicants and all of the Applicants' respective assets, licenses, undertakings and properties of every nature and kind whatsoever and wherever situate, including property held in trust for the Applicants (the "**Applicants' Property**"), shall be and are hereby forever released and discharged from such Excluded Contracts, Excluded Leases and Excluded Liabilities and all related Claims and all Encumbrances affecting or relating to the Applicants' Property are to be expunged and discharged as against the Applicants' Property;
- (c) third, in consideration for the Purchase Price, Trees shall issue the New Common Shares to the Purchaser, and all of the right, title and interest in and to the New

Common Shares shall vest absolutely in the Purchaser, and the Applicants' assets, other than the Excluded Assets, will be retained by the Applicants, free and clear of and from any and all debts, liabilities, obligations, indebtedness, contracts, leases, agreements, and undertakings of any kind or nature whatsoever, whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or equity and whether based in statute or otherwise, including any and all encumbrances, security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**"), including without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Second Amended and Restated Initial Order dated January 29, 2024 (as may be further amended or restated from time to time, the "**Amended and Restated Initial Order**") or any other Order of the Court in the CCAA Proceedings; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry systems; (iii) any charges, security interests or claims evidenced by registrations pursuant to the *Land Titles Act* (Ontario), the *Registry Act* (Ontario), the *Land Registration Reform Act* (Ontario) or any other real property or real property related registry or recording system; and (iv) those Claims listed on Schedule "B" (all of which are collectively referred to as the

“**Encumbrances**”, which term shall not include the Permitted Encumbrances listed on Schedule “C” hereto with respect to the Share Purchase Agreement);

- (d) fourth, the Articles of Amendment in respect of Trees shall be filed or deemed to have been filed which, among other things, will: (i) consolidate the New Common Shares and the Existing Shares on the basis of the Consolidation Ratio; (ii) provide for such additional changes to the rights and conditions attached to the New Common Shares as may be requested by the Purchaser; and (iii) if necessary, provide for the cancellation of any fractional New Common Shares or Existing Shares immediately following the consolidation referred to in (i) above;
- (e) fifth, any fractional New Common Shares and all Equity Interests of Trees outstanding prior to the issuance of the New Common Shares (other than the Post-Consolidation Shares), including all options, conversion privileges, equity-based awards, warrants, securities, debentures, loans, notes or other rights, agreements or commitments of any character whatsoever that are held by any Person (defined below) which are convertible or exchangeable for any securities of Trees or which require the issuance, sale or transfer by Trees, of any shares or other securities of Trees and/or the share capital of Trees, or otherwise relating thereto, shall be deemed terminated and cancelled without consideration and the only Equity Interests of Trees that shall remain shall be the Post-Consolidation Shares, which shall represent 100% of Trees’ issued and outstanding equity; and
- (f) sixth, the Applicants shall be deemed to cease being Applicants in these CCAA Proceedings, and the Applicants shall be deemed to be released from the purview of the Amended and Restated Initial Order and all other Orders of this Court

granted in respect of these CCAA proceedings, save and except for this Order, the provisions of which (as they relate to the Applicants) shall continue to apply in all respects.

7. **THIS COURT ORDERS AND DIRECTS** the Monitor to file with the Court a copy of the Monitor's Certificate, forthwith after delivery thereof in connection with the Transaction.

8. **THIS COURT ORDERS** that the Monitor may rely on written notice from Trees and the Purchaser regarding the fulfilment of conditions to closing under the Share Purchase Agreement and shall have no liability with respect to delivery of the Monitor's Certificate.

9. **THIS COURT ORDERS** that upon delivery of the Monitor's Certificate, and upon filing of a copy of this Order, together with any applicable registration fees, all governmental authorities and any other applicable registrar or government ministries or authorities exercising jurisdiction with respect to the Applicants, the Applicants' Property or the Excluded Assets (collectively, the "**Governmental Authorities**") are hereby authorized, requested and directed to accept delivery of such Monitor's Certificate and a copy of this Order as though they were originals and to register such transfers and interest authorizations as may be required to give effect to the terms of this Order and the Share Purchase Agreement. Presentment of this Order and the Monitor's Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of interest against any of the Property and the Monitor and the Purchaser are hereby specifically authorized to discharge the registrations on the Applicants' Property and the Excluded Assets, as applicable.

10. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, subject to the satisfaction of the Priority Payments and the Administrative Expense

Amount in accordance with the Share Purchase Agreement and paragraph 11 hereof, the net proceeds, if any, from the sale of the New Common Shares (including, for greater certainty, the Cash Consideration) (the “**Proceeds**”) shall stand in the place and stead of the Applicants’ Property, and that from and after the delivery of the Monitor’s Certificate, all Claims and Encumbrances shall attach to the Proceeds and the Excluded Assets with the same priority as they had with respect to the Applicants’ Property immediately prior to the Transaction as if the Transaction had not occurred.

11. **THIS COURT ORDERS** that the Administrative Expense Amount held by the Monitor shall be subject to the CCAA Charges, and any remaining portion of the Administrative Expense Amount after payment in full of the Administrative Expense Costs and the other amounts, if any, secured by the CCAA Charges shall be paid to Trees in accordance with the terms of the Share Purchase Agreement.

12. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, as amended, the Applicants are authorized, permitted and directed to, at the Effective Time, disclose to the Purchaser all human resources and payroll information in the Applicants’ records pertaining to past and current employees of the Applicants. The Purchaser shall maintain and protect the privacy of such information in accordance with applicable law and shall be entitled to use the personal information provided to it in a manner that is in all material respects identical to the prior use of such information by the Applicants.

13. **THIS COURT ORDERS** that, at the Effective Time and without limiting the provisions of paragraph 6 hereof, the Purchaser, the Applicants and the Monitor shall be deemed released from any and all claims, liabilities (direct, indirect, absolute or contingent), or obligations with

respect to any Taxes (including penalties and interest thereon) of, collectible by, or that relate to, the Applicants, including without limiting the generality of the foregoing, all Taxes that could be assessed against the Purchaser or the Applicants (including its affiliates and any predecessor corporations) pursuant to section 325 of the *Excise Tax Act*, R.S.C. 1985 c. E-15, section 160 of the *Income Tax Act*, R.S.C. 1985 c. 1 (5<sup>th</sup> Supp.), or any provincial equivalent, in connection with the Applicants or that relate to the transfer of any property or services by the Applicants pursuant to this Order, provided that, as it relates to the Applicants, such release shall not apply to: (a) Taxes in respect of the business and operations conducted by the Applicants after the Effective Time, or (b) Taxes that are an Assumed Liability in the Share Purchase Agreement, including the Pre-Filing GST/HST Obligations. For greater certainty, nothing in this paragraph shall release or discharge any Claims with respect to Taxes that are transferred to ResidualCo.

14. **THIS COURT ORDERS** that except to the extent expressly contemplated by the Share Purchase Agreement, all pending and executory contracts, agreements, leases and arrangements (whether oral or written) by which any of the Applicants or any of their property or assets is bound or under which any of the Applicants has rights (each, a “**Contract**”) to any of the Applicants is a party at the time of delivery of the Monitor’s Certificate will be and remain in full force and effect upon and following delivery of the Monitor’s Certificate and no individual, firm, corporation, governmental body or agency, or any other entity (all of the foregoing, collectively being “**Persons**” and each being a “**Person**”) who is a party to any such arrangement may accelerate, terminate, rescind, refuse to perform or otherwise repudiate its obligations thereunder, or enforce or exercise any right (including any right of set off, dilution or other remedy) or make any demand under or in respect of any such arrangement and no automatic termination will have any validity or effect, by reason of:

- (a) any event that occurred on or prior to the delivery of the Monitor's Certificate and is not continuing that would have entitled such Person to enforce those rights or remedies (including defaults or events of default arising as a result of the insolvency of the Applicants);
- (b) the insolvency of the Applicants or the fact that the Applicants sought or obtained relief under the CCAA;
- (c) any compromises, releases, discharges, cancellations, transactions, arrangements, reorganizations or other steps taken or effected pursuant to the Share Purchase Agreement, the Transaction or the provisions of this Order, or any other Order of the Court in these proceedings; or
- (d) any transfer or assignment, or any change of control of the Applicants arising from the implementation of the Share Purchase Agreement, the Transaction or the provisions of this Order.

15. **THIS COURT ORDERS**, for greater certainty, that (a) nothing in paragraph 14 hereof shall waive, compromise or discharge any obligations of the Applicants in respect of any Assumed Liabilities, and (b) the designation of any Claim as an Assumed Liability is without prejudice to the Applicants' right to dispute the existence, validity or quantum of any such Assumed Liability, and (c) nothing in this Order or the Share Purchase Agreement shall affect or waive the Applicants' rights and defences, both legal and equitable, with respect to any Assumed Liability, including, but not limited to, all rights with respect to entitlements to set offs or recoupments against such Assumed Liability.

