



This is the 6th affidavit  
of Paul Antoniadis in this case  
and was made on October 30, 2024

No. S-244212  
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

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

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*,  
S.B.C. 2002, c.57, AS AMENDED

AND

IN THE MATTER OF GOOD NATURED PRODUCTS INC., & THOSE ENTITIES LISTED  
IN SCHEDULE "A"

PETITIONERS

**AFFIDAVIT**

I, Paul Antoniadis, businessperson, of 814 - 470 Granville Street, Vancouver, British Columbia,  
AFFIRM THAT:

1. I am the Chief Executive Officer of good natured Products Inc. ("**GDNP PubCo**"), one of the petitioners in these proceedings. I have held this position since June, 2015. In my role as Chief Executive Officer of GDNP PubCo, I am responsible for overseeing the day-to-day operations of GDNP PubCo and the petitioners listed in Schedule "A" (collectively, the "**Petitioners**" or the "**Company**"), their liquidity management and, ultimately, their restructuring process. As such, I have personal knowledge of the matters deposed to herein. Where I have relied on other sources of information, I have so stated and I believe them to be true.
2. This affidavit is made supplemental to my Affidavit #4 made on October 24, 2024 and the Affidavit #2 of Beckett Reinecke (the "**Reinecke Affidavit**"), and in support of an application by the Petitioners for an order (the "**RVO**") under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), among other things, approving the transactions (the "**Transactions**") contemplated by the Subscription

Agreement dated October 23, 2024 (the “**Subscription Agreement**”), among GDNP PubCo and HUK 149 Limited (the “**Purchaser**”), as amended, to affect a sale of the Petitioners to the Purchaser.

3. Capitalized terms used but not otherwise defined in this notice of application shall have the meanings given to them in the First Affidavit of Paul Antoniadis made on June 27, 2024, the Order of this Honourable Court granted June 28, 2024 (the “**Initial Order**”), the Order of this Honourable Court granted July 8, 2024 (the “**ARIO**”), the Order of this Honourable Court granted July 11, 2024 approving DIP financing (the “**DIP Approval Order**”), the Order of this Honourable Court granted July 11, 2024 approving a SISP (the “**SISP Approval Order**”), and the Subscription Agreement, as applicable.

**A. Background**

4. On October 28, 2024, this Court declined to approve the Transactions under a prior version of the Subscription Agreement, with reasons to follow.
5. Following the hearing on October 28, 2024, the Petitioners, the Purchaser and various stakeholders finalized revisions to the Subscription Agreement that address the concerns expressed by the sales agent, Capital West Partners (the “**Sales Agent**”), and the Monitor. The Petitioners are accordingly re-seeking the Court’s approval of the Subscription Agreement, as revised, and the granting of an RVO.
6. If this Court grants the RVO sought, the Foreign Representative will seek recognition in the Chapter 15 Proceedings as soon as possible.

**B. The Revised Subscription Agreement**

7. Attached hereto as **Exhibit “A”** to this affidavit is a true copy of the revised Subscription Agreement between GDNP PubCo and the Purchaser (the “**Revised Subscription Agreement**”). The Revised Subscription Agreement amends the previous version of the Subscription Agreement exhibited to the Reinecke Affidavit and for which Court approval was sought on October 28, 2024 (the “**Previous Subscription Agreement**”).

8. Attached hereto as **Exhibit “B”** to this affidavit is a true copy of a blackline between the Previous Subscription Agreement and the Revised Subscription Agreement.
9. The material change between the Revised Subscription Agreement and the Previous Subscription Agreement is the change to the Closing Payment. Under the Revised Subscription Agreement, at the Closing, GDNP PubCo shall cause \$892,500 from the Revolving Credit Facility to be paid to the Monitor, in trust. The Monitor may utilize the Closing Payment to pay and satisfy the Cap West Success Fee Charge.
10. I understand that the Secured Creditors, the Monitor, and the Sales Agent are all supportive of the revised Subscription Agreement and the Transactions provided therein.
11. I am of the view that the Revised Subscription Agreement is the only executable transaction available to the Petitioners that will ensure continuation of their businesses on a going concern basis, thereby preserving the employment of most employees and the go forward value of the relationship for the Petitioners’ suppliers and service providers. It is the only transaction that is supported by Wells Fargo and will see all secured debt satisfied. It provides the highest and best value for the Petitioners and their stakeholders.
12. Following the hearing of the Petitioner’s original notice of application on October 28, 2024, and the Court declining to approve the Transaction (as it was then formulated), the Company, the Purchaser and various stakeholders worked to address the concerns expressed by the Sales Agent and the Monitor on the Transaction and, on October 30, 2024, the Revised Subscription Agreement was agreed to. The Petitioners are accordingly seeking approval of the Revised Subscription Agreement.
13. I am of the view that the Revised Subscription Agreement represents the best path forward for the Petitioners and their stakeholders, as:
  - (a) The Revised Subscription Agreement is the culmination of significant solicitation efforts on the part of both the Petitioners (in respect of the Pre-Filing Sale Process) and the Petitioners and the Monitor (in respect of the SISP), the latter of which was approved by the Court pursuant to the SISP Approval Order. As part of the Pre-Filing Sale Process, the Petitioners’ advisor, William Blair, broadly canvassed the

market by engaging with potential investors and purchasers. However, no actionable bids were submitted. As part of the SISP, the Monitor and the Sales Agent made extensive efforts to solicit interest in an acquisition of the Company's business and assets. The SISP was successful, garnering significant participation by interested parties, the receipt of seven bids in Phase I, and the participation of four Qualified Bidders in Phase II. While only two Qualified Final Bids were received, the SISP was reasonable and effective;

- (b) The Monitor was actively involved and consulted in the SISP and is now supportive of the Revised Subscription Agreement.
  - (c) The Petitioners consulted with Wells Fargo, RBC, TD Bank, ACB, and EDC where appropriate in the SISP and I understand each is supportive of the Revised Subscription Agreement.
  - (d) Following the Closing of the Revised Subscription Agreement, the Petitioners will continue their operations as a going concern, resulting in, among other things: (i) preservation of the employment of Petitioner employees (it is estimated that only 12 employees will be terminated following the transaction, leaving over 100 employed); (ii) ongoing business for the Petitioners' suppliers and other service providers, including paying cure costs for retained contracts, and (iii) the preservation of value for the Petitioners' secured creditors through an assumption of all secured debt by the Purchaser.
  - (e) The Purchase Price payable pursuant to the Revised Subscription Agreement is fair and reasonable, as confirmed by the results of the Pre-Filing Sale Process and the SISP.
14. I believe that an RVO structure is the most appropriate structure in this case to facilitate the Revised Subscription Agreement, as:
- (a) The multiplicity of corporate entities comprising the GDNP Business, and multiplicity of the contracts, licences, permits and other assets, located across multiple Canadian provinces and U.S. states, would render an asset sale logistically



complex and add significantly to the costs of the Petitioners' restructuring proceedings, including the costs of documenting and implementing the transaction. Further, under the RVO, approximately \$51 million of non-capital losses (per the Petitioners' audited financial statements) are carried forward in Canada and the U.S. Some or all of these tax attributes would be lost to the Purchaser in an asset-based transaction. The Purchaser was only willing to submit a bid in the SISP structured as an RVO.

- (b) The outcomes of the Pre-Filing Sale Process and the SISP demonstrate that there is no other viable alternative. Further, given the factors identified above, the Petitioners submit that it is reasonable to conclude that the purchase price payable under an asset purchase and sale transaction - to the extent that any such transaction could be identified - would likely be reduced to reflect the additional costs and fewer benefits associated with an asset-based transaction.
  - (c) There is no other viable alternative to the proposed Transactions. In any event, no stakeholder is worse off as a result of the transaction with the Purchaser being implemented by way of a reverse vesting order. Among other things, the Purchaser is assuming all accounts payable arising from or related to the Assumed Contracts.
  - (d) The Purchase Price reflects the importance and value of the corporate structure and tax attributes being preserved under the RVO structure, and (the Petitioners submit) the lower transaction costs associated with the RVO structure.
15. With respect to the cancellation of shares under the RVO, I believe it is appropriate in these circumstances as the existing shareholders have no economic interest in the company and there will be no entitlement to recovery for existing shareholder under the Revised Subscription Agreement.
16. Further, with respect to releases built into the RVO, I am of the view that the parties being released have made significant contributions to the development and implementation of the Petitioners' exit from these CCAA proceedings and the releases are rationally connected to the restructuring of the Petitioners' business and essential to its success.

17. In conclusion, I am of the view that the Revised Subscription Agreement is the only executable transaction available to the Petitioners that will ensure continuation of their businesses on a going concern basis.

AFFIRMED BEFORE ME at Vancouver, )  
British Columbia, on October 30, 2024. )



A Commissioner for taking affidavits for )  
British Columbia )



PAUL ANTONIADIS

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## **SCHEDULE A**

### ***Canadian Petitioners***

1. good natured Products Inc.
2. good natured Real Estate Holdings (Ontario) Inc.
3. 1306187 B.C. Ltd.
4. good natured Products (CAD) Inc.
5. good natured Products Packaging Canada GP Inc.
6. good natured Products Packaging Brampton GP Inc.
7. good natured Products Industrial Canada GP Inc.
8. good natured Products Packaging Canada LP
9. good natured Products Packaging Brampton LP
10. good natured Products Industrial Canada LP

### ***US Petitioners***

11. good natured Products (US) Inc.
12. good natured Products (Illinois), LLC
13. good natured Products Real Estate U.S., LLC
14. good natured Products Packaging US LLC
15. good natured Products Direct LLC
16. good natured Products (Texas) LLC

This is Exhibit "A" referred to in the  
Affidavit #6 of Paul Antoniadis affirmed  
before me at Vancouver, BC,  
this 30th day of October 2024

A handwritten signature in blue ink, appearing to be 'Ci-2K', written over a horizontal line.

A Commissioner/Notary Public for the  
Province of British Columbia

**SUBSCRIPTION AGREEMENT**

This Agreement is made as of the 23 day of October, 2024 (the “**Effective Date**”)

**BETWEEN:**

**GOOD NATURED PRODUCTS INC.**, a corporation  
incorporated pursuant to the laws of the Province of British  
Columbia (the “**Company**”)

– and –

**HUK 149 Limited**, a private limited company formed under the  
laws of the United Kingdom (“**Purchaser**”)

**WHEREAS:**

- A. Pursuant to the Order of the Honourable Madam Justice Fitzpatrick of the Supreme Court of British Columbia (the “**Court**”) issued June 28, 2024, and further amended on July 8, 2024, and further amended on July 11, 2024, and as may be further amended or amended and restated from time to time (the “**Initial Order**”), the Company, Good Natured Real Estate Holdings (Ontario) Inc., 1306187 B.C. Ltd., Good Natured Products (CAD) Inc., Good Natured Products Packaging Canada GP Inc., Good Natured Products Packaging Brampton GP Inc., Good Natured Products Industrial Canada GP Inc., Good Natured Products Packaging Canada LP, Good Natured Products Packaging Brampton LP, Good Natured Products Industrial Canada LP, Good Natured Products (US) Inc. Good Natured Products (Illinois), LLC, Good Natured Products Real Estate U.S., LLC, Good Natured Products Packaging US LLC, Good Natured Products Direct LLC, and Good Natured Products (Texas) LLC (collectively, together with the Company, the “**Good Natured Group**”), among others, were granted, among other things, creditor protection under the *Companies’ Creditors Arrangement Act*, R.S.C., 1985, c. C-36, as amended (the “**CCAA**”) and Alvarez & Marsal Canada Inc. was appointed as Monitor of the Good Natured Group (in such capacity, the “**Monitor**”).
- B. In connection with the proceedings initiated by the Initial Order (the “**CCAA Proceedings**”), the Good Natured Group, in consultation with the Monitor, conducted a sale and investment solicitation process (“**SISP**”) to solicit offers for all or a portion of the business and/or assets of the Good Natured Group.
- C. In accordance with the terms of the SISP, the Purchaser submitted an offer for the purchase of all of the equity and assets of the Good Natured Group pursuant to a letter of intent dated September 27, 2024 (the “**LOI**”).
- D. The Company and the Purchaser wish to enter into this Agreement to formalize the terms and conditions contained in the LOI, and to set out the terms and conditions pursuant to which: the Purchaser will acquire the Purchased Shares (as defined herein) and the Retained Assets (as defined herein).

**NOW THEREFORE**, in consideration of the mutual covenants and agreements set forth in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby irrevocably acknowledged, the Parties hereby acknowledge and agree as follows:

## ARTICLE 1 INTERPRETATION

### 1.1 Definitions

Unless something in the subject matter or context is inconsistent therewith, the following terms shall have the following meanings:

**“1306187”** means 1306187 B.C. Ltd.

**“1306187 Shares”** means all of the issued and outstanding shares of 1306187 owned by the Company

**“ACB”** means American Community Bank & Trust.

**“ACB Security”** means all security over real and personal property granted to ACB in connection with the Secured ACB Note.

**“Administration Charge”** is defined in the Initial Order.

**“Affiliate”** has the meaning given to the term “affiliate” in the *Business Corporations Act* (British Columbia).

**“Agreement”** means this subscription agreement, as may be further amended and restated from time to time in accordance with the terms hereof, with the consent of the Monitor, and **“Article”** and **“Section”** mean and refer to the specified article, section and subsection of this Agreement.

**“Applicable Law”** means, in respect of any Person, property, transaction or event, any: (a) domestic or foreign statute, law (including the common law), ordinance, rule, regulation, treaty, restriction, regulatory policy, standard, code or guideline, by-law or order; (b) judicial, arbitral, administrative, ministerial, departmental or regulatory judgments, orders, decisions, rulings, instruments or awards of any Governmental Authority; and (c) policies, practices, standards, guidelines and protocols having the force of law, that applies in whole or in part to such Person, property, transaction or event.

