

COM-Apr 17, 2026

COURT FILE NUMBER 2601- 07007  
COURT COURT OF KING'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY



GPAS 143318743

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 CANADABIS CAPITAL INC., 1998643 ALBERTA LTD., STIGMA PHARMACEUTICALS INC., 2103157 ALBERTA LTD., AND FULL SPECTRUM LABS LTD.

PLAINTIFF(S)/APPLICANTS CANADABIS CAPITAL INC., 1998643 ALBERTA LTD., STIGMA PHARMACEUTICALS INC., 2103157 ALBERTA LTD., AND FULL SPECTRUM LABS LTD.

DOCUMENT **ORIGINATING APPLICATION**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT THORNTON GROUT FINNIGAN LLP  
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## NOTICE TO THE RESPONDENT(S):

This application is made against you. You are a respondent.

You have the right to state your side of this matter before the Court.

To do so, you must be in Court when the application is heard as shown below:

Date: April 17, 2026  
Time: 11:00 a.m.  
Where: Calgary Law Courts via WebEx Virtual Courtroom 60  
<https://albertacourts.webex.com/meet/virtual.courtroom60>  
Before: The Honourable Justice Armstrong

Go to the end of this document to see what you can do and when you must do it.

### Basis for this Claim:

#### I. REMEDY SOUGHT:

1. The applicants, CanadaBis Capital Inc. (“**CanadaBis**”), and its subsidiaries, Stigma Pharmaceuticals Inc. (“**Stigma Pharmaceuticals**”), 2103157 Alberta Ltd. (“**210**”), Full Spectrum Labs Ltd. (“**Full Spectrum**”), and 1998643 Alberta Ltd. (“**199**”, and together with CanadaBis, Stigma Pharmaceuticals, 210, and Full Spectrum, the “**Applicants**”) bring this Originating Application for an Initial Order (the “**Initial Order**”) under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) substantially in the form attached at **Schedule “A”**, that, among other things, grants the following relief:
  - (a) dispenses with service of the Originating Application and supporting materials on all creditors of the Applicants, and/or deems service thereof to be good and sufficient and abridges the time for service, if any;
  - (b) declares that the Applicants are each a debtor company to which the CCAA applies;
  - (c) authorizes the Applicants to 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**”);
  - (d) entitles the Applicants to make payment of all outstanding and future wages, salaries, employee benefits, vacation pay and expenses payable, and applicable source deductions whether incurred prior to, on or after the date of the Initial Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements;
  - (e) entitles the Applicants to pay all reasonable expenses incurred by the Applicants in carrying on its business (the “**Business**”) in the ordinary course, which expenses shall include, without limitation, all expenses and capital expenditures

reasonably necessary for the preservation of the Property or the Business, and the payment of goods and services actually supplied to the Applicants following the date of the Initial Order;

- (f) stays all proceedings and remedies taken or that might be taken against or in respect of the Applicants, any of their Property or Business, or their directors and officers (the “**D&Os**”), except as otherwise set forth in the Initial Order or as otherwise permitted by law (the “**Stay**”), for an initial period of ten days up to and including April 27, 2026, in accordance with the CCAA (the “**Initial Stay Period**”);
- (g) prevents any person from accelerating performance of any rights in respect of the Applicants, except with the written consent of the Applicants and the Monitor, or leave of the Court;
- (h) restrains any person from interfering with the supply of goods or services to any of the Applicants;
- (i) appoints FTI Consulting Canada Inc. (“**FTI**” or the “**Proposed Monitor**”) as the monitor of the Applicants in the CCAA proceeding;
- (j) authorizes the Applicants to pay all reasonable fees and disbursements of their counsel, the Proposed Monitor and the Proposed Monitor's counsel, whether incurred prior to or after the commencement of this proceeding;
- (k) orders that the *status quo* in respect of the licenses issued by Health Canada and the excise licenses issued by the Canada Revenue Agency (the “**CRA**”) held by the Applicants shall be preserved and maintained during the Initial Stay Period;
- (l) grants the following charges over the property of the Applicants in priority to all other charges, save and except any encumbrances in favour of any persons that have not been served with this Originating Application:
  - (i) the “**Administration Charge**” against the Property in the amount of \$150,000, as security for the payment of the professional fees and disbursements incurred prior to the filing and to be incurred by the Proposed Monitor, counsel to the Proposed Monitor, and counsel to the Applicants, in connection with the CCAA proceeding both before and after the date that the Initial Order is granted; and
  - (ii) the “**D&O Charge**” against the Property in the amount of \$900,000 as security for the indemnity granted by the Applicants in favour of the D&Os for any liabilities they may incur in such capacities after the commencement of the CCAA proceeding;
- (m) authorizes CanadaBis to take no further steps or incur any further expenses in relation to any filings required by any federal, provincial or other law respecting securities or capital markets in Canada, or by the rules, regulations and policies of a stock exchange (collectively, the “**Securities Filings**”), and declares that none of the D&Os, employees, or other representatives of the Applicants or the Monitor shall have any personal liability for any failure by CanadaBis to make the Securities Filings;

- (n) postpones the requirement for any future annual general meeting of the shareholders of CanadaBis during the CCAA proceeding, and extends the time limit to call and hold such annual general meeting of shareholders until after the conclusion of the CCAA proceeding;
  - (o) schedules a comeback application for a hearing prior to the expiry of the Initial Stay Period on April 27, 2026 (the “**Comeback Hearing**”); and
  - (p) such further and other relief as the Applicants may request and the Court may grant.
2. If the Initial Order is granted, the Applicants intend to return to Court at the Comeback Hearing to seek approval of an Amended and Restated Initial Order (the “**ARIO**”) substantially in the form attached at **Schedule “B”** granting, among other things:
- (a) an extension of the Stay Period until June 11, 2026;
  - (b) authorization for the Applicants to pay reasonable expenses incurred by them in operating the Business in the ordinary course, including making payment of obligations owing in respect of goods and services supplied to the Applicants prior to the date of the Initial Order by critical vendors to the extent required to ensure ongoing supply of critical goods and services, subject to prior approval by the Monitor, up to a maximum aggregate amount of \$290,000;
  - (c) increasing the following charges against the Property:
    - (i) the Administration Charge up to the maximum amount of \$375,000; and
    - (ii) the D&O Charge up to the maximum amount of \$2,900,000;
  - (d) elevating the priority of the Administration Charge and D&O Charge ahead of all other security interests, trusts, liens, charges and encumbrances, and claims of secured creditors, statutory or otherwise in favour of any person;
  - (e) the authority of the Applicants to file a plan of compromise or arrangement;
  - (f) prohibiting any person from setting off any amounts that: (a) are or may become due to the Applicants in respect of obligations arising prior to the date of the Initial Order with any amounts that are or may become due from the Applicants in respect of obligations arising on or after the date of the Initial Order; or (b) are or may become due from the Applicants in respect of obligations arising prior to the date of the Initial Order with any amounts that are or may become due to the Applicants in respect of obligations arising on or after the date of the Initial Order, without the consent of the Applicants and the Monitor or further Order of this Court; and
  - (g) such other relief as may be required to advance the Applicants’ restructuring.