16. **THIS COURT ORDERS** that from and after the Effective Time, all Persons shall be deemed to have waived any and all defaults of the Applicants then existing or previously committed by the Applicants, or caused by the Applicants, directly or indirectly, or non-compliance with any covenant, warranty, representation, undertaking, positive or negative pledge, term, provision, condition, or obligation, expressed or implied in any Contract existing between such Person and the Applicants arising directly or indirectly from the commencement of the CCAA Proceedings and the implementation of the Transaction, including without limitation any of the matters or events listed in paragraph 14 hereof and any and all notices of default and demands for payment or any step or proceeding taken or commenced in connection therewith under a Contract shall be deemed to have been rescinded and of no further force or effect, provided that nothing herein shall be deemed to excuse the Applicants from performing its obligations under the Share Purchase Agreement or be a waiver of defaults by the Applicants under the Share Purchase Agreement and the related documents.

17. **THIS COURT ORDERS** that from and after the Effective Time, any and all Persons shall be and are hereby forever barred, estopped, stayed and enjoined from commencing, taking, applying for or issuing or continuing any and all steps or proceedings, whether directly, derivatively or otherwise, and including without limitation, administrative hearings and orders, audits, declarations and assessments, commenced, taken or proceeded with or that may be commenced, taken or proceeded with against the Applicants relating in any way to or in respect of any Excluded Assets, Excluded Liabilities, Excluded Contracts or Excluded Leases and any other claims, obligations and other matters that are waived, released, expunged or discharged pursuant to this Order.

18. **THIS COURT ORDERS** that from and after the Effective Time:

- (a) the nature of the Assumed Liabilities retained by the Applicants, including, without limitation, their amount and their secured or unsecured status, shall not be affected or altered as a result of the Transaction or this Order;
- (b) the nature of the Excluded Liabilities, including, without limitation, their amount and their secured or unsecured status, shall not be affected or altered as a result of their transfer to ResidualCo;
- (c) any Person that prior to the Effective Time had a valid right or claim against the Applicants under or in respect of any Excluded Asset, Excluded Contract, Excluded Lease or Excluded Liability (each an “**Excluded Liability Claim**”) shall no longer have such right or claim against the Applicants but will have an equivalent Excluded Liability Claim against ResidualCo in respect of the Excluded Contract or Excluded Liability from and after the Effective Time in its place and stead, and nothing in this Order limits, lessens or extinguishes the Excluded Liability Claim of any Person as against ResidualCo; and
- (d) the Excluded Liability Claim of any Person against ResidualCo following the Effective Time shall have the same rights, priority and entitlement as such Excluded Liability Claim had against the Applicants prior to the Effective Time.

19. **THIS COURT ORDERS** that, as of the Effective Time:

- (a) ResidualCo shall be a company to which the CCAA applies; and
- (b) ResidualCo shall be added as an Applicant in these CCAA Proceedings and all references in any Order of the Court in respect of these CCAA Proceedings to:
  - (i) an “Applicant” shall refer to and include ResidualCo; and
  - (ii) “Property” shall

include the current and future assets, licenses, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof, of ResidualCo (the “**ResidualCo Property**”), and, for greater certainty, each of the Charges (as defined in the Amended and Restated Initial Order), shall constitute a charge on the ResidualCo Property.

20. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the “**BIA**”), in respect of ResidualCo and any bankruptcy order issued pursuant to any such applications;  
and
- (c) any assignment in bankruptcy made in respect of ResidualCo,

the Share Purchase Agreement, the implementation of the Transaction (including without limitation the transfer and vesting of the Excluded Assets, Excluded Contracts, Excluded Leases and Excluded Liabilities in and to ResidualCo and the transfer and vesting of the Post-Consolidation Shares in and to the Purchaser and the issuance of the New Common Shares to the Purchaser) and any payments by or to the Purchaser, ResidualCo or the Monitor authorized herein shall be binding on any trustee in bankruptcy that may be appointed in respect of ResidualCo and shall not be void or voidable by creditors of ResidualCo, as applicable, nor shall they constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the CCAA, the BIA or any other

applicable federal or provincial legislation, nor shall they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

## **MONITOR**

21. **THIS COURT ORDERS** that nothing in this Order, including the release of the Applicants from the purview of these CCAA Proceedings pursuant to paragraph 6(f) hereof and the addition of ResidualCo as an Applicant in these CCAA Proceedings, shall affect, vary, derogate from, limit or amend any rights, approvals and protections afforded to the Monitor in these CCAA Proceedings, and FTI shall continue to have the benefit of, any and all rights and approvals and protections in favour of the Monitor at law or pursuant to the CCAA, the Amended and Restated Initial Order, any other Orders in these CCAA proceedings or otherwise, including all approvals, protections and stays of proceedings in favour of FTI in its capacity as Monitor, all of which are expressly continued and confirmed.