**“Approval and Vesting Order”** means an order by the Court, in form and substance satisfactory to the Purchaser, acting reasonably, among other things: (a) approving and authorizing the Transaction; (b) authorizing and directing the Company to file the Reorganization Documents, as applicable; (c) vesting in the Purchaser (or as it may direct) all the right, title and interest in and to the Purchased Shares, free and clear from any Encumbrances; (d) cancelling all of the Existing Equity (other than the Purchased Shares) for no consideration; and (e) releasing, to the extent permitted by the Court: (i) the current and former directors, officers, Employees, legal counsel and advisors of the Good Natured Group and ResidualCo; and (ii) the Monitor and its legal counsel.

**“Assumed Contracts”** means the Contracts listed in Schedule “F”, as the same may be modified by the Purchaser prior to the Closing Time in accordance with the terms hereof (and including as such Assumed Contracts may be amended, restated, supplemented or otherwise modified from time to time).

**“Authorization”** means any authorization, approval, consent, concession, exemption, license, lease, grant, permit, franchise, right, privilege or no-action letter from any Governmental Authority having jurisdiction with respect to any specified Person, property, transaction or event, or with respect to any of such Person’s property or business and affairs (including any zoning approval or

building permit) or from any Person in connection with any easements, contractual rights or other matters.

**“Ayr Property”** means the real property owned by 1306187 with the municipal address 15 Waydom Drive, North Dumfries, Ontario.

**“Books and Records”** means: (i) all of the Purchased Entities’ files, documents, instruments, papers, books and records (whether stored or maintained in hard copy, digital or electronic format or otherwise), including Tax and accounting books and records; and (ii) all files, documents, instruments, papers, books and records (whether stored or maintained in hard copy, digital or electronic format or otherwise), including Tax and accounting books and records used or intended for use by, or in the possession of the Purchased Entities, or any other member of the Good Natured Group or any of their respective Affiliates including information, documents and records relating to the Assumed Contracts, customer lists, customer information and account records, sales records, computer files, data processing records, sales literature, advertising and marketing data and records, cost and pricing information, production reports and records, equipment logs, operating guides and manuals, credit records, records relating to present and former suppliers and contractors, plans and projections and all other records, data and information stored electronically, digitally or on computer-related media.

**“Brampton Property”** means the real property owned by Good Natured Real Estate Holdings with the municipal address on 5 Abacus Road, Brampton, Ontario.

**“Business”** means the business carried on by the Companies, being the business of manufacturing packaging, with a focus in the development and manufacturing of plant-based products in Canada and the United States.

**“Business Day”** means a day on which banks are open for business in Vancouver, British Columbia, but does not include a Saturday, Sunday or statutory holiday in the Province of British Columbia.

**“Cap West”** means Capital West Partners.

**“Cap West Success Fee Charge”** is defined in the DIP Approval Order.

**“CCAA”** has the meaning set out in the recitals hereto.

**“CCAA Proceedings”** has the meaning set out in the recitals hereto.

**“Claims”** means any civil, arbitral or investigative inquiry, action, suit, investigation or proceeding and any claim of any nature or kind (including any cross-claim or counterclaim), demand, investigation, audit, choice in action or cause of action, suit, default, assessment, litigation, prosecution, third party action, arbitral proceeding or proceeding, complaint or allegation, by or before any Person.

**“Closing”** means the closing and consummation of the Transaction.

**“Closing Cash Balance”** means the cash and cash equivalents retained, in the aggregate, by the Purchased Entities immediately following the Closing, exclusive of (i) any funds provided pursuant to the Revolving Credit Facility; (ii) the RBC Cash Collateral; and (iii) any amounts, Claims, or fees to be paid by the Purchased Entities or any of them in relation to the Closing.

**“Closing Date”** means the date that is seven (7) Business Days after the date upon which the conditions set forth in Article 8 have been satisfied or waived, other than any conditions set forth in Article 8 that by their terms are to be satisfied or waived at the Closing, or such other earlier or later date as may be agreed by the Parties in writing.

**“Closing Payment”** has the meaning set out in Section 3.3.

**“Closing Time”** means 12:01 a.m. (Vancouver time) on the Closing Date or such other time on the Closing Date as the Parties agree in writing.

**“Contracts”** means all pending and executory contracts, agreements, leases, understandings and arrangements (whether oral or written) to which any Purchased Entity is a party or by which any Purchased Entity is bound or in which such Purchased Entity has, or will at Closing have, any rights or by which any of its property or assets are or may be affected, including any Contracts in respect of Employees.

**“Company”** means Good Natured Products Inc.

**“Court”** has the meaning set out in the recitals hereto.

**“Directors’ Charge”** has the meaning set out in the Initial Order.

**“Deposit”** has the meaning set out in Section 3.5.

**“DIP Approval Order”** means the court order dated July 11, 2024

**“Discharge”** means, in relation to any Encumbrance against any Person or upon any asset, undertaking or property, the full, final, irrevocable, complete and permanent waiver, release, discharge, cancellation, termination and extinguishment of such Encumbrance against such Person or upon such asset, undertaking or property and all proceeds thereof.

**“EDC”** means Export Development Canada.

**“EDC Amending Agreement”** has the meaning set out in Section 3.5.

**“EDC Credit Agreement”** means the Credit Facility Agreement dated as of February 22, 2022 between EDC and the Company.

**“EDC Security”** means all security over personal property granted to EDC in connection with the EDC Amending Agreement.

**“Effective Date”** has the meaning set out in the preamble hereto.

**“Employee”** means any individual who is employed by a Purchased Entity as of the Closing Date, whether on a full-time or a part-time basis and includes an employee on short term or long term disability leave, but for certainty excludes any employee whose employment will be terminated pursuant to Section 8.2(e).

**“Encumbrance”** means any security interest, lien, Claim, charge, right of retention, deemed trust, judgement, writ of seizure, writ of execution, notice of seizure, notice of execution, notice of sale, hypothec, reservation of ownership, pledge, encumbrance, mortgage or right of a third party (including any contractual rights such as purchase options, rights of first refusal, rights of first offer or any other pre-emptive contractual right) or encumbrance of any nature or kind whatsoever and any agreement, option or privilege (whether by law, contract or otherwise) capable of becoming



any of the foregoing, (including any conditional sale or title retention agreement, or any capital or financing lease).

**“Excise Tax Act”** means the *Excise Tax Act*, R.S.C, 1985, c. E-15.

**“Excluded Assets”** means: the properties, rights, assets and undertakings of the Purchased Entities listed as “Excluded Assets” on Schedule “A”, as the same may be modified by the Purchaser prior to the Closing Time in accordance with the terms hereof.

**“Excluded Asset Bill of Sale”** has the meaning set out in Section 4.1

**“Excluded Contracts”** means those contracts and other agreements of the Purchased Entities that are not Assumed Contracts and for greater certainty, includes those contracts and agreements which are listed on Schedule “B”, as the same may be modified by the Purchaser prior to the Closing Time in accordance with the terms hereof.

**“Existing Equity”** means: (i) all of the common shares, or units, as applicable, of the Company and the other Purchased Entities that are issued and outstanding immediately prior to the Closing Time (excluding, for certainty, the Purchased Shares and the Retained Shares); and (ii) any other equity interests of any nature or kind of the Company and the other Purchased Entities, whether voting or non-voting, whether preferred, common or otherwise, whether convertible or otherwise, including any Contract, plan, indenture, deed, certificate, subscription rights, conversion rights, pre-emptive rights, options (including stock option or share purchase or equivalent plans), or other documents or instruments governing and/or having been created or granted in connection with any such equity interests; which, for greater certainty, does not include the Purchased Shares or the Retained Shares.

**“Excluded Liabilities Assumption Agreement”** has the meaning set out in Section 4.2

**“Excluded Liabilities”** has the meaning set out in Section 2.2(a).

**“Filing Date”** means June 27, 2024.

**“Good Natured Group”** has the meaning set out in the recitals hereto.

**“Good Natured Industrial Canada GP”** means Good Natured Products Industrial Canada GP Inc.

**“Good Natured Industrial Canada LP”** means Good Natured Products Industrial Canada LP.

**“Good Natured Packaging Canada GP”** means Good Natured Products Packaging Canada GP Inc.

**“Good Natured Packaging Canada LP”** means Good Natured Products Packaging Canada LP.

**“Good Natured Packaging Brampton GP”** means Good Natured Products Packaging Brampton GP Inc.

**“Good Natured Packaging Brampton LP”** means Good Natured Products Packaging Brampton LP.

**“Good Natured Products Direct”** means Good Natured Products Direct LLC.

**“Good Natured Products (CAD)”** means Good Natured Products (CAD) Inc.

**“Good Nured Products (Illinois)”** means Good Nured Products (Illinois), LLC.

**“Good Nured Products (Texas)”** means Good Nured Products (Texas) LLC.

**“Good Nured Products (US)”** means Good Nured Products (US) Inc.

**“Good Nured Products Packaging US”** means Good Nured Products Packaging US LLC.

**“Good Nured Products Real Estate U.S.”** means Good Nured Products Real Estate U.S., LLC.

**“Good Nured Real Estate Holdings”** means Good Nured Real Estate Holdings (Ontario) Inc.

**“Good Nured Real Estate Holdings Shares”** means all of the issued and outstanding shares of Good Nured Real Estate Holdings owned by the Company.

**“Good Nured Products (CAD) Shares”** means all of the issued and outstanding shares of Good Nured Products (CAD) owned by the Company.

**“Good Nured Packaging Canada GP Shares”** means all of the issued and outstanding shares of Good Nured Packaging Canada GP owned by Good Nured Products (CAD).

**“Good Nured Packaging Brampton GP Shares”** means all of the issued and outstanding shares of Good Nured Packaging Brampton GP owned by Good Nured Products (CAD).

**“Good Nured Industrial Canada GP Shares”** means all of the issued and outstanding shares of Good Nured Industrial Canada GP owned by Good Nured Products (CAD).

**“Good Nured Packaging Canada LP Shares”** means all of the issued and outstanding units of Good Nured Packaging Canada LP owned by Good Nured Products (CAD) and Good Nured Packaging Canada GP.

**“Good Nured Packaging Brampton LP Shares”** means all of the issued and outstanding units of Good Nured Packaging Brampton LP owned by Good Nured Packaging Canada LP and Good Nured Packaging Brampton GP.

**“Good Nured Industrial Canada LP Shares”** means all of the issued and outstanding units of Good Nured Industrial Canada LP owned by Good Nured Products (CAD) and Good Nured Industrial Canada GP.

**“Good Nured Products Direct Shares”** means all of the issued and outstanding shares of Good Nured Products Direct owned by Good Nured Products (US).

**“Good Nured Products (Illinois) Shares”** means all of the issued and outstanding shares of Good Nured Products (Illinois) owned by Good Nured Products (US).

**“Good Nured Products Packaging US Shares”** means all of the issued and outstanding shares of Good Nured Products Packaging US owned by Good Nured Products (US).

**“Good Nured Products Real Estate U.S. Shares”** means all of the issued and outstanding shares of Good Nured Products Packaging US owned by Good Nured Products (US).

**“Good Nured Products (Texas) Shares”** means all of the issued and outstanding shares of Good Nured Products (Texas) owned by Good Nured Products (US).

**“Good Nured Products (US) Shares”** means all of the issued and outstanding shares of Good Nured Products (US) owned by Good Nured Products (CAD).

**“Governmental Authority”** means any domestic or foreign government, whether federal, provincial, state, territorial or municipal; and any governmental agency, ministry, department, court (including the Court), tribunal, commission, stock exchange, bureau, board or other instrumentality exercising or purporting to exercise legislative, judicial, regulatory or administrative functions of, or pertaining to, government or securities market regulation.

**“GST/PST/HST”** means all goods and services tax and harmonized sales tax imposed under the Sales Tax Legislation.

**“Implementation Steps”** means the transactions, acts and events described in Exhibit “A”, as the same may be modified in accordance with Section 7.2 and the Approval and Vesting Order, which are to occur in the sequence described therein.

**“Income Tax Act”** means the *Income Tax Act*, R.S.C., 1985, c. 1 (5th Supp.).

**“Initial Order”** has the meaning set out in the recitals hereto.

**“Interim Period”** means the period from the Effective Date to the Closing Time.

**“KERP”** means the key employee retention plan approved by the Court on August 29, 2024.

**“KERP Payment”** means the payments required to be made by the Company to certain key employees in the maximum amount of \$116,000 as set out in the KERP.

**“Liability”** means, with respect to any Person, any liability or obligation of such Person of any kind, character or description, whether known or unknown, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise, and whether or not the same is required to be accrued on the financial statements of such Person.

**“Litigation Rights”** means the rights of the Good Nured Group in all ongoing litigation matters on going up to the date of closing, including but not limited to the complaint of Good Nured Products (Illinois), LLC against Dan Fosse filed in the United States District Court Northern District of Illinois Eastern Division under case no. 1:24-cv-005287.

**“Monitor”** has the meaning set out in the recitals hereto.

**“Monitor’s Certificate”** has the meaning set out in Section 8.1(d).

**“Organizational Documents”** means any trust document, charter, certificate or articles of incorporation or amalgamation, articles of amendment, articles of association, articles of organization, articles of continuance, bylaws, as amended, partnership agreement or similar formation or governing documents of a Person (excluding individuals).

**“Outside Date”** means 11:59 pm (Vancouver time) on November 12, 2024, or such later date and time as the Parties may agree to in writing.

**“Parties”** means the Company and the Purchaser, and **“Party”** means any one of them.

**“Permitted Encumbrances”** means those Encumbrances related to the Retained Assets as set forth in Schedule **“D”**, as the same may be modified by the Purchaser prior to the granting of the Approval and Vesting Order in accordance with the terms hereof.

**“Permits and Licenses”** means those permits and licenses identified on Schedule **“G”** hereof.

**“Person”** means any individual, partnership, limited partnership, limited liability company, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, Governmental Authority or other entity however designated or constituted.