## II. GROUNDS FOR MAKING THIS APPLICATION:

### *General*

3. The Applicants are a vertically integrated cannabis company engaged in the cultivation, extraction, product development, and sale of cannabis and cannabis products.
4. Each of the Applicants are incorporated under the Alberta *Business Corporations Act*.
5. CanadaBis is the ultimate parent company of the Applicants, and wholly owns each of Stigma Pharmaceuticals, 210, and Full Spectrum. 199 is a wholly owned subsidiary of Stigma Pharmaceuticals.

### *The Urgent Need for Relief*

6. The Applicants have suffered from financial difficulties in the past year driven primarily by a significant increase in market competition and a growing excise tax burden that the Applicants cannot pay in the ordinary course.
7. On March 25, 2026, 199 received a letter by regular mail from the CRA dated March 4, 2026 enclosing a legal warning to 199 in respect of its outstanding excise tax liability and demanding payment of \$5,732,843 (the “**CRA Demand**”), payable within 14 days. The CRA Demand advised that failure to remit payment may result in legal action, including, among other things, the garnishment of bank accounts and seizure of assets. Upon receipt of the CRA Demand, a representative of the Applicants immediately engaged with the CRA to explore a solution but were advised that absent an agreed payment arrangement, enforcement action would be taken on or around April 17, 2026. To date, no agreement has been reached with the CRA.
8. As at April 14, 2026, the Applicants have outstanding excise tax liabilities owing to the CRA of approximately \$7,621,000.
9. The Applicants have previously been subject to enforcement action by the CRA in 2025 that caused a material disruption to its business operations, as more fully set forth in the McIntyre Affidavit.
10. Given the Applicants’ financial position, it is not possible for them to meet these demands from the CRA and, without the cannabis licenses which allow the Applicants to continue selling their products, the Applicants will not be able to operate in the ordinary course of business and will lose all sources of revenue.
11. Additionally, a labour disruption affecting the British Columbia Liquor Distribution Branch in late 2025, resulted in a temporary, but material, interruption in sales and the loss of an estimated \$500,000 in revenue during a key period for the company. In April 2025, in an effort to in part alleviate their financial issues, the Applicants pursued a proposed merger transaction which was ultimately not completed. As a result, the Applicants incurred substantial legal and advisory fees associated with the transaction, and a delay in

bringing new SKUs to market during a critical seasonal revenue cycle. Each of these events exacerbated the Applicants existing precarious financial position.

12. Without the Stay requested in the Initial Order, the Applicants believe that the CRA will imminently take further enforcement steps on or around April 17, 2026, including the garnishment of bank accounts and the seizure of its assets. In its current financial condition, any such enforcement would materially disrupt the Applicants' ongoing operations and could be fatal to the business.
13. The Applicants are seeking protection under the CCAA to, among other things, obtain the Stay and to implement a sale and investment solicitation process (the "SISP") that would see the Applicants restructured and/or a sale of all or a portion of the Applicants' business and assets through a value-maximizing transaction for the benefit of their stakeholders.

### ***Current Financial Situation***

14. As of April 14, 2026, the Applicants have only approximately \$1,340,000 in available cash, their line of credit is substantially drawn and the Applicants do not have access to additional financing facilities. Further, the Applicants' trade accounts payable and accrued liabilities are in excess of approximately \$937,000. In their most recently filed annual financial statements, the Applicants recorded a net loss of \$835,204 for the fiscal year ended July 31, 2025, and a further net loss of approximately \$128,539 for the three-month period ended October 31, 2025.
15. During the current fiscal year, the Applicants have experienced negative monthly cashflows of approximately \$100,000 to \$200,000 per month, which include monthly payments to the CRA in respect of excise tax arrears of \$85,000. Due to their ongoing liquidity constraints and need to re-evaluate the go-forward business, the Applicants have not been current on the CRA arrears payments since February 2026.
16. The Applicants have historically funded their business operations through the following secured and unsecured credit facilities:
  - (a) a commercial mortgage in the principal amount of \$7,210,000 (the "**Commercial Mortgage**"), and \$750,000 line of credit (the "**Line of Credit**") with Connect First Credit Union Ltd. ("**Connect First**"). The monthly payment of principal and interest under the Commercial Mortgage is \$60,490. As at April 14, 2026, the Commercial Mortgage has an outstanding amount of \$3,592,324 and the Applicants have drawn the principal amount of \$631,587 under the Line of Credit;
  - (b) a \$650,000 demand loan with Runway Developments Inc., with an outstanding balance of \$651,769 as at April 14, 2026;
  - (c) a secured loan in the principal amount of \$1,168,000 that was advanced by 2208318 Alberta Ltd., which has an outstanding balance (including accrued interest) of \$1,205,648 as at April 14, 2026; and
  - (d) unsecured convertible debentures issued by CanadaBis in the aggregate principal amount of \$4,035,000 bearing interest at 11% per annum, payable quarterly in

arrears, which has an outstanding balance (including accrued interest) of approximately \$4,048,000 as at April 14, 2026.

17. The Applicants have not been in compliance with the debt service coverage covenant under the Commercial Mortgage and Line of Credit since July 31, 2025. Connect First has waived compliance in respect of the covenant breaches, which waiver expires on July 31, 2026. There is no indication that Connect First will agree to a further waiver in the future.
18. The Applicants cannot satisfy the CRA demand, service their existing debt, and continue operations in the ordinary course without restructuring relief. The Applicants have been unable to obtain additional debt or equity financing. Given the current cannabis market, it is unclear that any third party will provide the Applicants with additional capital that ranks behind the current secured debt.
19. The Applicants have made significant efforts to stabilize their financial position outside of a formal restructuring process, including implementing cost reductions, re-evaluating product offerings, and attempting to restructure their outstanding liabilities.
20. Notwithstanding these efforts, the Applicants are currently insolvent, and do not have the liquidity necessary to sustain their operations going forward or pay their obligations generally as they become due.
21. If the Applicants do not receive the protection under the CCAA, the most likely alternative will be a cessation of operations and a liquidation of the Applicants' assets, to the detriment of the Applicants' suppliers, lenders, customers, employees, and other stakeholders.
22. Without the protection of the CCAA and the relief available thereunder, the Applicants will be unable to meet their obligations as they become due.
23. It is in the best interests of the Applicants and their stakeholders to grant the relief sought by the Applicants.

### **III. CCAA LEGAL REQUIREMENTS**

#### ***The Applicants are "Companies" under the CCAA***

24. Each of the Applicants is a "debtor company" within the meaning of the CCAA, and each is incorporated under the laws of Alberta.

#### ***The Applicants have Claims against them in Excess of \$5,000,000***

25. As at April 15, 2026, the Applicants have combined total liabilities of \$19,250,525, well in excess of the statutory threshold of \$5,000,000.

#### ***The Applicants are Insolvent***

26. The Applicants are facing an imminent liquidity crisis. As of April 14, 2026, the Applicants have only \$1,340,000 in available cash and their line of credit is substantially drawn. The

Applicants are unable to satisfy the CRA Demand, service existing indebtedness, and continue operations in the ordinary course. Accordingly, the Applicants are unable to meet their obligations as they become due.