22. **THIS COURT ORDERS** that no action lies against the Monitor by reason of this Order or the performance of any act authorized by this Order, except with leave of the Court following a motion brought on not less than fifteen (15) days' notice to the Monitor and its legal counsel. The entities related or affiliated with the Monitor or belonging to the same group as the Monitor (including, without limitation, any agents, employees, legal counsel or other advisors retained or employed by the Monitor) shall benefit from the protection granted to the Monitor under this paragraph 22.

23. **THIS COURT ORDERS** that the Monitor shall not, as a result of this Order or any matter contemplated hereby: (a) be deemed to have taken part in the management or supervision of the management of the Applicants or ResidualCo or to have taken or maintained possession or

control of the business or property of any of the Applicants or ResidualCo, or any part thereof; or (b) be deemed to be in Possession (as defined in the Amended and Restated Initial Order) of any property of the Applicants or ResidualCo within the meaning of any applicable Environmental Legislation and/or Cannabis Legislation (both as defined in the Amended and Restated Initial Order) or otherwise.

24. **THIS COURT ORDERS** that notwithstanding anything contained in this Order, the Monitor, its employees and representatives are not and shall not be or be deemed to be, a director, officer, or employee of ResidualCo, *de facto* or otherwise, and shall incur no liability as a result of acting in accordance with this Order, other than any liability arising as a direct result of the gross negligence or wilful misconduct of the Monitor.

25. **THIS COURT ORDERS** that nothing in this Order shall constitute or be deemed to constitute the Monitor as receiver, assignee, liquidator, administrator, receiver-manager, agent of the creditors of or legal representative of ResidualCo.

## **RESIDUALCO**

26. **THIS COURT ORDERS** that Jeffrey Holmgren (the “**First Director**”) is hereby authorized, *nunc pro tunc*, to act as a director and officer of ResidualCo and, in such capacity, is authorized to take such steps and perform such tasks as are necessary or desirable to facilitate the terms of this Order and the Transaction.

27. **THIS COURT ORDERS** that the First Director shall not incur any liability as a result of becoming a director or officer of ResidualCo, save and except any liability or obligation incurred as a result of gross negligence or wilful misconduct on his part.

## RELEASES

28. **THIS COURT ORDERS** that effective upon the filing of the Monitor's Certificate: (a) the Applicants and their present directors, officers, employees and financial and legal advisors; (b) the First Director and legal counsel to ResidualCo; and (c) One Plant (Retail) Corp., in its capacities as (i) Purchaser, (ii) DIP Lender, and (iii) secured creditor of the Applicants, and its current and former directors, officers, partners, employees, financial and legal advisors (collectively, the "**Released Parties**") shall be deemed to be forever irrevocably released and discharged from any and all present and future liabilities, claims (including, without limitation, claims for contribution or indemnity), indebtedness, demands, actions, causes of action, counterclaims, suits, damages, judgments, executions, recoupments, debts, sums of money, expenses, accounts, liens, taxes, recoveries, and obligations of any nature or kind whatsoever (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or equity and whether based in statute or otherwise) (collectively, "**Claims**") based in whole or in part of any act or omission, transaction, dealing or other occurrence existing or taking place during these CCAA Proceedings and prior to the filing of the Monitor's Certificate, or undertaken or completed in connection with or pursuant to the terms of this Order or these CCAA Proceedings, or arising in connection with or relating to the Share Purchase Agreement, the completion of the Transaction, the closing documents, any agreement, document, instrument, matter or transaction involving the Applicants arising in connection with or pursuant to any of the foregoing, and/or the consummation of the Transaction (collectively, the "**Released Claims**"), which Released Claims are hereby and shall be deemed to be fully, finally, irrevocably and forever waived, discharged, released, cancelled and barred as against the Released Parties, provided that nothing herein shall release any claim that that is not permitted to be released pursuant to section 5.1(2)

of the CCAA, or any obligations of any Released Party under, or in connection with, the Share Purchase Agreement or the closing documents.