**“Priority Encumbrances”** means the ACB Security, the Wells Fargo Security, the RBC Security and the TD Security.

**“Priority Payments”** means those payments set out in **Schedule “I”**.

**“Purchase Price”** has the meaning set out in Section 3.1.

**“Purchased Entities”** means the Company, Good Natured Real Estate Holdings, 1306187, Good Natured Products (CAD), Good Natured Packaging Canada GP, Good Natured Packaging Brampton GP, Good Natured Industrial Canada GP, Good Natured Packaging Canada LP, Good Natured Packaging Brampton LP, Good Natured Industrial Canada LP., Good Natured Products (US), Good Natured Products (Illinois), Good Natured Products Real Estate U.S., Good Natured Products Packaging US, Good Natured Products Direct, and Good Natured Products (Texas).

**“Purchased Shares”** has the meaning set out in Section 2.1(a).

**“Purchaser”** has the meaning set out in the recitals.

**“Real Property”** means the Ayr Real Property, the Brampton Real Property, and the Richmond Real Property.

**“RBC”** means Royal Bank of Canada.

**“RBC Cash Collateral”** means the term deposit in account 00990244624 001 with RBC in the name of the Company.

**“RBC Credit Cards”** means all credit cards issued pursuant to the RBC Credit Card Agreement.

**“RBC Credit Card Agreement”** means collectively, the:

- (a) HSBC Commercial Mastercard Agreement dated August 30, 2021 between RBC (as successor by amalgamation to HSBC Bank Canada) and the Company;
- (b) Affiliate Participation Agreement dated August 2021 between Good Natured Products (CAD) Inc. and RBC (as successor by amalgamation to HSBC Bank Canada);
- (c) Affiliate Participation Agreement dated August 2021 between IPF Holdings Inc. (as successor by amalgamation to HSBC Bank Canada); and
- (d) Affiliate Participation Agreement dated August 2021 between Shepherd Thermoforming & Packaging Inc. and RBC (as successor by amalgamation to HSBC Bank Canada).

**“RBC LCs”** means all letters of credit issued pursuant to the RBC LC Agreement.

“**RBC MEL**” means the master equipment lease dated as of January 14, 2022 between RBC (as successor by amalgamation to HSBC Bank Canada) and Good Natured Products (CAD) as amalgamation successor to IFP Holdings Inc, as amended from time to time.

“**RBC Mortgage Agreement**” means the credit facility letter agreement dated September 20, 2022 issued by HSBC Bank Canada (a predecessor by amalgamation to RBC) to 1306187, as borrower, and among others, the Company, as guarantor, as amended from time to time.

“**RBC LC Agreement**” means the amended and restated facility letter agreement dated October 3, 2023 between RBC (as successor by amalgamation to HSBC Bank Canada) and the Company, which amended and restated the facility letter dated August 19, 2021 between HSBC Bank Canada and the Company, as amended to, among other things, permit no further advances, and as may be further amended from time to time.

“**RBC Security**” means all security over real and personal property and guarantees granted to HSBC Bank Canada (a predecessor by amalgamation to RBC) or RBC, by any party in connection with the RBC Mortgage Agreement, the RBC MEL, the RBC Cash Collateral, the RBC Credit Card Agreement, and the RBC LC Agreement.

“**ResidualCo**” means a corporation to be incorporated as a wholly-owned subsidiary of the Company to which the Excluded Assets and Excluded Liabilities will be transferred pursuant to the Approval and Vesting Order and in accordance with the Implementation Steps.

“**Reorganization Documents**” means (a) the notice of alteration to be filed with the British Columbia Registrar of Companies (and an equivalent amendment to the articles of the Company) to (i) alter the notice of articles of the Company (and to amend the articles of the Company) to create a new class of shares of the Company; (ii) provide for the redemption or cancellation by the Company of the Existing Equity (other than the Purchased Shares) for no consideration on Closing and (iii) make such other changes in order to consummate the transactions contemplated by this Agreement; and (b) a resolution of the directors of the Company authorizing the redemption by the Company of all of the Existing Equity other than the Purchased Shares, in a form and substance satisfactory to the Purchaser and the Monitor, acting reasonably.

“**ResidualCo Shares**” means all of the issued and outstanding shares of ResidualCo.

“**Retained Assets**” has the meaning set out in Section 4.1.

“**Retained Liabilities**” means: (a) Liabilities specifically and expressly designated by the Purchaser as Retained Liabilities in Schedule “E”, as the same may be modified by the Purchaser prior to the Closing Time in accordance with the terms hereof and (b) all Liabilities which relate to the Permits and Licenses and the Business under any Assumed Contracts, solely in respect of the period from and after the Closing Time and not relating to any default existing prior to or as a consequence of Closing.

“**Retained Shares**” means the Good Natured Real Estate Holdings Shares, 1306187 Shares, Good Natured Products (CAD) Shares, Good Natured Packaging Canada GP Shares, Good Natured Packaging Brampton GP Shares, Good Natured Industrial Canada GP Shares, Good Natured Packaging Canada LP Shares, Good Natured Packaging Brampton LP Shares, Good Natured Industrial Canada LP Shares, Good Natured Products Direct Shares, Good Natured Products (Illinois) Shares, Good Natured Products Packaging US Shares, Good Natured Products Real Estate U.S. Shares, Good Natured Products (Texas) Shares, and Good Natured Products (US) Shares).

“**Revolving Credit Facility**” has the meaning set out in Section 3.2(a).

**“Revolving Credit Facility Agreement”** has the meaning set out in Section 3.2(a).

**“Revolving Credit Facility Lender”** means HUK 147 Limited, a private limited company formed under the laws of the United Kingdom.

**“Revolving Credit Security”** has the meaning set out in Section 3.2(c).

**“Richmond Property”** means the real property owned by Good Natured Products Real Estate U.S. with the municipal address 11413 North Burlington Road, Richmond, Illinois, United States of America.

**“Sales Tax Legislation”** means Part IX of the *Excise Tax Act* (Canada).

**“Secured ACB Note”** means the promissory note dated May 28, 2021, granted by Good Natured Products Real Estate U.S. to ACB.

**“Secured Creditors”** means Wells Fargo, RBC, TD, ACB, and EDC.

**“Spark Power Claim”** means Spark Power Low Voltage Services Inc.’s claim against 1306187 and any other Good Natured Product Group entity.

**“Spark Power Construction Lien”** means the construction lien registered as instrument number WR1590089 on title to the Ayr Property.

**“Spark Power Holdback”** means \$87,209, to be held back in trust by the Monitor, pending resolution of the Spark Power Construction Lien Claim between ResidualCo and Spark Power.

**“Taxes”** means, with respect to any Person, all national, federal, provincial, local or other taxes, including income taxes, capital gains taxes, value added taxes, severance taxes, ad valorem taxes, property taxes, capital taxes, net worth taxes, production taxes, sales taxes, use taxes, license taxes, excise taxes, environmental taxes, transfer taxes, withholding or similar taxes, payroll taxes, employment taxes, employer health taxes, pension plan premiums and contributions, workers’ compensation premiums, employment insurance or compensation premiums, stamp taxes, occupation taxes, premium taxes, alternative or add-on minimum taxes, GST/PST/HST, customs duties or other taxes of any kind whatsoever imposed or charged by any Governmental Authority, together with any interest, penalties, or additions with respect thereto and any interest in respect of such additions or penalties and any Liability for the payment of any amounts of the type described in this paragraph as a result any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any Person.

**“TD”** means the Toronto-Dominion Bank.

**“TD Mortgage Agreement”** means the letter agreement dated February 13, 2024 issued by TD to Good Natured Real Estate Holdings.

**“TD Security”** means all security over real and personal property granted to TD in connection with the TD Mortgage Agreement.

**“Terminated Employee”** means those Employees whose employment will be terminated prior to Closing pursuant to Section 8.2(e), as determined by the Purchaser by written notice to the Company at least two (2) Business Days prior to the Closing Date.

**“Transaction”** means all of the transactions contemplated by this Agreement, including the transactions whereby the Purchaser will acquire the Purchased Shares.

**“U.S. Court”** means the United States Bankruptcy Court for the Northern District of Illinois Western Division.

**“U.S. Recognition Order”** means one or more orders of the U.S. Court, in form and substance satisfactory to the Purchaser, the Company, and the Monitor, each acting reasonably, among other things, recognizing the Approval and Vesting Order.

**“Wells Fargo”** means Wells Fargo Capital Finance Corporation Canada.

**“Wells Fargo Credit Agreement and Forbearance”** means the credit agreement between the Petitioners and Wells Fargo date as of August 25, 2022, as subsequently amended on October 3, 2022; February 28, 2023; June 22, 2023; February 20, 2024; February 22, 2024; March 5, 2024; March 28, 2024; June 3, 2024; and July 11, 2024.

**“Wells Fargo Security”** means all security over real and personal property granted to Wells Fargo in connection with the Wells Fargo Credit Agreement and Forbearance.

**“Wind-Down Costs”** has the meaning set out in Section 3.1(o)

**“Working Capital Amount”** has the meaning set out in Section 3.2(b).

## **1.2 Interpretation Not Affected by Headings, etc.**

The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

## **1.3 General Construction**

The terms “this Agreement”, “hereof”, “herein” and “hereunder” and similar expressions refer to this Agreement and not to any particular section hereof. The expression “Section” or reference to another subdivision followed by a number mean and refer to the specified Section or other subdivision of this Agreement. The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party.

## **1.4 Extended Meanings**

Words importing the singular include the plural and vice versa and words importing gender include all genders. The term “including” means “including, without limitation,” and such terms as “includes” have similar meanings and the term “third party” means any other Person other than the Company or the Purchaser, or any Affiliates thereof.

## **1.5 Currency**

All references in this Agreement to dollars, monetary amounts, or to \$, are expressed in Canadian currency unless otherwise specifically indicated.

## **1.6 Statutes**

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

## 1.7 Schedules & Amendments to Schedules

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

### **EXHIBITS**

Exhibit A - Implementation Steps

### **SCHEDULES**

Schedule A - Excluded Assets

Schedule B - Excluded Contracts

Schedule C - Excluded Liabilities

Schedule D - Permitted Encumbrances

Schedule E - Retained Liabilities

Schedule F - Assumed Contracts

Schedule G - Permits and Licenses

Schedule H - Statement of Indebtedness

Schedule I - Priority Payments

The Parties acknowledge that as of the Effective Date, the Schedules are not complete. Such Schedules are for the benefit of the Purchaser and may be amended or completed by the Purchaser, in its sole and absolute discretion, on or before the dates set out in such Schedules and on notice to the Company.

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

## **ARTICLE 2 PURCHASE OF SHARES AND ASSUMPTION OF LIABILITIES**

### **2.1 Purchase and Sale of the Purchased Shares**

- (a) Subject to the terms and conditions of this Agreement, in accordance with the Implementation Steps and effective as of the Closing Time, the Company shall issue to the Purchaser, and the Purchaser shall subscribe for and purchase from the Company, free and clear of all Encumbrances (other than any Permitted Encumbrances), 100 newly-issued common shares of the Company (the “**Purchased Shares**”).
- (b) Pursuant to the Approval and Vesting Order and the Reorganization Documents, and in accordance with the Implementation Steps, all of the Existing Equity shall be cancelled or redeemed, without consideration, and the Purchased Shares issued to the Purchaser shall represent 100% of the issued and outstanding common shares of the Company following such cancellation and issuance.



- (c) For the avoidance of doubt, upon the Closing, following the issuance of the Purchased Shares, the cancellation of the Existing Equity, and the completion of the Implementation Steps, the Company (and Good Natured Real Estate Holdings, 1306187, Good Natured Products (CAD), Good Natured Packaging, Good Natured Packaging Brampton GP, Good Natured Industrial Canada GP, Good Natured Packaging Canada LP, Good Natured Packaging Brampton LP, Good Natured Industrial Canada LP, Good Natured Products (US), Good Natured Products (Illinois), Good Natured Products Real Estate U.S., Good Natured Products Packaging US, Good Natured Products Direct, and Good Natured Products (Texas)) shall be wholly owned, directly or indirectly, by the Purchaser.

## 2.2 Excluded Liabilities

- (a) Pursuant to the Approval and Vesting Order, save and except for the Retained Liabilities, all debts, obligations, Liabilities, Encumbrances, indebtedness, Excluded Contracts, leases, agreements, undertakings, Claims, rights and entitlements of any kind or nature whatsoever (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or in equity and whether based in statute or otherwise) of or against the Purchased Entities, the Purchased Shares, or against, relating to or affecting any of the Retained Assets, or any Excluded Assets or Excluded Contracts, including, *inter alia*, the non-exhaustive list of Liabilities set forth in Schedule “C”, (collectively, the “**Excluded Liabilities**”) shall be excluded and will no longer be binding on the Purchased Entities, Purchased Shares (or the holders thereof), Retained Shares, Retained Assets, Employees, Permits and Licenses or Books and Records following the Closing Time.
- (b) Subject to the Implementation Steps and pursuant to the Approval and Vesting Order, the Excluded Liabilities shall be transferred to, vested in and assumed in full by ResidualCo in accordance with and as further described in Article 4 and the Approval and Vesting Order, and the Purchased Entities, the Purchased Shares, the Retained Shares, the Retained Assets and the Purchased Entities’ undertakings, Business and properties shall be Discharged of such Excluded Liabilities. All Claims attaching to the Excluded Liabilities, if any, shall continue to exist against ResidualCo only and the Excluded Assets, if any, shall be available to satisfy such Claims.