***The Locality of the Applicants is Alberta***

27. The registered head offices of each of the Applicants are located in Red Deer County, Alberta or Clearwater County, Alberta, and their directing minds and management are situated in Red Deer County, Alberta.

***Cash Flow Forecast***

28. A copy of the Cash Flow Forecast has been prepared by the Proposed Monitor in consultation with the Applicants.
29. During this CCAA proceeding, the Applicants will primarily use cash generated from operations to fund ongoing operating costs in the ordinary course, including employee compensation, supplier payments, servicing existing indebtedness, and general administrative expenses. In addition to these normal course operating expenses, the Applicants will incur professional fees and disbursements in connection with this CCAA proceeding.

**IV. CCAA RELIEF SOUGHT**

***Stay of Proceedings***

30. The Applicants require a stay of proceedings to maintain the *status quo* and provide the Applicants with the breathing room necessary to preserve the value of the Applicants and their Property, prevent enforcement by the CRA in respect of the outstanding excise tax arrears, and to provide a platform for the development of a restructuring or sale under a SISF that would preserve the business as a going concern and the employment of substantially all its employees.
31. Without the stay of proceedings, the Applicants are concerned that the CRA will take enforcement steps, including the suspension of the excise licence, garnishment of bank accounts, or seizure of assets, all of which would deplete the Applicants' assets and significantly interrupt its business operations. Further, other creditors may begin exercising self-help remedies to improve their positions.
32. The Applicants are acting in good faith and with due diligence.

***Appointment of the Monitor***

33. FTI will act as the Monitor in respect of the Applicants in this CCAA proceeding should the Initial Order be granted. FTI has consented to act as the Monitor in this CCAA proceeding, should the Initial Order be granted.

34. FTI has not previously acted as auditor of the Applicants and meets the requirements of subsection 11.7(1) of the CCAA. FTI has extensive experience acting as monitor to debtor companies under the CCAA, including in cannabis proceedings.
35. FTI, as proposed Monitor, will file a pre-filing report with the Court in conjunction with the Applicants' request for relief under the CCAA.

### ***Court Ordered Charges***

36. The Applicants are seeking the Court's approval of an Administration Charge and a D&O Charge as part of the Initial Order (collectively, the "**Charges**") to secure the professional services required to complete this CCAA proceeding, ensure the continued assistance and oversight of the Applicants' directors and officers, and maintain the Applicants' continued operation in the ordinary course of business during the Stay.
37. Without the Charges, it is unlikely that the beneficiaries thereof would assume the risks associated with this proceeding.
38. The relief sought in the Initial Order, including in respect of the Charges, is limited to what is reasonably necessary during the Stay.
39. The Applicants seek an Administration Charge on the Property in the maximum principal amount of \$150,000 as part of the proposed Initial Order.
40. The Initial Order also seeks a D&O Charge over the Property up to a maximum principal amount of \$900,000. The D&O Charge is proposed to rank behind the Administration Charge. The proposed Charges will rank ahead of all unsecured creditors, but will rank behind any encumbrances in favour of any persons that have not been served with notice of this Originating Application. The Applicants intend to elevate the charges ahead of such prior encumbrances at the Comeback Hearing, upon service being effected to such secured parties.

### ***Proposed Restructuring Plan***

41. The primary purpose of this CCAA proceeding is to provide a platform for the Applicants to address their significant and growing excise tax arrears and certain of their outstanding debt obligations, which represents the principal driver of their current liquidity crisis, and to conduct a SISP to maximize value for the Applicants' creditors. As part of the Applicants' restructuring strategy, the Applicants intend to, among other things:
  - (a) maintain operations in the ordinary course for the benefit of their employees and other stakeholders;
  - (b) conduct a review of the Applicants' remaining operations and identify any other opportunities to streamline such operations with a view to achieving positive cash flow;

- (c) commence a court-approved SISP process with the assistance of the Monitor, to identify one or more bids that will maintain the Applicants as a going concern and maximize value for the creditors and stakeholders of the Applicants; and
- (d) compromise the various secured and unsecured debt obligations that are causing the Applicants' current liquidity crisis.

42. The platform afforded by the CCAA and the Stay would permit the Applicants to carry out this restructuring plan.

**V. AFFIDAVIT OR OTHER EVIDENCE TO BE USED IN SUPPORT OF THIS APPLICATION:**

43. The First Affidavit of Travis McIntye, sworn April 16, 2026, to be filed;

44. The Brief of Law and Book of Authorities of the Applicants, to be filed;

45. The Pre-Filing Report of the Proposed Monitor, FTI Consulting Canada Inc., to be filed;

46. The consent of FTI to act as Monitor of the Applicants, to be filed; and

47. Such further and other materials as counsel for the Applicants or Proposed Monitor may advise and this Honourable Court may permit.

**VI. APPLICABLE RULES:**

48. Rules 1.2, 2.3, 3.2(2)(d), 3.8, Part 6, Division 1, 11.27, 11.29 and 13.5 of the Alberta *Rules of Court*, Alta Reg 124/2010.

**VII. APPLICABLE ACTS AND REGULATIONS:**

49. The provisions of the CCAA, including without limitation, sections 2(1), 3(1), 11.02, 11.51, 11.52, and the inherent and equitable jurisdiction of this Honourable Court.

50. Such further and other Acts or regulations as counsel may advise and this Honourable Court may permit.

**VIII. ANY IRREGULARITY COMPLAINED OF OR OBJECTION RELIED ON:**

51. None.

**IX. HOW THE APPLICATION IS PROPOSED TO BE HEARD OR CONSIDERED:**

52. By WebEx videoconference before the Honourable Justice Armstrong on the Commercial List pursuant to the WebEx details enclosed hereto as **Appendix "1"**.

**WARNING**

You are named as a respondent because you have made or are expected to make an adverse claim in respect of this originating application. If you do not come to Court either in person or by your lawyer, the Court may make an order declaring you and all persons claiming under you to be barred from taking any further proceedings against the applicant(s) and against all persons claiming under the applicant(s). You will be bound by any order the Court makes, or another order might be given or other proceedings taken which the applicant(s) is/are entitled to make without any further notice to you. If you want to take part in the application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of this form. If you intend to give evidence in response to the application, you must reply by filing an affidavit or other evidence with the Court and serving a copy of that affidavit or other evidence on the applicant(s) a reasonable time before the application is to be heard or considered.

## Appendix "1" – WebEx Details

File #(s) : APR172026  
Style of Cause: ITMO v. CONFIDENTIAL

Date/Duration:  
Apr 17, 2026 11:00 AM  
Total: 60 Minute(s)

**Virtual Courtroom 60** has been assigned for the above noted matter:

Virtual Courtroom Link: <https://albertacourts.webex.com/meet/virtual.courtroom60>

### Instructions for Connecting to the Meeting

1. Click on the link above or open up Chrome or Firefox and cut and paste it into your browser address bar.
2. If you do not have the Cisco Webex application already installed on your device, the site will have a button to install it. Follow installation instructions. Enter your full name and email address when prompted
3. Click on the Open Cisco Webex Meeting.
4. You will see a preview screen. Click on Join Meeting.