29. **THIS COURT ORDERS** that effective upon the filing of the Termination Certificate (as defined in the Stay Extension and CCAA Termination Order dated April 5, 2024), the Monitor (in its personal capacity and in its capacity as the Monitor), its counsel, and each of their respective affiliates, officers, directors, partners, employees and agents, as applicable (collectively, the “**Monitor Released Parties**”) are hereby released and forever discharged from any and all Claims that may be made against the Monitor Released Parties that relate to or arise out of any act, omission, transaction, dealing or other occurrence in respect of these CCAA proceedings, including in carrying out any Monitor Incidental Matters (as defined in the Stay Extension and CCAA Termination Order dated April 5, 2024) or carrying out the terms of any Order granted in the CCAA proceedings (collectively, the “**Monitor Released Claims**”), and any such Monitor Released Claims are hereby irrevocably and permanently released, stayed, extinguished, and forever barred and the Monitor Released Parties shall have no liability in respect therefore, save and except for any gross negligence or wilful misconduct on the part of the Monitor Released Parties.

#### **GENERAL**

30. **THIS COURT ORDERS** that in the event of a conflict between the terms of this Order and those of the Amended and Restated Initial Order or any other Order of this Court, the provisions of this Order shall govern.

31. **THIS COURT ORDERS** that, following the Effective Time, the Purchaser shall be authorized to take all steps as may be necessary to effect the discharge of the Claims and Encumbrances as against the Post-Consolidation Shares and the New Common Shares.

32. **THIS COURT ORDERS** that, following the Effective Time, the title of these proceedings is hereby changed to:

IN THE MATTER OF THE *COMPANIES' CREDITORS*  
*ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED  
AND IN THE MATTER OF THE COMPROMISE OR  
ARRANGEMENT OF 15892929 CANADA INC.

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

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

35. **THIS COURT ORDERS** that each of ResidualCo and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

36. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. prevailing Eastern Time on the date hereof without any need for entry and/or filing; provided that the transaction steps set out in paragraph 6 hereof shall be deemed to have occurred sequentially, one after the other, in the order set out in paragraph 6 hereof.

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**Schedule A – Form of Monitor’s Certificate**

Court File No. CV-23-00711935-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR  
ARRANGEMENT OF **TREES CORPORATION, ONTARIO  
CANNABIS HOLDINGS CORP., MIRACULO INC., 2707461  
ONTARIO INC., OCH ONTARIO CONSULTING CORP.,  
AND 11819496 CANADA INC.** (the “**Applicants**”)

**MONITOR’S CERTIFICATE**

**RECITALS**

A. Pursuant to the Initial Order of the Honourable Chief Justice Morawetz of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated December 22, 2023, as amended and restated from time to time, the Applicants were granted protection from their creditors pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, and FTI Consulting Canada Inc. was appointed as the monitor of the Applicants (in such capacity, the “**Monitor**”).

B. Pursuant to the approval and reverse vesting order of the Court dated April 5, 2024 (the “**Order**”), the Court approved the amended share purchase agreement between Trees Corporation (“**Trees**”) and One Plant (Retail) Corp. (in such capacity, the “**Purchaser**”), dated March 25, 2024 (the “**Share Purchase Agreement**”), and the transaction contemplated therein (the “**Transaction**”), and ordered, *inter alia*, that: (i) all of the Applicants’ right, title and interest in and to the Excluded Assets shall vest absolutely and exclusively in ResidualCo; (ii) all of the Excluded Assets, Excluded Contracts, Excluded Leases and Excluded Liabilities shall be transferred to, assumed by and vest in ResidualCo; (iii) all of the right, title and interest in and to

the Post-Consolidation Shares and New Common Shares shall vest absolutely and exclusively in the Purchaser free and clear of all Claims and Encumbrances; (iv) all Claims and Encumbrances shall be released and discharged from the Applicants' Property; and (v) all Equity Interests of Trees other than the Post-Consolidation Shares shall be cancelled and terminated without consideration, all of the foregoing, in each case, to be effective upon the delivery by the Monitor to the Purchaser of a certificate confirming that the Monitor has received written confirmation in the form and substance satisfactory to the Monitor from the Purchaser and the Applicants that all conditions to closing have been satisfied or waived by the parties to the Share Purchase Agreement.

C. Capitalized terms not defined herein shall have the meaning given to them in the Order, including those defined by reference to the Share Purchase Agreement.

**THE MONITOR CERTIFIES** the following:

1. The Monitor has received written confirmation from the Purchaser and Trees, in form and substance satisfactory to the Monitor, that all conditions to closing have been satisfied or waived by the parties to the Share Purchase Agreement.
2. This Monitor's certificate was delivered by the Monitor at \_\_\_\_\_ on \_\_\_\_\_, 2024.