## ARTICLE 3 PURCHASE PRICE

### 3.1 Purchase Price

The total aggregate consideration payable by the Purchaser for the Purchased Shares (the “**Purchase Price**”) shall be equal to the following:

- (a) The Good Natured Group’s indebtedness to Wells Fargo under or in connection with the Wells Fargo Credit Agreement and Forbearance, as of October 25, 2024, as set out in **Schedule “H”**, plus any additional amounts due pursuant to the Wells Fargo Credit Agreement and Forbearance through to the Closing Date, which specific amount of indebtedness shall, for greater certainty, be a Retained Liability; plus
- (b) Certain entities of the Good Natured Group’s indebtedness to RBC under or in connection with the RBC Mortgage Agreement as of October 25, 2024, as set out in **Schedule “H”**, plus any additional amounts due pursuant to the RBC Mortgage Agreement through to the Closing Date, which specific amount of indebtedness shall, for greater certainty, be a Retained Liability; plus

- (c) Certain entities of the Good Natured Group's indebtedness to TD under or in connection with the TD Mortgage Agreement, as of October 25, 2024, as set out in **Schedule "H"**, plus any additional amounts due pursuant to the TD Mortgage Agreement through to the Closing Date, which specific amount of indebtedness shall, for greater certainty, be a Retained Liability; plus
- (d) Certain entities of the Good Natured Group's indebtedness to ACB under or in connection with the Secured ACB Note, as of October 25, 2024, as set out in **Schedule "H"**, plus any additional amounts due pursuant to the Secured ACB Note through to the Closing Date, which specific amount of indebtedness shall, for greater certainty, be a Retained Liability; plus
- (e) Certain entities of the Good Natured Group's indebtedness to RBC under or in connection with the RBC MEL, as of October 25, 2024, as set out in **Schedule "H"**, plus any additional amounts due pursuant to the RBC MEL through to the Closing Date, which specific amount of indebtedness shall, for greater certainty, be a Retained Liability; plus
- (f) Certain entities of the Good Natured Group's indebtedness to RBC under or in connection with the RBC Credit Card Agreement, as of October 25, 2024, as set out in **Schedule "H"**, plus any additional amounts due pursuant to the RBC Credit Card Agreement through to the Closing Date, which specific amount of indebtedness shall, for greater certainty, be a Retained Liability; plus
- (g) Certain entities of the Good Natured Group's indebtedness to RBC under or in connection with the RBC LC Agreement, as of October 25, 2024, as set out in **Schedule "H"**, plus any additional amounts due pursuant to the RBC LC Agreement through to the Closing Date, which specific amount of indebtedness shall, for greater certainty, be a Retained Liability; plus
- (h) Certain entities of the Good Natured Group's indebtedness to EDC under or in connection with the EDC Amending Agreement, as of October 25, 2024, as set out in **Schedule "H"**, plus any additional amounts due pursuant to the EDC Amending Agreement through to the Closing Date, which specific amount of indebtedness shall, for greater certainty, be a Retained Liability; plus
- (i) The Good Natured Group's indebtedness to the Monitor, as set out in **Schedule "H"**, which specific amount of indebtedness shall, for greater certainty, be a Retained Liability; plus
- (j) The Good Natured Group's indebtedness to McCarthy Tetrault LLP, as set out in **Schedule "H"**, which specific amount of indebtedness shall, for greater certainty, be a Retained Liability; plus
- (k) The Good Natured Group's indebtedness to Osler, Hoskin and Harcourt LLP, as set out in **Schedule "H"**, which specific amount of indebtedness shall, for greater certainty, be a Retained Liability; plus
- (l) The Good Natured Group's indebtedness to Akerman LLP, as set out in **Schedule "H"**, which specific amount of indebtedness shall, for greater certainty, be a Retained Liability; plus
- (m) The Priority Payments, which specific amount of indebtedness shall, for greater certainty, be a Retained Liability; plus
- (n) The value of the Revolving Credit Facility, including the Closing Payment; plus

- (o) The value of the Spark Power Holdback, which specific amount shall, for greater certainty, be a Retained Liability, and shall be held in trust by the Monitor pending the resolution of the Spark Power Claim, as determined by the Monitor in the Monitor's sole discretion and without further authorization from the Good Natured Group or the Purchaser.. If, following resolution of the Spark Power Claim, as determined by the Monitor in the Monitor's sole discretion and without further authorization from the Good Natured Group or the Purchaser, there remain funds in trust with the Monitor for the Spark Power Holdback, the funds will be returned by the Monitor to the Company; plus
- (p) The value of the costs incurred in connection with the administration and wind-down of ResidualCo (the "**Wind-Down Costs**"), in the specific amount set out in **Schedule "H"**, in the Monitor's sole discretion and without further authorization from the Good Natured Group or the Purchaser; plus
- (q) the value of all other Retained Liabilities, if any, to be satisfied by the Purchaser performing and/or discharging such Retained Liabilities as and when they become due.

### 3.2 Revolving Credit Facility

- (a) At the Closing, the Company and the Revolving Credit Facility Lender will execute a Revolving Credit Facility Agreement (the "**Revolving Credit Facility Agreement**") in form and substance satisfactory to the Revolving Credit Facility Lender and the Purchaser, acting reasonably, pursuant to which the Revolving Credit Facility Lender will provide a \$7,000,000 revolving credit facility (the "**Revolving Credit Facility**") to the Company, on commercially reasonable terms and to be secured as described below in Sections 3.2(c) and 3.2(d), with availability to be determined on a borrowing base calculation mechanism in form and substance satisfactory to the Revolving Credit Facility Lender and the Purchaser, acting reasonably, to be used by the Company or other Good Natured Group entities for general working capital purposes.
- (b) Immediately after the Closing the Company shall draw \$2,000,000 (the "**Working Capital Amount**") from the Revolving Credit Facility to be used for general working capital purposes.
- (c) The Revolving Credit Facility shall be secured on all of the Good Natured Group's present and after-acquired personal and real property, including but not limited to the Retained Assets (the "**Revolving Credit Security**").
- (d) The Revolving Credit Facility and Security shall rank in priority immediately below the Priority Encumbrances and immediately ahead of, and in priority to the EDC Security.
- (e) For greater certainty, the Deposit shall be considered an advance from the Revolving Credit Facility and shall be secured by the Revolving Credit Security.

### 3.3 Closing Payment

- (a) At the Closing, the Company shall execute a direction, in form and substance satisfactory to the Purchaser, at its sole discretion, directing the Revolving Credit Facility Lender to cause \$892,500 (being \$850,000 + GST) in cash (the "**Closing Payment**"), inclusive of the Deposit, from the Revolving Credit Facility to be paid to the Monitor, to be held in trust by the Monitor for the benefit of Persons entitled to be paid from the Closing Payment.
- (b) Following the Closing, the Monitor may utilize the Closing Payment to pay and satisfy the Cap West Success Fee Charge,.

For the avoidance of doubt, neither the Purchaser nor the Good Nured Group shall have any obligation to pay nor liability related to the payments of any amounts referenced in this Section 3.3 from and after the Closing.

### 3.4 EDC Amending Agreement

The Company and EDC shall execute a form of amendment to the EDC Credit Agreement (the “**EDC Amending Agreement**”), on terms satisfactory to the Purchaser in its sole discretion, in respect of certain entities of the Good Nured Group’s obligations to EDC pursuant to the EDC Credit Agreement. The EDC Amending Agreement shall, inter alia, (i) confirm that the Good Nured Group’s total indebtedness to EDC as of the Closing Date is the specific amount set out in **Schedule “H”** and (ii) confirm that EDC will be given security over all of the Purchased Entities’ personal and real property ranking below the Priority Encumbrances and the Revolving Credit Security.

### 3.5 Deposit

The Purchaser has paid to the Monitor, in trust, prior to the execution and delivery of this Agreement, the amount of \$200,000, representing a deposit (the “**Deposit**”) to be held in trust by the Monitor in a non-interest bearing trust account. The Deposit will be dealt with as follows:

- (a) Applied in accordance with Section 3.3(a) in the event the Closing occurs;
- (b) If, (i) after the conditions set out in Sections 8.1, 8.2, and 8.3 herein are satisfied or waived, the Purchaser fails to complete the Transaction in accordance with this Agreement or (ii) the Closing does not occur in whole or in part by reason of a breach of this Agreement by the Purchaser, then the Deposit will be forfeited to the Company, without prejudice to any other rights or remedies of the Company whether at law or in equity;
- (c) if the conditions set out in Sections 8.1, 8.2, and 8.3 herein are not satisfied or waived within the applicable time periods contemplated in conditions set out in Sections 8.1, 8.2, and 8.3, other than as a result of a breach by the Purchaser of its obligations hereunder, the Deposit will be returned to the Purchaser forthwith without any deduction, as the sole remedy of the Purchaser against the Company; or
- (d) if, after the conditions set out in Sections 8.1, 8.2, and 8.3 herein are satisfied or waived, and if the Purchaser is not in default of any of its obligations under this Agreement and the Company fails to complete the Transaction or if the Company repudiates this Agreement, then the Deposit will be returned to the Purchaser forthwith without any deduction, as the sole remedy of the Purchaser against the Company.

## ARTICLE 4

### TRANSFER OF EXCLUDED ASSETS AND EXCLUDED LIABILITIES

#### 4.1 Transfer of Excluded Assets to ResidualCo

At Closing, each of the Purchased Entities shall retain all of the assets owned by it on the Effective Date of this Agreement and any assets acquired by it up to and including Closing, including, without limitation, the Retained Shares, the Real Property, the Litigation Rights, the Purchased Entities’ equipment, Assumed Contracts, Permits and Licenses, Books and Records, Business and undertakings (collectively, the “**Retained Assets**”). The Retained Assets shall not include: (i) the Excluded Assets; or (ii) the Excluded Contracts; which shall be transferred to ResidualCo, in accordance with the Implementation Steps, and same shall be vested in ResidualCo pursuant to the Approval and Vesting Order as evidenced by a bill of sale and assignment of contracts (the “**Excluded Asset Bill of Sale**”).

#### 4.2 Transfer of Excluded Liabilities to ResidualCo

In accordance with the Implementation Steps and the Approval and Vesting Order, the Excluded Liabilities shall be transferred to, vested in and assumed in full by ResidualCo as evidenced by an assignment and assumption agreement in form and substance acceptable to the Purchaser and the Company (the “**Excluded Liabilities Assumption Agreement**”). Notwithstanding any other provision of this Agreement, the Purchaser and the Purchased Entities shall not assume and shall have no Liability for any of the Excluded Liabilities and all Excluded Liabilities shall be Discharged from the Purchased Shares, Purchased Entities and the Retained Assets as of and from and after the Closing Time.

#### 4.3 Tax Matters

Pursuant to the Implementation Steps and the Approval and Vesting Order, at the Closing Time, all Taxes owed or owing or accrued due by the Purchased Entities shall be transferred to, vested in and assumed by ResidualCo, including any Taxes arising from or in connection with the consummation of the Transaction and the transfer of the Excluded Assets and Excluded Liabilities to ResidualCo. Any audits or reassessments with respect to any Taxes that relate to a time period occurring, or facts arising, prior to the Closing Date, regardless upon when such audit was commenced or completed, and any and all such obligations with respect to such audits or reassessments shall be transferred to and vest in ResidualCo.

### ARTICLE 5 REPRESENTATIONS AND WARRANTIES

#### 5.1 Representations and Warranties of the Purchased Entities

The Company hereby represents and warrants as of the date hereof and as of the Closing Time as follows, and acknowledges that the Purchaser is relying on such representations and warranties in connection with entering into this Agreement and performing their obligations hereunder:

- (a) Subject to the Approval and Vesting Order, the Company has the necessary power, authority, and capacity to enter into this Agreement and carry out its obligations under this Agreement.

#### 5.2 Representations and Warranties of the Purchaser

The Purchaser hereby represents and warrants to and in favour of the Company as of the date hereof and as of the Closing Time as follows, and acknowledges that the Company is relying on such representations and warranties in connection with entering into this Agreement and performing its obligations hereunder:

- (a) Incorporation and Status. The Purchaser is a corporation incorporated and existing under the laws of the jurisdiction of its incorporation and has the power and authority to enter into, deliver and perform its obligations under this Agreement.
- (b) Corporate Authorization. The execution, delivery and performance by the Purchaser of this Agreement has been authorized by all necessary corporate action on the part of the Purchaser.
- (c) No Conflict. The execution, delivery and performance by the Purchaser of this Agreement do not (or would not with the giving of notice, the lapse of time, or both, or the happening of any other event or condition) result in a breach or a violation of, or conflict with, or allow any other Person to exercise any rights under, any terms or provisions of the Organizational Documents of the Purchaser.

- (d) Execution and Binding Obligation. This Agreement has been duly executed and delivered by the Purchaser and constitutes a legal, valid and binding obligation of the Purchaser, enforceable against it in accordance with its terms subject only to the Approval and Vesting Order.
- (e) Proceedings. There are no proceedings pending, or to the knowledge of the Purchaser, threatened, against the Purchaser before any Governmental Authority, which prohibit or seek to enjoin delay, restrict or prohibit the Closing of the Transaction, as contemplated by this Agreement, or which would reasonably be expected to delay, restrict or prevent the Purchaser from fulfilling any of its obligations set forth in this Agreement.

### **5.3 As is, Where is**

The representations and warranties of the Purchased Entities shall survive the Closing Time on the Closing Date provided, however, that the Purchaser's recourse for any breach or inaccuracy of such representations and warranties shall be against ResidualCo. The Purchaser acknowledges, agrees and confirms that, at the Closing Time, the Purchased Shares (for clarity, together with the Retained Assets) shall be sold and delivered to the Purchaser on an "*as is, where is*" basis, subject only to the representations and warranties contained herein. Other than those representations and warranties contained herein, no representation, warranty or condition is expressed or can be implied as to title, encumbrances, description, fitness for purpose, merchantability, condition or quality or in respect of any other matter or thing whatsoever.

## **ARTICLE 6 COVENANTS**

### **6.1 Closing Date**

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

### **6.2 Application for Approval and Vesting Order**

As soon as practicable following the Effective Date, the Company shall serve and file with the Court an application for the issuance of the Approval and Vesting Order, seeking relief that will, *inter alia*, approve this Agreement and the Transaction and release the officers and directors of the Purchased Entities along with the Purchased Entities' counsel, the Monitor and the Monitor's counsel. The Company shall use commercially reasonable efforts to seek the issuance and entry of the Approval and Vesting Order and the Purchaser shall cooperate with the Company in its efforts to obtain the issuance and entry of the Approval and Vesting Order. The Parties agree that the Approval and Vesting Order shall include provisions allowing for the Purchaser, or either of them, to assign their rights under this Agreement following the issuance of the Approval and Vesting Order but prior to Closing.

The Purchaser shall forthwith provide such information and documentation as may be required by the Vendor, acting reasonably, from time to time in order to facilitate the granting of the Approval and Vesting Order.