### Key considerations for those attending:

1. Please connect to the courtroom 15 minutes prior to the start of the hearing.
2. Please ensure that your microphone is muted and remains muted for the duration of the proceeding, unless you are speaking. Ensure that you state your name each time you speak.
3. If bandwidth becomes an issue, some participants may be asked to turn off their video and participate by audio only.
4. Note: Recording or rebroadcasting of the video is prohibited.
5. Note: It is highly recommended you use headphones with a microphone or a headset when using Webex. This prevents feedback.

For more information relating to Webex protocols and procedures, please visit: <https://www.albertacourts.ca/qb/court-operations-schedules/webex-remote-hearings-protocol>.

You can also join the meeting via the "Cisco Webex Meetings" App on your smartphone/tablet or other smart device. You can download this via the App marketplace and join via the link provided above.

**SCHEDULE "A"**

**Form of Initial Order**

Clerk's Stamp:



COURT FILE NUMBER  
COURT  
JUDICIAL CENTRE OF

2601-  
COURT OF KING'S BENCH OF ALBERTA  
CALGARY

IN THE MATTER OF THE *COMPANIES'*  
*CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c.  
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COMPROMISE OR ARRANGEMENT OF  
CANADABIS CAPITAL INC., 1998643 ALBERTA  
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ALBERTA LTD., AND FULL SPECTRUM LABS LTD.

APPLICANT:

CANADABIS CAPITAL INC., 1998643 ALBERTA  
LTD., STIGMA PHARMACEUTICALS INC., 2103157  
ALBERTA LTD., AND FULL SPECTRUM LABS LTD.

DOCUMENT  
CONTACT INFORMATION OF PARTY  
FILING THIS DOCUMENT:

**INITIAL ORDER**

**THORNTON GROUT FINNIGAN LLP**  
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100 Wellington Street West, Suite 3200  
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[anesbitt@tgf.ca](mailto:anesbitt@tgf.ca)

**DATE ON WHICH ORDER WAS  
PRONOUNCED:**  
**NAME OF JUDGE WHO MADE THIS  
ORDER:**  
**LOCATION OF HEARING:**

APRIL 17, 2026

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JUSTICE ARMSTRONG

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CALGARY, ALBERTA

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**UPON** the application of CanadaBis Capital Inc., 1998643 Alberta Ltd., Stigma Pharmaceuticals Inc., 2103157 Alberta Ltd., and Full Spectrum Labs Ltd. (collectively, the “**Applicants**”); **AND UPON** having read the Originating Application, the Affidavit of Travis McIntyre sworn April 16, 2026, and the Exhibits thereto (the “**McIntyre Affidavit**”); **AND UPON** reading the consent of the proposed monitor, FTI Consulting Canada Inc. (the “**Proposed Monitor**”) to act as Monitor (the “**Monitor**”); **AND UPON** hearing counsel for the Applicants, counsel for the Proposed Monitor and those other parties attending at the hearing of this Application; **AND UPON** reading the Pre-Filing Report of the Proposed Monitor; **IT IS HEREBY ORDERED AND DECLARED THAT:**

### **SERVICE**

1. The time for service of the notice of application for this order (the “**Order**”) is hereby abridged and deemed good and sufficient and this application is properly returnable today.

### **APPLICATION**

2. The Applicants are each a company to which the *Companies’ Creditors Arrangement Act* of Canada (the “**CCAA**”) applies.

### **POSSESSION OF PROPERTY AND OPERATIONS**

3. The Applicants shall:
  - (a) remain in possession and control of their current and future assets, licences, authorizations, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the “**Property**”);
  - (b) subject to further order of this Court, continue to carry on business in a manner consistent with the preservation of its business (the “**Business**”) and Property;
  - (c) be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively “**Assistants**”) currently retained or employed by them, with liberty to retain such further Assistants as they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order; and
  - (d) be entitled to continue to utilize the cash management system currently in place as described in the McIntyre Affidavit or replace it with another substantially similar cash management system (the “**Cash Management System**”) and that any present or future bank, credit union, or other financial institution providing the Cash Management System:
    - (i) 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; (ii) 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 (iii) shall be, solely in its capacity as provider of the Cash Management System only, an unaffected creditor under any Plan of Compromise or Arrangement 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.

4. To the extent permitted by law, the Applicants shall be entitled but not required to make the following advances or payments of the following expenses, incurred prior to or after this Order:
  - (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and
  - (b) the reasonable fees and disbursements of any Assistants retained or employed by the Applicants in respect of these proceedings, at their standard rates and charges, including for periods prior to the date of this Order.
  
5. Except as otherwise provided to the contrary herein, the Applicants shall be entitled but not required to pay all reasonable expenses incurred by the Applicants in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:
  - (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and
  - (b) payment for goods or services actually supplied to the Applicants following the date of this Order.
  
6. The Applicants shall remit, in accordance with legal requirements, or pay:
  - (a) any statutory deemed trust amounts in favour of the Crown in Right of Canada or of any Province thereof or any other taxation authority that are required to be deducted from employees' wages, including, without limitation, amounts in respect of:
    - (i) employment insurance,
    - (ii) Canada Pension Plan, and

(iv) income taxes,

but only where such statutory deemed trust amounts arise after the date of this Order, or are not required to be remitted until after the date of this Order, unless otherwise ordered by the Court;

- (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;
- (c) any taxes, duties or other payments required under the Cannabis Legislation (as defined below) (collectively, "**Cannabis Taxes**"), but only where such Cannabis Taxes are accrued following the date of this Order; and
- (d) 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 that are attributable to or in respect of the carrying on of the Business by the Applicants.

7. Except as specifically permitted in this Order, the Applicants are hereby directed, until further order of this Court:

- (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicants to any of their creditors as of the date of this Order;
- (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of their Property; and
- (c) not to grant credit or incur liabilities except in the ordinary course of the Business.

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

8. Until and including April 27, 2026, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in 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 the Business or the Property, except with the written consent of the Applicants and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicants or affecting the Business or the Property are hereby stayed and suspended pending further order of this Court.

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

9. 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**”), whether judicial or extra-judicial, statutory or non-statutory against or in respect of the Applicants or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended and shall not be commenced, proceeded with or continued 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;
  - (d) prevent the registration of a claim for lien; or
  - (e) exempt the Applicants from compliance with statutory or regulatory provisions relating to health, safety or the environment.
10. Nothing in this Order shall prevent any party from taking an action against the Applicants where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such party except in accordance with the other provisions of this Order, and notice in writing of such action be given to the Monitor at the first available opportunity.

## **NO INTERFERENCE WITH RIGHTS**

11. During the Stay Period, no person shall accelerate, suspend, discontinue, fail to honour or renew, alter, interfere with, repudiate, rescind, terminate or cease to perform any right, renewal right, contract, agreement, licence, including the Licences (as defined herein), 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**

12. During the Stay Period, all persons having:
- (a) statutory or regulatory mandates for the supply of goods and/or services; or

- (b) oral or written agreements or arrangements with the Applicants, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility, agreements with licensed cannabis producers, processors, distributors, retailers, and other suppliers of cannabis or cannabis products, any equipment lease or rental agreement, or other services to the Business or the Applicants,

are hereby restrained until further order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the Applicants or exercising any other remedy provided under such agreements or arrangements. 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 usual prices or charges for all such goods or services received after the date of this Order are paid by the Applicants in accordance with the 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**

13. Nothing in this Order has the effect of prohibiting a person from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any person, be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicants.