**FTI Consulting Canada Inc., in its capacity as Monitor of the Applicants, and not in its personal capacity.**

Per: \_\_\_\_\_

Name:

Title:

**Schedule “B” – Encumbrances to be Discharged from the Applicants’ Property**

**(A) Personal Property Security Interests**

**1. Ontario**

*(i) Personal Property Security Act (Ontario)*

<b>DEBTOR NAME(S)</b>	<b>SECURED PARTY NAME(S)</b>	<b>FILE NUMBER</b>	<b>EXPIRY DATE</b>
Trees Corporation	1000321689 Ontario Ltd.	500994765	December 6, 2033
Trees Corporation	1000321689 Ontario Ltd.	500307858	November 14, 2026
OCH Ontario Consulting Corp	Trees Corporation	769866165	February 12, 2026
Ontario Cannabis Holdings Corp.	Arthur Minh Tri Nguyen-Cao	761342562	April 1, 2025
Ontario Cannabis Holdings Corp.	CJ Marketing Ltd.	761342625	April 1, 2025
2707461 Ontario Inc.	OCH Ontario Consulting Corp	760294827	February 21, 2025

**2. Alberta**

*(ii) Personal Property Security Act (Alberta)*

<b>DEBTOR NAME(S)</b>	<b>SECURED PARTY NAME(S)</b>	<b>ORIGINAL REGISTRATION NUMBER &amp; TYPE</b>	<b>LATEST REGISTRATION NUMBER</b>	<b>EXPIRY DATE</b>
Ontario Cannabis Holdings Corp.	Nguyen-Cao, Arthur, Minh Tri	20040114345 Security Agreement	20040114345	April 1, 2025
Ontario Cannabis Holdings Corp.	CJ Marketing Ltd.	20040114432 Security Agreement	20040114432	April 1, 2025
2707461 Ontario Inc.	OCH Ontario Consulting Corp.	20022123757 Security Agreement	20022123757	February 21, 2025

3. **British Columbia**

(iii) *Personal Property Security Act (British Columbia)*

<b>DEBTOR NAME(S)</b>	<b>SECURED PARTY NAME(S)</b>	<b>BASE REGISTRATION NUMBER &amp; TYPE</b>	<b>EXPIRY DATE</b>
Trees Corporation	Ministry of Finance Receivables Management Office	794602P  Crown Charge Filed Pursuant to <i>Provincial Sales Tax Act</i>	Never
Trees Corporation	1000321689 Ontario Ltd.	908280P  PPSA Security Agreement	November 14, 2026
Trees Corporation	1000321689 Ontario Ltd.	952895P  PPSA Security Agreement	December 6, 2033

**(B) Litigation**

**1. Ontario**

<b>PLAINTIFF(S)/ APPELLANT(S)</b>	<b>DEFENDANT(S)/ RESPONDENT(S)</b>	<b>JURISDICTION/ COURT FILE NO.</b>	<b>ADDITIONAL INFORMATION</b>	<b>CASE STATUS</b>
First Land (Overlea) Ltd.	11819496 Canada Inc.	SCJ - Toronto  CV-2200682677- 0000	Case Opened Date: 2022-06-15	Judgment  Most Recent Order Date: 2023-12-11  Writ Issued on December 13, 2023, Execution # 23-0005567

**(C) Real Property Registrations**

Ontario – nil

British Columbia - nil

**Schedule "C" – Permitted Encumbrances**

**NIL**

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 TREES CORPORATION, ONTARIO CANNABIS HOLDINGS CORP., MIRACULO INC., 2707461 ONTARIO INC., OCH ONTARIO CONSULTING CORP., AND 11819496 CANADA INC. (the "**Applicants**")

Court File No. CV-23-00711935-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

Proceedings commenced at Toronto

**ORDER  
(Approval and Reverse Vesting Order)**

**Thornton Grout Finnigan LLP**  
3200 – 100 Wellington Street West  
TD West Tower, Toronto-Dominion Centre  
Toronto, ON M5K 1K7  
Tel: 416-304-1616

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Lawyers for the Applicants

# TAB 4

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

THE HONOURABLE ) FRIDAY, THE 5TH  
 )  
JUSTICE OSBORNE ) DAY OF APRIL, 2024  
 )

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR  
ARRANGEMENT OF **TREES CORPORATION, ONTARIO  
CANNABIS HOLDINGS CORP., MIRACULO INC., 2707461  
ONTARIO INC., OCH ONTARIO CONSULTING CORP.,  
AND 11819496 CANADA INC.** (the “Applicants”)