### **6.3 Interim Period**

During the Interim Period, except as otherwise expressly contemplated or permitted by this Agreement (including the Approval and Vesting Order and the Implementation Steps), the Company shall, and shall cause the other Purchased Entities to, maintain the Retained Assets in substantially the same condition as on the Effective Date and in material compliance with all Applicable Laws and Permits and Licenses.

#### **6.4 Access During Interim Period**

During the Interim Period, the Company shall give, or cause to be given, to the Purchaser, and their representatives, reasonable access during normal business hours to the Retained Assets, including the Books and Records, to conduct such investigations, inspections, surveys or tests thereof and of the financial and legal condition of the Business and the Retained Assets as the Purchaser reasonably deem necessary or desirable to further familiarize themselves with the Business and the Retained Assets. Without limiting the generality of the foregoing: (a) the Purchaser and their representatives shall be permitted reasonable access during normal business hours to all documents relating to information scheduled or required to be disclosed under this Agreement and to the Employees; and (b) the Purchaser and their representatives shall be permitted to contact and discuss the Transactions contemplated herein with Governmental Authorities and the Purchased Entities' customers and contractual counterparties. Such investigations, inspections, surveys and tests shall be carried out at the Purchaser' sole and exclusive risk and cost, during normal business hours, and without undue interference with the Purchased Entities' operations and the Company shall co-operate reasonably in facilitating such investigations, inspections, surveys and tests and shall furnish copies of all such documents and materials relating to such matters as may be reasonably requested by or on behalf of the Purchaser.

#### **6.5 Insurance Matters**

Until Closing, the Company shall cause the Good Natured Group to keep in full force and effect all existing insurance policies and give any notice or present any claim under any such insurance policies consistent with past practice in the ordinary course of business.

#### **6.6 ResidualCo**

On the Closing Date, the Company shall convey the ResidualCo Shares to the Monitor to hold the ResidualCo Shares as agent and bare trustee on behalf of the shareholders of the Company prior to the Closing. The Monitor shall not have any obligation or duties to take any actions, steps or otherwise in respect of the ResidualCo Shares.

#### **6.7 Revolving Credit Facility**

On the Closing Date, the Company shall enter into the Revolving Credit Facility.

#### **6.8 Inter-Creditor Agreement**

The Company shall use commercially reasonable efforts to assist with the negotiations with Wells Fargo, RBC, TD, ACB, and EDC to enter into intercreditor and, in the case of RBC, TD, ACB, and EDC, forbearance agreements, satisfactory to the Purchaser, that, *inter alia*, reflect the priority of the Revolving Credit Facility Security among the Revolving Credit Security and the other Secured Creditor's security and Priority Encumbrances.

#### **6.9 Petition for US Recognition Order**

The Company shall:

- (a) as promptly as practicable after execution and delivery of this Agreement, serve and file with the U.S. Court, a petition for the issuance of the U.S. Recognition Order;
- (b) provide the Purchaser with a reasonable opportunity to review and comment upon all materials filed by the Company with the U.S. Court in accordance with this Section 6.10, which materials shall be consistent with the terms and conditions of this Agreement;

- (c) provide notice of the petition for the U.S. Recognition Order on all Persons as may be required by the Purchaser, including, without limitation, all Persons required to receive notice under Applicable Law and any other Person determined necessary or advisable by the Company or the Purchaser; and
- (d) if the U.S. Recognition Order shall be appealed or any application or petition for rehearing or re-argument shall be filed with respect thereto, take all action as may be commercially reasonable and appropriate to defend against such appeal, application, or motion.

#### **6.10 Professional Fees**

The Company shall pay professional fees out of its own funds between the Effective Date and the Closing Time, as follows:

- (a) to Osler, Hoskin & Harcourt LLP in the amount of \$112,835;
- (b) to McCarthy Tetrault LLP in the amount of \$12,876; and
- (c) to Akerman LLP in the amount of \$46,289.

In addition, each of Osler, Hoskin & Harcourt LLP, McCarthy Tetrault LLP, Akerman LLP, and the Monitor shall apply the retainers held by the respective professionals to any outstanding indebtedness owed to the professional by the Good Natured Group between the Effective Date and the Closing Time.

### **ARTICLE 7 CLOSING ARRANGEMENTS**

#### **7.1 Closing**

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

#### **7.2 Implementation Steps**

- (a) Subject to the other terms of this Agreement, on or prior to the Closing Date, the Company shall effect the Implementation Steps on the terms and using the steps set out at Exhibit “A”; *provided that* the Purchaser and the Company shall cooperate to ensure that the Implementation Steps are completed in a tax efficient manner, including by revising the steps thereof as required by the Purchaser.
- (b) The Purchaser and the Company shall work cooperatively and use commercially reasonable efforts to prepare, before the Closing Date, all documentation necessary and do such other acts and things as are necessary to give effect to the Implementation Steps.

#### **7.3 Company’s Closing Deliveries**

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

- (a) a true copy of the Approval and Vesting Order, as issued and entered by the Court;
- (b) a true copy of the U.S. Recognition Order, as issued and entered by the U.S. Court;



- (c) share certificates representing the Purchased Shares, issued to the Purchaser, and the Retained Shares;
- (d) a true copy of the Excluded Asset Bill of Sale;
- (e) a true copy of the Excluded Liability Assumption Agreement;
- (f) a certificate of an officer of the Company, without personal liability, dated as of the Closing Date, confirming that all of the representations and warranties contained in this Agreement are true in all material respects as of the Closing Time, with the same effect as though made at and as of the Closing Time, and that the Company has performed in all material respects the covenants to be performed by it prior to the Closing Time;
- (g) the Organizational Documents of the Purchased Entities, and the corporate Books and Records; and
- (h) such other agreements, documents and instruments as may be reasonably required by the Purchaser to complete the Transaction, all of which shall be in form and substance satisfactory to the Parties, acting reasonably.

#### **7.4 Purchaser's Closing Deliveries**

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

- (a) evidence that the Revolving Credit Facility has been established;
- (b) the Closing Payment;
- (c) certificates of an officer of each of the Purchaser dated as of the Closing Date confirming that all of the representations and warranties of the Purchaser contained in this Agreement are true in all material respects as of the Closing Time, with the same effect as though made at and as of the Closing Time, and that the Purchaser has performed in all material respects the covenants to be performed by them prior to the Closing Time; and
- (d) such other agreements, documents and instruments as may be reasonably required by the Company to complete the Transaction, all of which shall be in form and substance satisfactory to the Parties, acting reasonably.

### **ARTICLE 8 CONDITIONS OF CLOSING**

#### **8.1 Conditions Precedent in favour of the Parties**

The obligation of the Parties to complete the Transaction is subject to the following joint conditions being satisfied, fulfilled or performed on or prior to the Closing Date:

- (a) Approval and Vesting Order. The Court shall have issued and entered the Approval and Vesting Order, which Approval and Vesting Order shall not have been stayed, set aside, or vacated and no application, motion or other proceeding shall have been commenced seeking the same, in each case which has not been fully dismissed, withdrawn or otherwise resolved in a manner satisfactory to the Parties, each acting reasonably.

- (b) U.S. Recognition Orders. The U.S. Court shall have issued and entered the U.S. Recognition Orders, which U.S. Recognition Orders shall not have been stayed, varied in a manner materially adverse to the Purchaser, set aside, or vacated and no application, motion or other proceeding shall have been commenced seeking the same, in each case which has not been fully dismissed, withdrawn, or otherwise resolved in a manner satisfactory to the Purchaser, at its sole discretion.
- (c) No Order. No Applicable Law and no judgment, injunction, order or decree shall have been issued by a Governmental Authority or otherwise in effect that restrains or prohibits the completion of the Transaction.
- (d) No Restraint. No application, motion, action or proceedings shall be pending by or before a Governmental Authority to restrain or prohibit the completion of the Transaction contemplated by this Agreement.
- (e) Monitor's Certificate. The Monitor shall have provided an executed certificate of the Monitor substantially in the form attached to the Approval and Vesting Order (the “**Monitor's Certificate**”) confirming that all conditions to Closing have either been satisfied or waived by both the Purchaser and the Company.

The foregoing conditions are for the mutual benefit of the Parties. If any condition set out in Section 8.1 is not satisfied, performed or mutually waived on or prior to the Outside Date, any Party may elect on written notice to the other Parties to terminate this Agreement.

## 8.2 Conditions Precedent in favour of the Purchaser

The obligation of the Purchaser to complete the Transaction is subject to the following conditions being satisfied, fulfilled, or performed on or prior to the Closing Date:

- (a) Implementation Steps. The Implementation Steps shall have been completed in the order and in the timeframes contemplated hereunder.
- (b) Company's Deliverables. The Company and the other Purchased Entities, as applicable, shall have executed and delivered or caused to have been executed and delivered to the Purchaser at the Closing all the documents contemplated in Section 7.3.
- (c) No Breach of Representations and Warranties. Except as such representations and warranties may be affected by the occurrence of events or transactions specifically contemplated by this Agreement, each of the representations and warranties contained in Section 5.1 and Section 5.2 shall be true and correct in all material respects: (i) as of the Closing Date as if made on and as of such date; or (ii) if made as of a date specified therein, as of such date.
- (d) No Breach of Covenants. The Company and the other Purchased Entities, as applicable, shall have performed, in all material respects, all covenants, obligations and agreements contained in this Agreement required to be performed by the Purchased Entities on or before the Closing Date.
- (e) Company Employees. The Purchased Entities shall have terminated the employment of any employees identified by the Purchaser in its sole discretion to be Terminated Employees and all Liabilities owing to any such Terminated Employees in respect of such terminations, including all amounts owing on account of statutory notice, termination payments, individual or group notice of termination (as applicable), severance, wages, overtime pay, vacation pay, benefits, bonuses or other compensation or entitlements,

including any amounts deemed owing pursuant to statute or common law, shall be Excluded Liabilities or shall be Discharged pursuant to the Approval and Vesting Order.

- (f) ResidualCo. Pursuant to the Implementation Steps and the Approval and Vesting Order: (i) all Excluded Assets and Excluded Liabilities shall have been transferred to ResidualCo or Discharged; (ii) the Excluded Liabilities shall have attached to the Excluded Assets; and (iii) the Purchased Entities and their Business and the Retained Assets, including the Facility, shall have been released and forever Discharged of all Claims and Encumbrances (other than Retained Liabilities and Permitted Encumbrances, if any) such that, from and after Closing the Business and Retained Assets of the Purchased Entities shall exclude the Excluded Assets and shall not be subject to any Excluded Liabilities.
- (g) Partial Termination of CCAA Proceeding. Upon Closing, the CCAA Proceeding shall have been terminated in respect of the Purchased Entities and their Business and property, as set out in the Approval and Vesting Order, but, for greater certainty, shall continue in respect of ResidualCo.
- (h) Disclaimer of Excluded Contracts. The Company shall have sent notices of disclaimer for all known Excluded Contracts and other agreements, and such known Excluded Contracts shall form part of the Excluded Assets.
- (i) Permits and Licenses. The Permits and Licenses shall be in good standing at the Closing Time and no material default shall have occurred under any such Permits and Licenses that remains unremedied.
- (j) Wells Fargo Refinancing. The Company, Wells Fargo, and the Purchaser shall have agreed to refinance the total indebtedness owing by the Purchased Entities to Wells Fargo under the Wells Fargo Credit Agreement and Forbearance on terms mutually agreed to by the Purchaser and Wells Fargo. For greater certainty, such refinancing shall not result in any reduction of the total indebtedness payable by the Purchased Entities or the Purchaser.
- (k) Intercreditor and Forbearance Agreements. The Company, the Purchaser, the Revolving Credit Facility Lender, Wells Fargo, RBC, TD, ACB, and EDC shall have agreed to intercreditor agreements and, in the case of RBC, TD, and ACB and forbearance agreements, satisfactory to the Purchaser in its sole discretion.
- (l) RBC Letters of Credit. The Purchaser and RBC shall have resolved, to each of the Purchaser and RBC's satisfaction, all of the Company's and the Purchased Entities' potential liability to RBC pursuant to the RBC LC Agreement and pursuant to the irrevocable standby letter of credit no. SDNHTI310668 issued by HSBC Bank Canada, as predecessor by amalgamation to RBC, to Ravago Americas LLC on April 4, 2023.
- (m) Spark Power Construction Lien. The Spark Power Construction Lien shall have been discharged and the Monitor shall confirm that the Spark Power Holdback is in place.
- (n) Cash on Hand. The Company and the other Purchased Entities shall have, as of October 25, 2024, in the aggregate, at least \$650,000 cash and cash equivalents on hand, exclusive of (i) the RBC Cash Collateral; and (ii) any amounts, Claims, or fees to be paid by the Purchased Entities or any of them in relation to the Closing, but inclusive of any Cash swept by Wells Fargo from the Company's accounts from the Effective Date through the end of day October 25, 2024.

- (o) Wells Fargo. As of October 25, 2024, exclusive of any amounts, Claims, or fees to be paid by the Purchased Entities or any of them in relation to the Closing, the borrowing base as certified by the Borrower shall be no less than \$13,500,000 pursuant to the Wells Fargo Credit Agreement and Forbearance.
- (p) EDC Amending Agreement. The Company and EDC shall have executed the EDC Amending Agreement.

The foregoing conditions are for the exclusive benefit of the Purchaser. Any condition in this Section 8.2 may be waived by the Purchaser in whole or in part, without prejudice to any of their rights of termination in the event of non-fulfillment of any other condition in whole or in part. Any such waiver shall be binding on the Purchaser only if made in writing. If any condition set out in Section 8.2 is not satisfied, at the Purchaser's sole discretion, or performed on or prior to the Outside Date, the Purchaser may elect on written notice to the Company and the Monitor to terminate this Agreement.