#### **PROCEEDINGS AGAINST DIRECTORS AND OFFICERS**

14. During the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA and paragraph 10 of this Order, 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 of this Order 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**

15. The Applicants shall indemnify its directors and officers against obligations and liabilities that they may incur as directors and 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 was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

16. 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 \$900,000, as security for the indemnity provided in paragraph 15 of this Order. The Directors' Charge shall have the priority set out in paragraphs 27 and 29 herein.
17. 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 15 of this Order.

#### **APPOINTMENT OF MONITOR**

18. FTI Consulting Canada Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the Property, Business, and financial affairs and the Applicants with the powers and obligations set out in the CCAA or set forth herein and that the Applicants and its 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.
19. 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, Business and dealings with the Property;
  - (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein and immediately report to the Court if in the opinion of the Monitor there is a material adverse change in the financial circumstances of the Applicants;
  - (c) advise the Applicants in the preparation of the Applicants' cash flow statements;

- (d) 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 Property, Business, and financial affairs of the Applicants or to perform its duties arising under this Order;
  - (e) 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;
  - (f) hold funds in trust or in escrow, to the extent required, to facilitate settlements between the Applicants and any other Person; and
  - (g) perform such other duties as are required by this Order or by this Court from time to time.
20. 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, including the Property for which a permit or licence is issued or required pursuant to any provision of any federal, provincial or other law respecting, among other things, the manufacturing, possession, processing, and distribution of cannabis or cannabis products, including, without limitation, under the *Cannabis Act*, S.C. 2018, c. 16, as amended, the *Controlled Drugs and Substances Act*, S.C. 1996, c. 19, as amended, the *Criminal Code*, R.S.C. 1985, c. C-46, as amended, the *Excise Act, 2001*, S.C. 2002, c. 22, as amended, the *Alberta Gaming, Liquor and Cannabis Act*, R.S.A. 2000, c. G-1, as amended, the *Alberta Gaming, Liquor and Cannabis Regulation*, Alta. Reg. 143/996, as amended, the *Ontario Cannabis Licence Act*, S.O. 2018, c. 12, Sched. 2, as amended, the *Ontario Cannabis Control Act*, S.O. 2017, c. 26, Sched. 1, as amended, the *Ontario Cannabis Retail Corporation Act*, 2017, S.O. 2017, c. 26, as amended, 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 Cannabis Control (Saskatchewan) Act*, S.S. 2018, c. C-2.111, as amended, the *Saskatchewan Cannabis Control (Saskatchewan) Regulations*, R.R.S. c. C-2.111 Reg. 1, the *Manitoba The Liquor, Gaming and Cannabis Control Act*, C.C.S.M. c. L153, as amended, the *Manitoba Cannabis Regulation*, M.R. 120/2018, as amended, the *Nova Scotia Cannabis Control Act*, S.N.S. 2018, c 3, as amended, the *Nova Scotia Cannabis Retail Regulations*, NS. Reg. 203/2019, the *Yukon Cannabis Control and Regulation Act*, S.Y. 2018, c. 4, as amended, the *Yukon Cannabis Control and Regulation*, YOIC. 2018/139, the *Yukon Cannabis Control and Regulation General Regulation*, YOIC. 2018/184, the *Yukon Cannabis Licensing Regulation*, YOIC.2019/43, the *Yukon Cannabis Remote Sales Regulation*, YOIC. 2022/29, the *Northwest Territories Cannabis Legalization and Regulation Implementation Act*, S.N.W.T. 2018, c.6, as amended, the *Nunavut Cannabis Act*, S.Nu. 2018, c. 7, or such other applicable federal, provincial or other legislation or regulations (collectively, the "**Cannabis Legislation**"), and shall take no part

whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, or by inadvertence in relation to the due exercise of powers or performance of duties under this Order, be deemed to have taken or maintain possession or control of the Business or Property, or any part thereof within the meaning of any Cannabis Legislation, 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.

21. Nothing in this Order shall require the Monitor to occupy or to take control, care, charge, possession or management of any of the Property that might be environmentally contaminated, 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 or waste or other contamination, provided however that this Order does not exempt the Monitor from any duty to report or make disclosure imposed by applicable environmental legislation or regulation. 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 federal or provincial environmental legislation.
22. The Monitor shall provide any creditor of the Applicants with information provided by the Applicants in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicants is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicants may agree.
23. In addition to the rights and protections afforded the Monitor under the CCAA or as an Officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.
24. The Monitor, counsel to the Monitor, and counsel to the Applicants shall be paid their reasonable fees and disbursements (including any pre-filing fees and disbursements related to these CCAA proceedings), 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 each in the respective amount of \$50,000, and a retainer to counsel for the Monitor in the amount of \$30,000, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

25. The Monitor and its legal counsel shall pass their accounts from time to time.
26. The Monitor, counsel to the Monitor, if any, and the Applicants' counsel, as security for the professional fees and disbursements incurred both before and after the granting of this Order, shall be entitled to the benefits of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of \$150,000, as security for their professional fees and disbursements incurred at the normal rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 27 and 29 hereof.

#### **VALIDITY AND PRIORITY OF CHARGES**

27. The priorities of the Administration Charge and the Directors' Charge (collectively, the "**Charges**") as among them, shall be as follows:  
  
First – Administration Charge (to the maximum amount of \$150,000); and  
  
Second – Directors' Charge (to the maximum amount of \$900,000).
28. The filing, registration or perfection of the Charges shall not be required, and 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.
29. Each of the Charges shall constitute a charge on the Property and subject always to section 34(11) of the CCAA such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, and claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person, provided that the Charges shall rank subsequent to Encumbrances in favour of any Persons that have not been served with notice of this application. The Applicants and the beneficiaries of the Charges shall be entitled to seek priority ahead of such Encumbrances on notice to those parties at a subsequent hearing.
30. 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 ranks in priority to, or *pari passu* with, any of the Charges, unless the Applicants also obtains the prior written consent of the Monitor, and the beneficiaries of the Directors' Charge and the Administration Charge, or further order of this Court.

31. The Charges shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the “**Chargees**”) 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 this Order;
  - (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:
    - (i) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of any documents in respect thereof, shall create or be deemed to constitute a new breach by the Applicants of any Agreement to which they are a party;
    - (ii) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges; and
    - (iii) the payments made by the Applicants pursuant to this Order, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct or other challengeable or voidable transactions under any applicable law.

#### **ALLOCATION**

32. Any interested Person may apply to this Court on notice to any other party likely to be affected for an order to allocate the Charges amongst the various assets comprising the Property.

#### **CORPORATE MATTERS**

33. The requirement for any future annual general meeting of the shareholders of CanadaBis Capital Inc. is postponed during the pendency of these CCAA proceedings, and the time limit to call and hold such annual general meeting of shareholders is extended until after the conclusion of these CCAA proceedings, subject to further Order of this Court.