**ORDER  
(Stay Extension, Fee Approval and CCAA Termination)**

**THIS MOTION**, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, (the “**CCAA**”) for an order, *inter alia*: (i) extending the Stay Period up to and including May 31, 2024, (ii) approving the Monitor’s First Report and Second Report (each as defined herein), and the Monitor’s activities, conduct and decisions set out therein, (iii) approving the fees and disbursements of the Monitor and its legal counsel, (iv) terminating these CCAA proceedings and discharging the Monitor at the CCAA Termination Time (as defined below), (v) terminating the Court-ordered charges approved in these CCAA proceedings effective as at the CCAA Termination Time, and (vi) permitting ResidualCo (as defined below) to file for bankruptcy, was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Motion Record of the Applicants dated March 25, 2024 (the “**Motion Record**”), the Second Report of FTI Consulting Canada Inc., in its capacity as Monitor of the Applicants (in such capacity, the “**Monitor**”), dated March [●], 2024 (the “**Second Report**”), and on hearing the submissions of counsel for the Applicants, counsel for the Monitor, and those other parties listed on the Participant Information Form, no one else appearing although duly served as appears from the Affidavit of Service, filed,

### **SERVICE AND DEFINITIONS**

1. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein shall have the meaning ascribed to them in the Second Amended and Restated Initial Order dated January 29, 2024 (as may be further amended and restated from time to time, the “**Amended and Restated Initial Order**”).

### **STAY EXTENSION**

2. **THIS COURT ORDERS** that the Stay Period is hereby extended up to and including May 31, 2024.

### **APPROVAL OF MONITOR’S REPORTS**

3. **THIS COURT ORDERS** that the First Report of the Monitor dated January 24, 2024 (the “**First Report**”) and the Second Report, and the activities, conduct and decisions of the Monitor set out therein are hereby ratified and approved, provided that only the Monitor, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

#### **APPROVAL OF FEES OF THE MONITOR AND ITS COUNSEL**

4. **THIS COURT ORDERS** that the professional fees of the Monitor for the period between January 2, 2024 and March 24, 2024, in the amount of \$411,691.50, plus disbursements and expenses of \$5,889.51 and Harmonized Sales Tax (“**HST**”) of \$54,285.54, for a total of \$471,866.55, as well as the Monitor’s estimated professional fees and disbursements to the CCAA Termination Time in the amount of \$250,000, as further set out in the Second Report and the Affidavit of [●] sworn March [●], 2024, attached as Appendix “[●]” to the Second Report, are hereby approved.

5. **THIS COURT ORDERS** that the professional fees of Torys LLP (“**Torys**”), counsel to the Monitor, for the period between January 2, 2024 and March 24, 2024, in the amount of \$211,230.50, plus disbursements and expenses of \$803.73 and HST of \$27,548.67, for a total of \$239,582.90, as well as Torys’ estimated professional fees and disbursements to the CCAA Termination Time in the amount of \$50,000, as further set out in the Second Report and the Affidavit of David Bish sworn March [●], 2024, attached as Appendix “[●]” to the Second Report, are hereby approved.

#### **TERMINATION OF CCAA PROCEEDINGS**

6. **THIS COURT ORDERS** that, upon service by the Monitor of an executed certificate substantially in the form attached hereto as **Schedule “A”** (the “**Termination Certificate**”) on the Service List in these CCAA proceedings certifying that, to the best of the knowledge and belief of the Monitor, all matters to be attended to in connection with the CCAA proceedings have been completed, the within CCAA proceedings shall be terminated without any other act or formality (the “**CCAA Termination Time**”), save and except as provided in this Order, and provided that

nothing herein impacts the validity of any Orders made in these CCAA proceedings or any action or steps taken by any Person pursuant thereto.

7. **THIS COURT ORDERS** that the Monitor is hereby directed to file a copy of the Termination Certificate with the Court as soon as is practicable following the service thereof on the Service List in these CCAA proceedings.

8. **THIS COURT ORDERS** that the Charges shall be and are hereby terminated, released and discharged at the CCAA Termination Time without any further act or formality.

#### **DISCHARGE OF MONITOR**

9. **THIS COURT ORDERS** that effective at the CCAA Termination Time, FTI Consulting Canada Inc. (“**FTI**”) shall be and is hereby discharged from its duties as the Monitor and shall have no further duties, obligations or responsibilities as Monitor from and after the CCAA Termination Time, provided that, notwithstanding its discharge as Monitor, FTI shall have the authority to carry out, complete or address any matters in its role as Monitor that are ancillary or incidental to these CCAA proceedings following the CCAA Termination Time, as may be required or appropriate (“**Monitor Incidental Matters**”).