### **8.3 Conditions Precedent in favour of the Company**

The obligation of the Company to complete the Transaction is subject to the following conditions being satisfied, fulfilled, or performed on or prior to the Closing Date:

- (a) Purchaser's Deliverables. The Purchaser shall have executed and delivered or caused to have been executed and delivered to the Company at the Closing all the documents and payments contemplated in Section 7.4.
- (b) No Breach of Representations and Warranties. Each of the representations and warranties contained in Section 5.2 shall be true and correct in all material respects: (i) as of the Closing Date as if made on and as of such date; or (ii) if made as of a date specified therein, as of such date.
- (c) No Breach of Covenants. The Purchaser shall have performed in all material respects all covenants, obligations and agreements contained in this Agreement required to be performed by the Purchaser on or before the Closing.

The foregoing conditions are for the exclusive benefit of the Company. Any condition in this Section 8.3 may be waived by the Company in whole or in part, without prejudice to any of its rights of termination in the event of non-fulfilment of any other condition in whole or in part. Any such waiver shall be binding on the Company only if made in writing. If any condition set forth in this Section 8.3 is not satisfied or performed on or prior to the Outside Date, the Company may elect on written notice to the Purchaser to terminate this Agreement.

## **ARTICLE 9 TERMINATION**

### **9.1 Grounds for Termination**

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

- (a) by the mutual written agreement of the Company (with the consent of the Monitor) and the Purchaser; or
- (b) by the Company (with the consent of the Monitor) or the Purchaser, if there has been a material violation or breach by the other Party of any agreement, covenant, representation or warranty of such Party in this Agreement which would prevent the satisfaction of, or compliance with, any condition set forth in Article 8 by the Outside Date, and such

violation or breach has not been waived by the non-breaching Party or cured within five (5) Business Days after written notice thereof from the non-breaching Party to the breaching Party; or

- (c) by the Company (with the consent of the Monitor) or the Purchaser upon written notice to the other Parties if the Closing has not occurred on or prior to the Outside Date; provided that the failure to close by such deadline is not caused by a breach of this Agreement by the Party proposing to terminate the Agreement.

## **9.2 Effect of Termination.**

If this Agreement is terminated pursuant to Section 9.1, all further obligations of the Parties under this Agreement will terminate and no Party will have any Liability or further obligations hereunder.

## **ARTICLE 10 GENERAL**

### **10.1 Access to Books and Records**

For a period of two years from the Closing Date or for such longer period as may be reasonably required to comply with Applicable Law, the Purchaser will retain all original Books and Records that are transferred to the Purchaser under this Agreement, but the Purchaser is not responsible or liable for any accidental loss or destruction of, or damage to, any such Books and Records. So long as any such Books and Records are retained by the Purchaser pursuant to this Agreement, the Monitor has the right to inspect and to make copies (at its own expense) of them at any time upon reasonable request during normal business hours and upon reasonable notice for any proper purpose and without undue interference to the business operations of the Purchaser.

### **10.2 Notice**

Any notice or other communication under this Agreement shall be in writing and may be delivered by read-receipted email, addressed:

- (a) in the case of the Purchaser, as follows:

#### **HUK 149 Limited**

Attention: Chris Emmott / Josh Robertshaw

Email: [chris.emmott@hilcocapital.com](mailto:chris.emmott@hilcocapital.com) / [josh.robertshaw@hilcocapital.com](mailto:josh.robertshaw@hilcocapital.com)

with a copy to:

#### **Miller Thomson LLP**

40 King Street West, Suite 5800

Toronto, ON M5H 4A9

Attention: Larry Ellis / Matthew Cressatti

Email: [lellis@millerthomson.com](mailto:lellis@millerthomson.com) / [mcressatti@millerthomson.com](mailto:mcressatti@millerthomson.com)

- (b) in the case of the Company, as follows:

**Good Natured Products Inc.**

5 Abacus Road  
Brampton, ON L6T 5B7

Attention: Paul Antoniadis / Don Holmstorm

Email: [paul.a@goodnaturedproducts.com](mailto:paul.a@goodnaturedproducts.com) / [don.h@goodnaturedproducts.com](mailto:don.h@goodnaturedproducts.com)

with a copy to:

**Osler, Hoskin & Harcourt LLP**

Suite 3000, Bentall Four  
1055 Dunsmuir Street  
Vancouver, BC V7X 1K8

Attention: Mary Buttery, K.C. / Christian Garton / Emma Newbery

Email: [muttery@osler.com](mailto:muttery@osler.com) / [cgarton@osler.com](mailto:cgarton@osler.com) / [enewbery@osler.com](mailto:enewbery@osler.com)

- (c) in each case, with a further copy to the Monitor as follows:

**Alvarez & Marsal Canada Inc.**

Cathedral Place Building  
925 West Georgia Street, Suite 902  
Vancouver, BC V6C 3L2

Attention: Anthony Tillman / Pinky Law

Email: [atillman@alvarezandmarsal.com](mailto:atillman@alvarezandmarsal.com) / [pinky.law@alvarezandmarsal.com](mailto:pinky.law@alvarezandmarsal.com)

with a copy to:

**McCarthy Tetrault LLP**

745 Thurlow Street  
Suite 2400  
Vancouver, BC V6E 0C5

Attention: Lance Williams / Ashley Bowron

Email: [llwilliams@mccarthy.ca](mailto:llwilliams@mccarthy.ca) / [abowron@mccarthy.ca](mailto:abowron@mccarthy.ca)

Any such notice or other communication, if transmitted by email before 5:00 p.m. (Vancouver time) on a Business Day, will be deemed to have been given on such Business Day, and if transmitted by email after 5:00 p.m. (Vancouver time) on a Business Day, will be deemed to have been given on the Business Day after the date of the transmission. In the case of a communication by email or other electronic means, if an autoreply is received indicating that the email is no longer monitored or in use, delivery must be followed by the dispatch of a copy of such communication pursuant to one of the other methods described above; provided however that any communication originally delivered by electronic means shall be deemed to have been given on the date stipulated above for electronic delivery.

Sending a copy of a notice or other communication to a Party's legal counsel as contemplated above is for information purposes only and does not constitute delivery of the notice or other communication to that

Party. The failure to send a copy of a notice or other communication to legal counsel does not invalidate delivery of that notice or other communication to a Party. A Person may change its address for service by notice given in accordance with the foregoing and any subsequent communication must be sent to such Person at its changed address.

### **10.3 Public Announcements**

The Company shall be entitled to disclose this Agreement to the Court and parties in interest in the CCAA Proceedings, other than any information which the Purchaser advises the Company in writing as being confidential, and this Agreement may be posted on the Monitor's website maintained in connection with the CCAA Proceedings. Other than as provided in the preceding sentence or statements made in Court (or in pleadings filed therein) or where required to meet timely disclosure obligations of the Company or any of its Affiliates under Applicable Laws or stock exchange rules, the Company shall not issue (prior to or after the Closing) any press release or make any public statement or public communication with respect to this Agreement or the Transactions contemplated hereby without the prior consent of the other Parties, which shall not be unreasonably withheld or delayed.

### **10.4 Time**

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

### **10.5 Survival**

The representations and warranties of the Parties contained in this Agreement shall not merge on Closing and the representations, warranties and covenants of the Parties contained herein to be performed after the Closing shall survive Closing and remain in full force and effect.

### **10.6 Benefit of Agreement**

This Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns, including for greater certainty, ResidualCo, provided that no consent, waiver or agreement of ResidualCo shall be required for any amendment of this Agreement.

### **10.7 Entire Agreement**

This Agreement and the attached Schedules hereto constitute the entire agreement between the Parties with respect to the subject matter hereof and supersede all prior negotiations, understandings and agreements. This Agreement may not be amended or modified in any respect except by written instrument executed by the Company and the Purchaser.

### **10.8 Paramourty**

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

### **10.9 Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein and each of the Parties irrevocably attorns to the exclusive jurisdiction of the Court, and any appellate courts of the Province of British Columbia therefrom.

### **10.10 Assignment**

- (a) The Purchaser may assign its rights under this Agreement prior to Closing, in whole or in part, without the prior written consent of the Company, ResidualCo or the Monitor, provided that: (i) the Purchaser provides prior notice of such assignment to the Company and the Monitor, and such assignment is to one or more of the Purchaser's Affiliates; and (ii) such assignee agrees to be bound by the terms of this Agreement to the extent of the assignment; provided, however, that any such assignment shall not relieve the Purchaser of its obligations hereunder.
- (b) Except as specifically contemplated herein as it relates to ResidualCo, this Agreement may not be assigned by the Company without the consent of the Purchaser.

#### **10.11 Further Assurances**

Each of the Parties shall, at the request and expense of the requesting Party, take or cause to be taken such action and execute and deliver or cause to be executed and delivered to the other such conveyances, transfers, documents and further assurances as may be reasonably necessary or desirable to give effect to this Agreement.

#### **10.12 Counterparts**

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement. Transmission by e-mail of an executed counterpart of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart.

#### **10.13 Severability**

Notwithstanding any provision herein, if a condition to complete the Transaction, or a covenant or an agreement herein is prohibited or unenforceable pursuant to Applicable Law, then such condition, covenant or agreement shall be ineffective to the extent of such prohibition or unenforceability without invalidating the other provisions hereof.

#### **10.14 Monitor's Certificate**

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

#### **10.15 Monitor's Capacity**

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

**[Signature Page Follows]**



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

For the Purchaser:

**HUK 149 Limited**

By:



---

Name: Chris Emmott

Title: Authorized Signatory

I have authority to bind the Corporation.

For the Company:

**GOOD NATURED PRODUCTS INC.**

By:

---

Name:

Title: Authorized Signatory

I have authority to bind the Corporation.

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

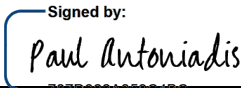
For the Purchaser:

**HUK 149 Limited**

By: \_\_\_\_\_  
Name: Chris Emmott  
Title: Authorized Signatory  
I have authority to bind the Corporation.

For the Company:

**GOOD NATURED PRODUCTS INC.**

Signed by:  
By:  \_\_\_\_\_  
Name: Paul Antoniadis  
Title: Authorized Signatory  
I have authority to bind the Corporation.

**EXHIBIT “A”  
IMPLEMENTATION STEPS**

1. The Company shall incorporate and organize ResidualCo as a wholly-owned subsidiary of the Company, with nominal consideration for common shares.
2. Immediately prior to the Closing the Company shall pay:
  - a. the KERP Payment; and
  - b. the payments required pursuant to Section 6.10 of the Agreement.
3. Effective as of the Closing Time, the following steps shall take place sequentially pursuant to the Approval and Vesting Order:
  - (a) ResidualCo shall be added to the CCAA Proceeding as a Petitioner;
  - (b) all employees designated by the Purchaser as Terminated Employees will be terminated by the applicable member of the Purchased Entities;
  - (c) the Excluded Assets, Excluded Contracts and Excluded Liabilities shall transfer to, and vest in, ResidualCo.;
  - (d) the ResidualCo Shares shall be transferred to the Monitor, or another entity designated by the Monitor;
  - (e) to the extent required by Applicable Law, the Reorganization Documents shall be filed or deposited with the applicable Governmental Authority or other Person;
  - (f) the Company shall issue the Purchased Shares to the Purchaser, free and clear of all Encumbrances except for Permitted Encumbrances;
  - (g) the Existing Equity shall be cancelled, or redeemed, for no consideration pursuant to the Approval and Vesting Order and the Reorganization Documents;
  - (h) the Purchaser shall satisfy the Purchase Price in accordance with the terms of this Agreement;
  - (i) from the Closing Payment the Monitor shall make all payments set out in Section 3.3(b) of the Agreement;
  - (j) Closing shall be deemed to have occurred;
  - (k) any and all Liabilities arising from or relating to: (i) the transactions noted above; (ii) the change of control resulting from the Transaction; and (iii) the transfer of the Excluded Assets and Excluded Liabilities to ResidualCo; including, for certainty and without limitation, Liabilities and Taxes resulting from any debt forgiveness, shall be transferred to ResidualCo and the Purchased Entities shall have no obligations in connection with such Liabilities or Taxes;
  - (l) the Purchaser shall pay Osler, Hoskin & Harcourt LLP the amount of \$300,000 in trust for, and in satisfaction of, the Retained Liabilities to the Monitor, McCarthy Tetrault LLP Osler, Hoskin & Harcourt LLP, and Akerman LLP as defined on Schedule “H” hereto;

- (m) the Purchaser shall pay to Osler, Hoskin & Harcourt LLP the amount of \$139,000 in trust for and in satisfaction of the Priority Payments, as defined on Schedule “I” hereto;
- (n) the Purchaser shall pay to the Monitor the Wind-Down Costs in the amount of \$50,000 in trust for and in satisfaction of the Wind-Down Cost, as defined in Schedule “H”; and
- (o) the Purchased Entities shall cease to be Petitioners in the CCAA Proceedings.

**The Parties agree that this Exhibit “A” remains subject to further revision no less than two (2) days prior to the Closing of the Transaction contemplated in this Agreement.**

**SCHEDULE "A"**  
**EXCLUDED ASSETS**

1. The Excluded Contracts.

## SCHEDULE “B” EXCLUDED CONTRACTS

The following is a non-exhaustive list of the Excluded Contracts:

### DEBT:

1. Trust indenture between Good Natured Products Inc. and Integral Wealth Securities Limited, as lender, dated December 30, 2019.
2. Trust indenture between Good Natured Products Inc. and the TSX Trust Company, dated October 28, 2021.
3. Repayable government grant between Good Natured Products Inc., as borrower, and Western Innovation Initiative, Government of Canada, as lender, dated June 20, 2014.
4. Subordinated promissory note between Good Natured Products (CAD) Inc., as borrower, and Bill Mechar, as lender, dated December 1, 2023.
5. Amended and restated subordinated promissory note between Good Natured Products (CAD) Inc., as borrower and JTF Holdings, Inc. as lender, dated December 5, 2023.
6. Secured promissory note between good natured Real Estate Holdings (Ontario) Inc., as borrower, and Good Natured Products Inc., Todd Shepherd, Mark Shepherd, Barry Shepherd, Denise Shepherd and Shepherd Family Trust as lenders, dated May 12, 2020.
7. The Guarantee Products and Other Insurance Declaration granted by certain of the Purchased Entities in favour of EDC dated October 9, 2020.