## RELIEF FROM SECURITIES REPORTING AND FILING OBLIGATIONS

34. The decision by the Applicants to incur no further expenses for the duration of the Stay Period in relation to any filings (including financial statements), disclosures, core or non-core documents, and press releases (collectively, the “**Securities Filings**”) that may be required by any federal, provincial or other law respecting securities or capital markets in Canada, or by the rules and regulations of a stock exchange, including, without limitation, the *Securities Act* (Ontario), RSO 1990, c S.5 and comparable statutes enacted by other provinces of Canada, and the rules, regulations and policies of the Toronto Stock Exchange and TSX Venture Exchange (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.
35. None of the directors, officers, employees, or 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.

## “STATUS QUO” OF APPLICANTS’ LICENSE

36. The status quo in respect of the Applicants’ Health Canada licences and the cannabis excise license (collectively, the “**Licences**”) shall be preserved and maintained during the pendency of the Stay Period, including, without limitation, the Applicants ability to possess, test, produce, cultivate, and sell cannabis in the ordinary course under the Licences and the Applicants’ ability to order and affix Canada Revenue Agency excise stamps.

## SERVICE AND NOTICE

37. The Monitor shall (i) without delay, publish in the *Globe and Mail* (National Edition) a notice containing the information prescribed under the CCAA; (ii) within five (5) 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.

38. The Monitor shall establish a case website in respect of the within proceedings at <https://cfcanada.fticonsulting.com/CanadaBis> (the "**Monitor's Website**").
39. The Applicants and, where applicable, the Monitor and their respective counsel are at liberty to serve this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, recorded mail, courier, personal delivery or electronic 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 notice by courier, personal delivery or electronic transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail or recorded mail, on the seventh day after mailing. Any person that wishes to be served with any application and other materials in these proceedings must deliver to the Applicants or the Monitor by way of ordinary mail, courier, or electronic transmission, a request to be added to the service list (the "**Service List**") to be maintained by the Monitor.
40. Any party to these proceedings may serve any court materials in these proceedings by emailing a PDF or other electronic copy of such materials to counsel's email addresses as recorded on the Service List from time to time, and the Monitor shall post a copy of all prescribed materials on the Monitor's Website.

#### **COMEBACK HEARING**

41. The comeback hearing shall be heard on April 27, 2026.

#### **GENERAL**

42. 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.
43. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, unless otherwise ordered by this Court, the Monitor will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence. The Monitor's reports shall be filed by the Court Clerk notwithstanding that they do not include an original signature.

44. 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.
45. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any foreign jurisdiction, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.
46. 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 proceeding for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
47. Any interested party (including the Applicants or 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.
48. This Order and all of its provisions are effective as of 12:01 a.m. Mountain Standard Time on the date of this Order.

**SCHEDULE "B"**

**Form of Amended and Restated Initial Order**

Clerk's Stamp:



COURT FILE NUMBER  
COURT  
JUDICIAL CENTRE OF

2601-  
COURT OF KING'S BENCH OF ALBERTA  
CALGARY

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  
CANADABIS CAPITAL INC., 1998643 ALBERTA  
LTD., STIGMA PHARMACEUTICALS INC., 2103157  
ALBERTA LTD., AND FULL SPECTRUM LABS LTD.

APPLICANT:

CANADABIS CAPITAL INC., 1998643 ALBERTA  
LTD., STIGMA PHARMACEUTICALS INC., 2103157  
ALBERTA LTD., AND FULL SPECTRUM LABS LTD.

DOCUMENT  
CONTACT INFORMATION OF PARTY  
FILING THIS DOCUMENT:

**AMENDED AND RESTATED INITIAL ORDER**

**THORNTON GROUT FINNIGAN LLP**  
TD West Tower, Toronto-Dominion Centre  
100 Wellington Street West, Suite 3200  
Toronto, Ontario M5K 1K7  
Tel: 416-304-1616

Attn: **Mitchell W. Grossell / Derek Harland /  
Andrew Nesbitt**

Telephone: 416-304-1616  
Email: [mgrossell@tgf.ca](mailto:mgrossell@tgf.ca) / [धारland@tgf.ca](mailto:धारland@tgf.ca) /  
[anesbitt@tgf.ca](mailto:anesbitt@tgf.ca)

**DATE ON WHICH ORDER WAS  
PRONOUNCED:**  
**NAME OF JUDGE WHO MADE THIS  
ORDER:**  
**LOCATION OF HEARING:**

APRIL 27, 2026

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JUSTICE JONES

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CALGARY, ALBERTA

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**UPON** the application of CanadaBis Capital Inc., 1998643 Alberta Ltd., Stigma Pharmaceuticals Inc., 2103157 Alberta Ltd., and Full Spectrum Labs Ltd. (collectively, the “**Applicants**”); **AND UPON** having read the Originating Application, the Affidavit of Travis McIntyre sworn April 16, 2026, and the Exhibits thereto (the “**McIntyre Affidavit**”); and the Affidavit of Service of Andrew Nesbitt, filed; **AND UPON** reading the consent of FTI Consulting Canada Inc. (the “**Monitor**”) to act as Monitor; **AND UPON** being advised that the secured creditors who are likely to be affected by the charges created herein have been provided notice of this application and either do not oppose or alternatively consent to the within Order; **AND UPON** hearing counsel for the Applicants, counsel for the Monitor and those other parties attending at the hearing of this motion; **AND UPON** reading the Pre-Filing Report of the Monitor; **IT IS HEREBY ORDERED AND DECLARED THAT:**

#### **SERVICE**

1. The time for service of the notice of application for this order (the “**Order**”) is hereby abridged and deemed good and sufficient and this application is properly returnable today.

#### **APPLICATION**

2. The Applicants are each a company to which the *Companies’ Creditors Arrangement Act* of Canada (the “**CCA**”) applies.

#### **PLAN OF ARRANGEMENT**

3. 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 (the “**Plan**”).

#### **POSSESSION OF PROPERTY AND OPERATIONS**

4. The Applicants shall:
  - (a) remain in possession and control of their current and future assets, licences, authorizations, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the “**Property**”);
  - (b) subject to further order of this Court, continue to carry on business in a manner consistent with the preservation of its business (the “**Business**”) and Property;
  - (c) be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively “**Assistants**”) currently retained or employed by them, with liberty to retain such further Assistants as they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order; and