10. **THIS COURT ORDERS** that, notwithstanding any provision of this Order, the Monitor’s discharge or the termination of these CCAA proceedings, nothing herein shall affect, vary, derogate from, limit or amend, and the Monitor shall continue to have the benefit of, all of the rights, approvals and protections in favour of the Monitor at law or pursuant to the CCAA, the Amended and Restated Initial Order, or any other Order of this Court in these CCAA proceedings or otherwise, all of which are expressly continued and confirmed following and after the CCAA Termination Time, including in connection with any Monitor Incidental Matters and other actions

taken by the Monitor following the CCAA Termination Time with respect to the Applicants, ResidualCo (as defined below) or these CCAA proceedings.

11. **THIS COURT ORDERS** that from and after the CCAA Termination Time, no action or other proceeding shall be commenced against the Monitor in any way arising from or related to its capacity or conduct as Monitor, except with the prior leave of this Court and on prior written notice to the Monitor.

#### **ASSIGNMENT IN BANKRUPTCY**

12. **THIS COURT ORDERS** that at such time as 15892929 Canada Inc. (“**ResidualCo**”) determines that it is necessary or desirable to do so, including for greater certainty at a time prior to the CCAA Termination Time:

- (a) ResidualCo is hereby authorized to make an assignment in bankruptcy pursuant to *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (“**BIA**”); and
- (b) FTI is hereby authorized and empowered, but not obligated, to act as trustee in bankruptcy in respect of ResidualCo.

13. **THIS COURT ORDERS** that the sole director of ResidualCo may resign upon ResidualCo being assigned into bankruptcy and such resignation is hereby authorized and ratified.

#### **GENERAL**

14. **THIS COURT ORDERS** that the Applicants or the Monitor may from time to time apply to this Court for advice and directions in the discharge of their powers and duties hereunder.

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

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

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

18. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard Time on the date of this Order without the need for entry or filing.

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**SCHEDULE “A”  
FORM OF TERMINATION CERTIFICATE**

Court File No. CV-23-00711935-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR  
ARRANGEMENT OF 15892929 CANADA INC. (“**ResidualCo**”)

**TERMINATION CERTIFICATE**

**RECITALS**

1. FTI Consulting Canada Inc. (“**FTI**”) was appointed as the Monitor of the Applicants in the within proceedings commenced under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) pursuant to an Amended and Restated Initial Order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated January 2, 2024 (as further amended and restated from time to time, the “**Initial Order**”).
2. Pursuant to the Approval and Reverse Vesting Order of this Court dated April 5, 2024, ResidualCo was added as an Applicant in these CCAA proceedings.
3. Pursuant to an Order of this Court dated April 5, 2024 (the “**CCAA Termination Order**”), among other things, FTI shall be discharged as the Monitor and the Applicants’ CCAA proceedings shall be terminated upon the service of this Termination Certificate on the service list in these CCAA proceedings, all in accordance with the terms of the CCAA Termination Order.
4. Unless otherwise indicated herein, capitalized terms used in this Termination Certificate shall have the meaning given to them in the Initial Order or the Termination Order, as applicable.

**THE MONITOR CERTIFIES** the following:

5. To the knowledge of the Monitor, all matters to be attended to in connection with the Applicants' CCAA Proceedings (Court File No. CV-23-00711935-00CL) have been completed.

**ACCORDINGLY**, the CCAA Termination Time as defined in the CCAA Termination Order has occurred.

DATED at Toronto, Ontario this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

**FTI Consulting Canada Inc., in its capacity of  
the Monitor of the Applicants, and not in its  
personal or corporate capacity**

Per: \_\_\_\_\_

Name:

Title:

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 **TREES CORPORATION, ONTARIO CANNABIS HOLDINGS CORP., MIRACULO INC., 2707461 ONTARIO INC., OCH ONTARIO CONSULTING CORP., AND 11819496 CANADA INC.**

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**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**  
Proceeding commenced at Toronto

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**ORDER**  
**(Stay Extension, Fee Approval and CCAA Termination)**

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Lawyers for the Applicants

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF TREES CORPORATION, ONTARIO CANNABIS HOLDINGS CORP., MIRACULO INC., 2707461 ONTARIO INC., OCH ONTARIO CONSULTING CORP., AND 11819496 CANADA INC.

Court File No. CV-23-00711935-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

Proceedings commenced at Toronto

**MOTION RECORD OF THE APPLICANTS  
(returnable on April 5, 2024)**

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