### FACILITY LEASES:

8. Lease of the head office located at 814 - 470 Granville Street, Vancouver, BC (the “**Head Office**”) dated April 1, 2020, between Good Natured Products Inc., as tenant, and Lotte And John Hecht Memorial Foundation, by its Agent, Equitable Real Estate Investment Corporation Ltd., as landlord, as amended, restated, or modified from time to time.
9. Lease of N532 Williams Road, Genoa City, Wisconsin dated November 1, 2008, between Prime-Genoa Properties, LLC and Ex-Tech Plastics Inc., as amended by the Addendum between United Five Group, LLC, as successor to Prime-Genoa Properties, LLC, and Ex-Tech Plastics Inc., dated October 31, 2020.
10. Lease of #803, 804, 814, 815 and 818 470 Granville Street, Vancouver BC, dated June 17, 2022 between Good Natured Products Inc., as tenant and Lotte and John Hecht Memorial Foundation, as landlord, as amended, restated, or modified from time to time.
11. Lease of 320 Sheldon Drive, Cambridge (the “**Sheldon Location**”) dated October 18, 2021, between IPF Holdings Inc., as tenant, and DONGAB Co. Inc, as landlord.

### EQUIPMENT LEASES

12. The Master Equipment Lease Agreement dated October 31, 2022 by and between Good Natured Products (Illinois), LLC and Wingspire Equipment Finance LLC, including but not limited to all

of the Petitioners' liabilities and obligations arising pursuant to Addendum Schedule #01, Addendum Schedule #02, and any and all other addendums thereto;

INVESTOR RELATIONS AGREEMENTS

13. Investor relations agreement between Good Natured Products Inc. and Integral Wealth Securities Limited dated October 2, 2019.
14. Investor relations agreement between Good Natured Products Inc. and Platform Group Limited dated December 30, 2020.
15. Investor relations agreement between Good Natured Products Inc. and Bristol Capital Ltd. dated Executed June 18, 2020 and effective on July 1, 2020.
16. Investor relations agreement between Good Natured Products Inc. and William Blair & Company, L.L.C. dated on or about July 14, 2023.

INSURANCE:

17. Property and casualty insurance policy with Chubb Insurance Company for the period of March 10, 2024 to March 10, 2025 with respect to equipment breakdown at the Sheldon and Head Office locations.

**SCHEDULE “C”  
EXCLUDED LIABILITIES**

The following is a non-exhaustive list of Excluded Liabilities:

1. Any and all Liabilities relating to any change of control provision that may arise in connection with the change of control contemplated by the Transaction and to which the Purchased Entities may be bound as at the Closing Time.
2. Any and all Liabilities pertaining to the administration of the CCAA Proceedings including, without limitation, under any Court-ordered charge granted therein.
3. All Liabilities relating to or under the Excluded Contracts and Excluded Assets.
4. All Liabilities to Terminated Employees whose employment with the Purchased Entities is terminated on or before Closing, including all amounts owing on account of statutory notice, termination payments, individual or group notice of termination (as applicable), severance, overtime pay, benefits, bonuses or other compensation or entitlements, including any amounts deemed owing pursuant to statute or common law, but excluding wages and vacation pay owing to Terminated Employees up to the Closing Date.
5. Any Liabilities for commissions, fees or other compensation payable to any finder, broker or similar intermediary in connection with the negotiation, execution or delivery of this Agreement or the consummation of the Transaction.
6. Any Liabilities arising from the Guarantee Products and Other Insurance Declaration granted by certain of the Purchased Entities in favour of EDC dated October 9, 2020.
7. Any Liabilities arising from the Spark Power Claim.
8. Any and all Liabilities that are not Retained Liabilities.



**SCHEDULE “D”  
PERMITTED ENCUMBRANCES**

**Canadian Personal Property Registrations, as amended and renewed from time to time**

**I. Ontario PPR Registrations**

1. Debtor: Good Natured Products Inc.
  - a. Registration: 20220726 1431 9234 3923 in favour of Wells Fargo Capital Finance Corporate Canada
    - i. Inventory, Equipment, Accounts, Other, and Motor Vehicle
    - ii. Expiry: July 26, 2029
  - b. Registration: 20220929 1627 1590 2408 in favour of HSBC Bank Canada
    - i. Accounts and Other
    - ii. Expiry: September 29, 2030
2. Debtor: Good Natured Real Estate Holdings (Ontario) Inc.
  - a. Registration: 20240222 0918 1590 1673 in favour of The Toronto Dominion Bank
    - i. Accounts and Other
    - ii. Expiry: February 22, 2030
  - b. Registration: 20240222 0918 1590 1674 in favour of The Toronto Dominion Bank
    - i. Inventory, Equipment, Accounts, Other, and Motor Vehicle
    - ii. Expiry: February 22, 2030
  - c. Registration: 20220726 1434 9234 3930 in favour of Wells Fargo Capital Finance Corporate Canada
    - i. Inventory, Equipment, Accounts, Other, and Motor Vehicle
    - ii. Expiry: July 26, 2029
  - d. Registration: 20220929 1625 1590 2407 in favour of HSBC Bank Canada
    - i. Accounts and Other
    - ii. Expiry: September 29, 2030
3. Good Natured Products (CAD) Inc.
  - a. Registration: 20220113 1934 1531 3437 in favour of HSBC Bank Canada, Leasing Division
    - i. Equipment and Other
    - ii. Expiry January 13, 2029
  - b. Registration: 20220726 1432 9234 3924 in favour of Wells Fargo Capital Finance Corporate Canada
    - i. Inventory, Equipment, Accounts, Other, and Motor Vehicle
    - ii. Expiry: July 26, 2029
  - c. Registration: 20220726 1433 9234 3926 in favour of Wells Fargo Capital Finance Corporate Canada
    - i. Inventory, Equipment, Accounts, Other, and Motor Vehicle
    - ii. Expiry: July 26, 2029
  - d. Registration: 20220726 1433 9234 3927 in favour of Wells Fargo Capital Finance Corporate Canada
    - i. Inventory, Equipment, Accounts, Other, and Motor Vehicle
    - ii. Expiry: July 26, 2029
  - e. Registration: 20220726 1433 9234 3928 in favour of Wells Fargo Capital Finance Corporate Canada
    - i. Inventory, Equipment, Accounts, Other, and Motor Vehicle
    - ii. Expiry: July 26, 2029

- f. Registration: 20220726 1434 9234 3929 in favour of Wells Fargo Capital Finance Corporate Canada
      - i. Inventory, Equipment, Accounts, Other, and Motor Vehicle
      - ii. Expiry: July 26, 2029
    - g. Registration: 20220929 1622 1590 2404 in favour of HSBC Bank Canada
      - i. Accounts and Other
      - ii. Expiry: September 29, 2030
    - h. Registration: 20220929 1623 1590 2405 in favour of HSBC Bank Canada
      - i. Accounts and Other
      - ii. Expiry: September 29, 2030
    - i. Registration: 20220929 1624 1590 2406 in favour of HSBC Bank Canada
      - i. Accounts and Other
      - ii. Expiry: September 29, 2030
    - j. Registration: 20220929 1628 1590 2409 in favour of HSBC Bank Canada
      - i. Accounts and Other
      - ii. Expiry: September 29, 2030
  - 4. Debtors: Good Natured Products Packaging Canada LP, Good Natured Products Packaging Canada GP Inc., Good Natured Products Packaging Brampton GP Inc., and Good Natured Products Packaging Brampton LP
    - a. Registration: 20240222 0918 1590 1674 in favour of The Toronto Dominion Bank
      - i. Accounts and Other
      - ii. Expiry: February 22, 2030
    - b. Registration: 20221223 1546 9234 6215 in favour of Wells Fargo Capital Finance Corporate Canada
      - i. Inventory, Equipment, Accounts, Other, and Motor Vehicle
      - ii. Expiry: December 23, 2029
    - c. Registration: 20221223 1547 9234 6217 in favour of Wells Fargo Capital Finance Corporate Canada
      - i. Inventory, Equipment, Accounts, Other, and Motor Vehicle
      - ii. Expiry: December 23, 2029
    - d. Registration: 20221223 1548 9234 6218 in favour of Wells Fargo Capital Finance Corporate Canada
      - i. Inventory, Equipment, Accounts, Other, and Motor Vehicle
      - ii. Expiry: December 23, 2029
    - e. Registration: 20221223 1548 9234 6219 in favour of Wells Fargo Capital Finance Corporate Canada
      - i. Inventory, Equipment, Accounts, Other, and Motor Vehicle
      - ii. Expiry: December 23, 2029
    - f. Registration: 20230120 1523 1590 7845 in favour of HSBC Bank Canada
      - i. Accounts and Other
      - ii. Expiry: January 20, 2031
    - g. Registration: 20230120 1525 1590 7846 in favour of HSBC Bank Canada
      - i. Accounts and Other
      - ii. Expiry: January 20, 2031
  - 5. Debtors: Good Natured Products Industrial Canada GP Inc. and Good Natured Products Industrial Canada LP
    - a. Registration: 20220113 1934 1531 3437 in favour of HSBC Bank Canada Leasing Division
      - i. Equipment and Other
      - ii. Expiry January 13, 2029
    - b. Registration: 20220726 1435 9234 3931 in favour of Wells Fargo Capital Finance Corporate Canada

- i. Inventory, Equipment, Accounts, Other, and Motor Vehicle
  - ii. Expiry: July 26, 2029
- c. Registration: 20221223 1547 9234 6216 in favour Wells Fargo Capital Finance Corporate Canada
  - i. Inventory, Equipment, Accounts, Other, and Motor Vehicle
  - ii. Expiry: December 23, 2029
- d. Registration: 20230120 1522 15907844 in favour of HSBC Bank Canada
  - i. Account and Other
  - ii. Expiry: January 20, 2031
- 6. Debtor: 1306187 BC Ltd.
  - a. Registration: 20220929 1621 1590 2403 in favour of HSBC Bank Canada
    - i. Goods, Inventory, Equipment, Accounts, Other
    - ii. Expiry: September 29, 2030
  - b. Registration: 785240487 20220726 1432 9234 3925
    - i. Inventory, Equipment, Accounts, Other and Motor Vehicle
    - ii. Expiry: July 26, 2029
- 7. Debtor: Good Natured Products (US) Inc.
  - a. Registration: 785321406 20220728 1258 9234 3984
    - i. Inventory, Equipment, Accounts, Other and Motor Vehicle
    - ii. Expiry: July 28, 2029

## II. British Columbia PPR Registrations

- 8. Debtor: Good Natured Products Inc.
  - a. Base Registration: 710442M in favour of HSBC Bank Canada
    - i. Expiry: January 15, 2031 at 11:59:59 pm PST
  - b. Base Registration: 948361M in favour of HSBC Bank Canada
    - i. Expiry: May 5, 2031 at 11:59:59 pm PST
  - c. Base Registration: 948362M in favour of HSBC Bank Canada
    - i. Expiry: May 5, 2031 at 11:59:59 pm PST
  - d. Base Registration: 243164N in favour of HSBC Bank Canada
    - i. Expiry: September 15, 2031 at 11:59:59 pm PST
  - e. Base Registration: 621059N in favour of HSBC Bank Canada
    - i. Expiry: March 25, 2032 at 11:59:59 pm PST
  - f. Base Registration: 882343N in favour of Wells Fargo Capital Finance Corporation Canada
    - i. Expiry: July 26, 2029 at 11:59:59 pm PST
  - g. Base Registration: 114068P in favour of HSBC Bank Canada
    - i. Expiry: September 29, 2030 at 11:59:59 pm PST
- 9. Debtor: 1306187 BC Ltd
  - a. Base Registration: 882368N in favour of Wells Fargo Capital Finance Corporation Canada
    - i. Expiry: July 26, 2029 at 11:59:59 pm PST
  - b. Base Registration: 114073P in favour of HSBC Bank Canada
    - i. Expiry September 29, 2030 at 11:59:59 pm PST
- 10. Debtor: Good Natured Products (CAD) Inc.
  - a. Base Registration: 114066P in favour of HSBC Bank Canada
    - i. Expiry September 29, 2030 at 11:59:59 pm PST
  - b. Base Registration: 882355N Wells Fargo Capital Finance Corporation Canada
    - i. Expiry: July 26, 2029 at 11:59:59 pm PST
  - c. Base Registration: 882399N Wells Fargo Capital Finance Corporation Canada
    - i. Expiry: July 26, 2029 at 11:59:59 pm PST