- (d) be entitled to continue to utilize the cash management system currently in place as described in the McIntyre Affidavit or replace it with another substantially similar cash management system (the “**Cash Management System**”) and that any present or future bank, credit union, or other financial institution providing the Cash Management System:
    - (i) 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; (ii) 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 (iii) shall be, solely in its capacity as provider of the Cash Management System only, an unaffected creditor under any Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System, on or after the date of this Order.
5. To the extent permitted by law, the Applicants shall be entitled but not required to make the following advances or payments of the following expenses, incurred prior to or after this Order:
- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements, but not including any payments to former employees or retirees, or termination or severance payments, which are hereby stayed;
  - (b) the reasonable fees and disbursements of any Assistants retained or employed by the Applicants in respect of these proceedings, at their standard rates and charges, including for periods prior to the date of this Order; and
  - (c) obligations and expenses for goods and services supplied to the Applicants prior to the date of this Order by vendors and suppliers that are deemed by the Applicants to be critical to ensure the continued operation or preservation of the Business or the Property, or the ongoing supply of critical goods and services to the Applicants, subject to prior approval by the Monitor, up to the maximum amount of \$290,000.
6. Except as otherwise provided to the contrary herein, the Applicants shall be entitled but not required to pay all reasonable expenses incurred by the Applicants in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and
  - (b) payment for goods or services actually supplied to the Applicants following the date of this Order.
7. The Applicants shall remit, in accordance with legal requirements, or pay:
- (a) any statutory deemed trust amounts in favour of the Crown in Right of Canada or of any Province thereof or any other taxation authority that are required to be deducted from employees' wages, including, without limitation, amounts in respect of:
    - (i) employment insurance,
    - (ii) Canada Pension Plan, and
    - (iv) income taxes,but only where such statutory deemed trust amounts arise after the date of this Order, or are not required to be remitted until after the date of this Order, unless otherwise ordered by the Court;
  - (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;
  - (c) any taxes, duties or other payments required under the Cannabis Legislation (as defined below) (collectively, "**Cannabis Taxes**"), but only where such Cannabis Taxes are accrued following the date of this Order; and
  - (d) 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 that are attributable to or in respect of the carrying on of the Business by the Applicants.
8. Except as specifically permitted in this Order, the Applicants are hereby directed, until further order of this Court:
- (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicants to any of their creditors as of the date of this Order;

- (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of their Property; and
- (c) not to grant credit or incur liabilities except in the ordinary course of the Business.

## **RESTRUCTURING**

9. 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 portion of its 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, provided that any sale that is either (i) in excess of the above thresholds, or (ii) in favour of a person related to the Applicants (within the meaning of section 36(5) of the CCAA), shall require authorization by this Court in accordance with section 36 of the CCAA;
  - (b) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate on such terms as may be agreed upon between the Applicants and such employee, or failing such agreement, to deal with the consequences thereof in the Plan;
  - (c) disclaim or resiliate, in whole or in part, with the prior consent of the Monitor or further Order of the Court, their arrangements or agreements of any nature whatsoever with whomsoever, whether oral or written, as the Applicants deems appropriate, in accordance with section 32 of the CCAA; and
  - (d) pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,
- all of the foregoing to permit the Applicants to proceed with an orderly restructuring of the Business (the “**Restructuring**”).

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

10. Until and including June 11, 2026, or such later date as this Court may order (the “**Stay Period**”), no proceeding or enforcement process in 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 the Business or the Property, except with the written consent of the Applicants and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicants or affecting the Business or the Property are hereby stayed and suspended pending further order of this Court.

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

11. 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**”), whether judicial or extra-judicial, statutory or non-statutory against or in respect of the Applicants or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended and shall not be commenced, proceeded with or continued 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;
  - (d) prevent the registration of a claim for lien; or
  - (e) exempt the Applicants from compliance with statutory or regulatory provisions relating to health, safety or the environment.
12. Nothing in this Order shall prevent any party from taking an action against the Applicants where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such party except in accordance with the other provisions of this Order, and notice in writing of such action be given to the Monitor at the first available opportunity.

## **NO INTERFERENCE WITH RIGHTS**

13. During the Stay Period, no person shall accelerate, suspend, discontinue, fail to honour or renew, alter, interfere with, repudiate, rescind, terminate or cease to perform any right, renewal right, contract, agreement, licence, including the Licences (as defined herein), 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**

14. During the Stay Period, all persons having:
- (a) statutory or regulatory mandates for the supply of goods and/or services; or

- (b) oral or written agreements or arrangements with the Applicants, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility, agreements with licensed cannabis producers, processors, distributors, retailers, and other suppliers of cannabis or cannabis products, any equipment lease or rental agreement, or other services to the Business or the Applicants,

are hereby restrained until further order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the Applicants or exercising any other remedy provided under such agreements or arrangements. 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 usual prices or charges for all such goods or services received after the date of this Order are paid by the Applicants in accordance with the 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**

15. Nothing in this Order has the effect of prohibiting a person from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any person, be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicants.

#### **PROCEEDINGS AGAINST DIRECTORS AND OFFICERS**

16. During the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA and paragraph 12 of this Order, 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 of this Order 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**

17. The Applicants shall indemnify its directors and officers against obligations and liabilities that they may incur as directors and 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 was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

18. 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 \$2,900,000 as security for the indemnity provided in paragraph 17 of this Order. The Directors' Charge shall have the priority set out in paragraphs 29 and 31 herein.
19. 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 17 of this Order.

#### **APPOINTMENT OF MONITOR**

20. FTI Consulting Canada Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the Property, Business, and financial affairs and the Applicants with the powers and obligations set out in the CCAA or set forth herein and that the Applicants and its 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.
21. 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, Business and dealings with the Property;
  - (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein and immediately report to the Court if in the opinion of the Monitor there is a material adverse change in the financial circumstances of the Applicants;
  - (c) advise the Applicants in the preparation of the Applicants' cash flow statements;
  - (d) advise the Applicants in its development of the Plan and any amendments to the Plan;

- (e) 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;
  - (f) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form and other financial documents of the Applicants to the extent that is necessary to adequately assess the Property, Business, and financial affairs of the Applicants or to perform its duties arising under this Order;
  - (g) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;
  - (h) hold funds in trust or in escrow, to the extent required, to facilitate settlements between the Applicants and any other Person; and
  - (i) perform such other duties as are required by this Order or by this Court from time to time.
22. 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, including the Property for which a permit or licence is issued or required pursuant to any provision of any federal, provincial or other law respecting, among other things, the manufacturing, possession, processing, and distribution of cannabis or cannabis products, including, without limitation, under the *Cannabis Act*, S.C. 2018, c. 16, as amended, the *Controlled Drugs and Substances Act*, S.C. 1996, c. 19, as amended, the *Criminal Code*, R.S.C. 1985, c. C-46, as amended, the *Excise Act, 2001*, S.C. 2002, c. 22, as amended, the *Alberta Gaming, Liquor and Cannabis Act*, R.S.A. 2000, c. G-1, as amended, the *Alberta Gaming, Liquor and Cannabis Regulation*, Alta. Reg. 143/996, as amended, the *Ontario Cannabis Licence Act*, S.O. 2018, c. 12, Sched. 2, as amended, the *Ontario Cannabis Control Act*, S.O. 2017, c. 26, Sched. 1, as amended, the *Ontario Cannabis Retail Corporation Act*, 2017, S.O. 2017, c. 26, as amended, 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 Cannabis Control (Saskatchewan) Act*, S.S. 2018, c. C-2.111, as amended, the *Saskatchewan Cannabis Control (Saskatchewan) Regulations*, R.R.S. c. C-2.111 Reg. 1, the *Manitoba The Liquor, Gaming and Cannabis Control Act*, C.C.S.M. c. L153, as amended, the *Manitoba Cannabis Regulation*, M.R. 120/2018, as amended, the *Nova Scotia Cannabis Control Act*, S.N.S. 2018, c 3, as amended, the *Nova Scotia Cannabis Retail Regulations*, NS. Reg. 203/2019, the *Yukon Cannabis Control and Regulation Act*, S.Y. 2018, c. 4, as amended, the *Yukon Cannabis Control and Regulation*, YOIC. 2018/139, the *Yukon Cannabis Control and Regulation General Regulation*, YOIC. 2018/184, the *Yukon Cannabis Licensing Regulation*, YOIC.2019/43, the *Yukon Cannabis Remote Sales Regulation*, YOIC. 2022/29, the Northwest

Territories *Cannabis Legalization and Regulation Implementation Act*, S.N.W.T. 2018, c.6, as amended, the Nunavut *Cannabis Act*, S.Nu. 2018, c. 7, or such other applicable federal, provincial or other legislation or regulations (collectively, the “**Cannabis Legislation**”), and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, or by inadvertence in relation to the due exercise of powers or performance of duties under this Order, be deemed to have taken or maintain possession or control of the Business or Property, or any part thereof within the meaning of any Cannabis Legislation, 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.

23. Nothing in this Order shall require the Monitor to occupy or to take control, care, charge, possession or management of any of the Property that might be environmentally contaminated, 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 or waste or other contamination, provided however that this Order does not exempt the Monitor from any duty to report or make disclosure imposed by applicable environmental legislation or regulation. 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 federal or provincial environmental legislation.
24. The Monitor shall provide any creditor of the Applicants with information provided by the Applicants in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicants is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicants may agree.
25. In addition to the rights and protections afforded the Monitor under the CCAA or as an Officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.
26. The Monitor, counsel to the Monitor, and counsel to the Applicants shall be paid their reasonable fees and disbursements (including any pre-filing fees and disbursements related to these CCAA proceedings), 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 each in the respective amount of \$50,000, and a retainer to counsel for the Monitor in the amount of \$30,000, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

27. The Monitor and its legal counsel shall pass their accounts from time to time.
28. The Monitor, counsel to the Monitor, if any, and the Applicants' counsel, as security for the professional fees and disbursements incurred both before and after the granting of this Order, shall be entitled to the benefits of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of \$375,000, as security for their professional fees and disbursements incurred at the normal rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 29 and 31 hereof.

#### **VALIDITY AND PRIORITY OF CHARGES**

29. The priorities of the Administration Charge and the Directors' Charge (collectively, the "**Charges**") as among them, shall be as follows:  
  
First – Administration Charge (to the maximum amount of \$375,000); and  
  
Second – Directors' Charge (to the maximum amount of \$2,900,000).
30. The filing, registration or perfection of the Charges shall not be required, and 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.
31. Each of the Charges shall constitute a charge on the Property and subject always to section 34(11) of the CCAA such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, and claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person.
32. 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 ranks in priority to, or *pari passu* with, any of the Charges, unless the Applicants also obtains the prior written consent of the Monitor, and the beneficiaries of the Directors' Charge and the Administration Charge, or further order of this Court.

33. The Charges shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the “**Chargees**”) 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 this Order;
  - (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:
    - (i) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of any documents in respect thereof, shall create or be deemed to constitute a new breach by the Applicants of any Agreement to which they are a party;
    - (ii) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges; and
    - (iii) the payments made by the Applicants pursuant to this Order, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct or other challengeable or voidable transactions under any applicable law.

#### **ALLOCATION**

34. Any interested Person may apply to this Court on notice to any other party likely to be affected for an order to allocate the Charges amongst the various assets comprising the Property.

#### **NO PRE-FILING VS POST-FILING SET OFF**

35. No Person shall be entitled to set off any amounts that: (a) are or may become due to the Applicants in respect of obligations arising prior to the date hereof with any amounts that are or may become due from the Applicants in respect of obligations arising on or after the date of this Order; or (b) are or may become due from the Applicants in respect of obligations arising prior to the date hereof with any amounts that are or may become due to the Applicants in respect of obligations arising on

or after the date of this Order, each without the consent of the Applicants and the Monitor or further Order of this Court.

### **CORPORATE MATTERS**

36. The requirement for any future annual general meeting of the shareholders of CanadaBis Capital Inc. is postponed during the pendency of these CCAA proceedings, and the time limit to call and hold such annual general meeting of shareholders is extended until after the conclusion of these CCAA proceedings, subject to further Order of this Court.

### **RELIEF FROM SECURITIES REPORTING AND FILING OBLIGATIONS**

37. The decision by the Applicants to incur no further expenses for the duration of the Stay Period in relation to any filings (including financial statements), disclosures, core or non-core documents, and press releases (collectively, the "**Securities Filings**") that may be required by any federal, provincial or other law respecting securities or capital markets in Canada, or by the rules and regulations of a stock exchange, including, without limitation, the *Securities Act* (Ontario), RSO 1990, c S.5 and comparable statutes enacted by other provinces of Canada, and the rules, regulations and policies of the Toronto Stock Exchange and TSX Venture Exchange (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.
38. None of the directors, officers, employees, or 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.

## **“STATUS QUO” OF APPLICANTS’ LICENSE**

39. The status quo in respect of the Applicants’ Health Canada licences and the cannabis excise license (collectively, the “**Licences**”) shall be preserved and maintained during the pendency of the Stay Period, including, without limitation, the Applicants ability to possess, test, produce, cultivate, and sell cannabis in the ordinary course under the Licences and the Applicants’ ability to order and affix Canada Revenue Agency excise stamps.

## **SERVICE AND NOTICE**

40. The Monitor shall (i) without delay, publish in the *Globe and Mail* (National Edition) a notice containing the information prescribed under the CCAA; (ii) within five (5) 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.
41. The Monitor shall establish a case website in respect of the within proceedings at <https://cfcanada.fticonsulting.com/CanadaBis> (the “**Monitor's Website**”).
42. The Applicants and, where applicable, the Monitor and their respective counsel are at liberty to serve this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, recorded mail, courier, personal delivery or electronic 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 notice by courier, personal delivery or electronic transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail or recorded mail, on the seventh day after mailing. Any person that wishes to be served with any application and other materials in these proceedings must deliver to the Applicants or the Monitor by way of ordinary mail, courier, or electronic transmission, a request to be added to the service list (the “**Service List**”) to be maintained by the Monitor.
43. Any party to these proceedings may serve any court materials in these proceedings by emailing a PDF or other electronic copy of such materials to counsel's email addresses as recorded on the Service List from time to time, and the Monitor shall post a copy of all prescribed materials on the Monitor's Website.

## GENERAL

44. 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.
45. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, unless otherwise ordered by this Court, the Monitor will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence. The Monitor's reports shall be filed by the Court Clerk notwithstanding that they do not include an original signature.
46. 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.
47. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any foreign jurisdiction, 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.
48. 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 proceeding for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
49. Any interested party (including the Applicants or 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.
50. This Order and all of its provisions are effective as of 12:01 a.m. Mountain Standard Time on the date of this Order.