- d. Base Registration: 882409N Wells Fargo Capital Finance Corporation Canada
    - i. Expiry: July 26, 2029 at 11:59:59 pm PST
  - e. Base Registration: 882386N Wells Fargo Capital Finance Corporation Canada
    - i. Expiry: July 26, 2029 at 11:59:59 pm PST
  - f. Base Registration: 882404N Wells Fargo Capital Finance Corporation Canada
    - i. Expiry: July 26, 2029 at 11:59:59 pm PST
- 11. Debtor: Good Natured Real Estate Holdings (Ontario) Inc.
  - a. Base Registration: 882415N Wells Fargo Capital Finance Corporation Canada
    - i. Expiry: July 26, 2029 at 11:59:59 pm PST
  - b. Registration 882415N in favour of Wells Fargo Capital Finance Corporate Canada
    - i. All of the Debtor's present and after-acquired personal property.
    - ii. Expiry: July 26, 2029
  - c. Registration 200925Q in favour of The Toronto Dominion Bank
    - i. All of the debtor's present and after-acquired personal property, including without limitation fixtures and an uncrystallized floating charge on land
    - ii. Expiry: February 20, 2030
  - d. Registration 200939Q in favour of The Toronto Dominion Bank
    - i. Leases and rents located at 5 Abacus Road, Brampton Ontario
    - ii. Expiry: February 20, 2030
  - e. Registration 200925Q in favour of The Toronto Dominion Bank
    - i. All of the debtor's present and after-acquired personal property, including without limitation fixtures and an uncrystallized floating charge on land
    - ii. Expiry: February 20, 2030
  - f. Registration 200939Q in favour of The Toronto Dominion Bank
    - i. Leases and rents located at 5 Abacus Road, Brampton Ontario
    - ii. Expiry: February 20, 2030
- 12. Debtor: Good Natured Products Industrial Canada LP and Good Natured Products Industrial Canada GP Inc.
  - a. Base Registration: 882430N Wells Fargo Capital Finance Corporation Canada
    - i. Expiry: July 26, 2029 at 11:59:59 pm PST
- 13. Debtor: Good Natured Products (US) Inc.
  - a. Base Registration: 888652N Wells Fargo Capital Finance Corporation Canada
    - i. Expiry: July 28, 2029 at 11:59:59 pm PST
- 14. Debtors: Good Natured Products Packaging Brampton LP Good Natured Products Packaging Brampton GP Inc.
  - a. Base Registration: 269597P Wells Fargo Capital Finance Corporation Canada
    - i. Expiry: December 23, 2029 at 11:59:59 pm PST
- 15. Debtors: Good Natured Products Packaging Canada LP and Good Natured Products Packaging Canada GP Inc.
  - a. Base Registration: 269598P Wells Fargo Capital Finance Corporation Canada
    - i. Expiry: December 23, 2029 at 11:59:59 pm PST
- 16. Debtors: Good Natured Products Packaging Brampton GP Inc.
  - a. Base Registration: 269599P Wells Fargo Capital Finance Corporation Canada
    - i. Expiry: December 23, 2029 at 11:59:59 pm PST
- 17. Debtors: Good Natured Products Industrial Canada GP Inc.
  - a. Base Registration: 269600P Wells Fargo Capital Finance Corporation Canada
    - i. Expiry: December 23, 2029 at 11:59:59 pm PST
- 18. Debtors: Good Natured Products Packaging Canada GP Inc.
  - a. Base Registration: 269601P Wells Fargo Capital Finance Corporation Canada
    - i. Expiry: December 23, 2029 at 11:59:59 pm PST

19. Debtors: Good Natured Products Packaging Canada LP, Good Natured Products Packaging Canada GP Inc., Good Natured Products Packaging Brampton GP Inc., and Good Natured Products Packaging Brampton LP
  - a. Registration: 269597P in favour of Wells Fargo Capital Finance Corporation Canada
    - i. All of the Debtor's present and after-acquired personal property
    - ii. Expiry: December 23, 2029
  - b. Registration: 269599P in favour of Wells Fargo Capital Finance Corporation Canada
    - i. All of the Debtor's present and after-acquired personal property
    - ii. Expiry: December 23, 2029
  - c. Registration: 200925Q in favour of The Toronto Dominion Bank
    - i. All of the debtor's present and after-acquired personal property, including without limitation fixtures and an uncrystallized floating charge on land
    - ii. Expiry: February 20, 2030

### III. Ontario and British Columbia

20. Debtor: All Purchased Entities
  - a. All registrations in favour of the Revolving Credit Facility Lender in respect of the Revolving Credit Facility.
  - b. All registrations in favour of EDC in respect of the EDC Amending Agreement.
  - c. All registrations in favour of RBC in respect of the RBC Mortgage Agreement, the RBC MEL, the RBC Cash Collateral, and the RBC Credit Card Agreement.

### IV. United States

21. Debtor: Good Natured Products (US) Inc.
  - a. State: Delaware
  - b. Registration Number: 2022 7172554
  - c. Collateral: All assets and properties of the Debtor, whether now owned or hereafter acquired, wherever located, and all proceeds and products thereof.
  - d. Expiry Date: August 25, 2027
22. Debtor: Good Natured Products Direct LLC
  - a. State: Delaware
  - b. Registration Number: 2023 1852242
  - c. Collateral: All assets and properties of the Debtor, whether now owned or hereafter acquired, wherever located, and all proceeds and products thereof.
  - d. Expiry Date: March 9, 2028
23. Debtor: Good Natured Products Packaging US LLC
  - a. State: Delaware
  - b. Registration Number: 2023 1852721
  - c. Collateral: All assets and properties of the Debtor, whether now owned or hereafter acquired, wherever located, and all proceeds and products thereof.
  - d. Expiry Date: March 9, 2028
24. Debtor: Good Natured Products Inc.
  - a. State: District of Columbia
  - b. Registration Number: 2022089751
  - c. Collateral: All assets and properties of the Debtor, whether now owned or hereafter acquired, wherever located, and all proceeds and products thereof.
  - d. Expiry Date: August 25, 2027
25. Debtor: Good Natured Products (CAD) Inc.
  - a. State: District of Columbia

- b. Registration Number: 2022089750
  - c. Collateral: All assets and properties of the Debtor, whether now owned or hereafter acquired, wherever located, and all proceeds and products thereof.
  - d. Expiry Date: August 25, 2027
- 26. Debtor: Good Nured Products (Illinois), LLC
  - a. State: Illinois
  - b. Registration Number: 28833423
  - c. Collateral: All assets and properties of the Debtor, whether now owned or hereafter acquired, wherever located, and all proceeds and products thereof.
  - d. Expiry Date: August 25, 2027
- 27. Debtor: Good Nured Products Real Estate U.S., LLC
  - a. State: Illinois
  - b. Registration Number: 28826990
  - c. Collateral: All assets and properties of the Debtor, whether now owned or hereafter acquired, wherever located, and all proceeds and products thereof.
  - d. Expiry Date: August 25, 2027
- 28. Debtor: Good Nured Products (Texas) LLC
  - a. State: Texas
  - b. Registration Number: 22-0042533960
  - c. Collateral: All assets and properties of the Debtor, whether now owned or hereafter acquired, wherever located, and all proceeds and products thereof.
  - d. Expiry Date: August 25, 2027

### **Canadian Real Property Charges**

- 1. 1306187 BC Ltd. – Parcel Register 03848-0103 at LRO #58:
  - a. Registration: WR1470526 from 1306187 BC Ltd in favour of HSBC Bank Canada
  - b. Registration: WR1470527 from 1306187 BC Ltd in favour of HSBC Bank Canada
  - c. Registration: WR1470529 from 1306187 BC Ltd in favour of HSBC Bank Canada
  - d. A registration to be registered prior to Closing in favour of the Revolving Credit Facility Lender.
  - e. A registration to be registered prior to Closing in favour of EDC.
- 2. Good Nured Real Estate Holdings (Ontario) Inc. – Parcel Register 14021-0094 at LRO #43:
  - a. Registration PR4305960 from Good Nured Real Estate Holdings (Ontario) Inc. in favour of The Toronto-Dominion Bank
  - b. Registration PR4305961 from Good Nured Real Estate Holdings (Ontario) Inc. in favour of The Toronto-Dominion Bank
  - c. A registration to be registered prior to Closing in favour of the Revolving Credit Facility Lender.
  - d. A registration to be registered prior to Closing in favour of EDC.

### **American Real Property Charges**

- 1. All real property security granted to American Community Bank & Trust by Good Nured Products Real Estate U.S., LLC in respect of the real property with the municipal address of 11413 North Burlington Road, Richmond, Illinois, United States of America.

2. A registration to be registered prior to Closing in favour of the Revolving Credit Facility Lender in respect of the real property with the municipal address of 11413 North Burlington Road, Richmond, Illinois, United States of America..
3. A registration to be registered prior to Closing in favour of EDC in respect of the real property with the municipal address of 11413 North Burlington Road, Richmond, Illinois, United States of America..

## SCHEDULE “E” RETAINED LIABILITIES

1. The Good Nured Group’s indebtedness to Wells Fargo under or in connection with the Wells Fargo Credit Agreement and Forbearance, as of October 25, 2024, as set out in **Schedule “H”**, plus any additional amounts due pursuant to the Wells Fargo Credit Agreement and Forbearance through to the Closing Date.
2. Certain entities of the Good Nured Group’s indebtedness to RBC under or in connection with the RBC Mortgage Agreement as of October 25, 2024, as set out in **Schedule “H”**, plus any additional amounts due pursuant to the RBC Mortgage Agreement through to the Closing Date.
3. Certain entities of the Good Nured Group’s indebtedness to TD under or in connection with the TD Mortgage Agreement, as of October 25, 2024, as set out in **Schedule “H”**, plus any additional amounts due pursuant to the TD Mortgage Agreement through to the Closing Date, plus a *per diem* to the Closing Date.
4. Certain entities of the Good Nured Group’s indebtedness to ACB under or in connection with the Secured ACB Note, as of October 25, 2024, as set out in **Schedule “H”**, plus any additional amounts due pursuant to the Secured ACB Note through to the Closing Date, plus a *per diem* to the Closing Date.
5. Certain entities of the Good Nured Group’s indebtedness to RBC under or in connection with the RBC MEL, as of October 25, 2024, as set out in **Schedule “H”**, plus any additional amounts due pursuant to the RBC MEL through to the Closing Date, plus a *per diem* to the Closing Date.
6. Certain entities of the Good Nured Group’s indebtedness to RBC under or in connection with the RBC Credit Card Agreement, as of October 25, 2024, as set out in **Schedule “H”**, plus any additional amounts due pursuant to the RBC Credit Card Agreement through to the Closing Date.
7. Certain entities of the Good Nured Group’s indebtedness to RBC under or in connection with the RBC LC Agreement, as of October 25, 2024, as set out in **Schedule “H”**, plus any additional amounts due pursuant to the RBC MEL through to the Closing Date, plus a *per diem* to the Closing Date.
8. Certain entities of the Good Nured Group’s indebtedness to EDC under or in connection with the EDC Amending Agreement, as of October 25, 2024, as set out in **Schedule “H”**, plus any additional amounts due pursuant to the EDC Amending Agreement through to the Closing Date, plus a *per diem* to the Closing Date.
9. The Good Nured Group’s indebtedness to the Revolving Credit Facility Lender pursuant to the Revolving Credit Facility.
10. The Good Nured Group’s accounts payable arising from or related to all Assumed Contracts.
11. Certain entities of the Good Nured Group’s indebtedness to RBC under or in connection with the RBC Credit Cards, as of October 25, 2024, as set out in **Schedule “H”**, plus any additional amounts due pursuant to the RBC Credit Cards through to the Closing Date, plus a *per diem* to the Closing Date.
12. The Good Nured Group’s indebtedness to the Monitor, as set out in **Schedule “H”**.
13. The Good Nured Group’s indebtedness to McCarthy Tetrault LLP, as set out in **Schedule “H”**.



14. The Good Natured Group's indebtedness to Osler, Hoskin and Harcourt LLP, as set out in **Schedule "H"**.
15. The Good Natured Group's indebtedness to Akerman LLP, as set out in **Schedule "H"**.
16. The Priority Payments, as defined in **Schedule "I"**.
17. The Spark Power Holdback.
18. The payments required to be made pursuant to section 6.10 of this Subscription Agreement.

## SCHEDULE “F” ASSUMED CONTRACTS

The following is a comprehensive list of Assumed Contracts, each as may be amended, restated, or supplemented from time to time:

### FACILITY LEASES:

1. Lease of the building having an address of 6817 Wynnwood Lane, Houston, Texas (the “**Houston Location**”) dated September 1, 2020, between Formtex Plastics Corporation, as tenant, and SL6 Logistics Inc., as landlord.
2. Lease of 11413 N Burlington Rd, Richmond, IL (the “Richmond Location”) dated May 28, 2021, between Good Natured Products (Illinois), LLC, as tenant, and Good Natured Products Real Estate U.S., LLC, as landlord.
3. Lease of 15 Waydom Drive, North Dumfries dated October 3, 2022 between IPf Holdings Inc., as tenant, and 1306187 B.C. LTD., as landlord.
4. Lease of 5 Abacus Road, Brampton, Ontario dated January 1, 2023 between Good Natured Products Packaging Brampton LP, as tenant, and Good Natured Real Estate Holdings (Ontario) Inc., as landlord.

### EQUIPMENT LEASES:

5. Lease of certain equipment dated January 14, 2022, between IPF Holdings, as lessee, and Royal Bank of Canada, as lessor.
6. Tooling equipment financing agreement dated February 22, 2022, between Good Natured Products Inc., as borrower, and Export Development Canada, as lender.

### KEY CONTRACTORS

7. Fulfilment contract between Launch Fulfillment, LLC. and Good Natured Products Inc. dated July 8, 2022.
8. Warehouse Service Agreement between Good Natured Products Packaging Canada LP and Good Natured Products Packaging Brampton LP and Highlight Logistics Inc. dated December 11, 2023.
9. Service and rates agreement between Good Natured Products Inc. and GPS Logistics & Warehouse dated February 22, 2017.
10. Master service agreement between Ceridan Canada Ltd., Ceridan Dayforce Licensing LLC, and Good Natured Products Inc.
11. Freight forwarding agreement between Good Natured Products Inc., Good Natured Products (USA) Inc., Good Natured Products (CAN) Inc., Crane Worldwide Logistics Canada Corporation and Crane Worldwide Logistics LLC dated October 27, 2020.
12. Independent contractor agreement between Good Natured Products Direct LLC and Little Gus Ecommerce Incorporated dated February 13, 2023.
13. Consulting agreement between Good Natured Products Inc. and Scenario Creation Ltd. dated April 1, 2024.

14. Service agreement between Good Nutured Products Inc. and LDBL Limited dated January 10, 2024.
15. Computer services agreement between Good Nutured Products Inc. and AYS Technologies Canada Inc. dated April 7, 2022.

INSURANCE CONTRACTS:

16. Good Nutured Products Inc. property and casualty insurance policy with Chubb Insurance Company for the period of March 10, 2024 to March 10, 2025 with respect to property.
17. Good Nutured Products Inc. property and casualty insurance policy with Chubb Insurance Company for the period of March 10, 2024 to March 10, 2025 with respect to commercial property.
18. Good Nutured Products Inc. property and casualty insurance policy with Chubb Insurance Company for the period of March 10, 2024 to March 10, 2025 with respect to commercial general liability plus employee benefits.
19. Good Nutured Products Inc. property and casualty insurance policy with Chubb Insurance Company for the period of March 10, 2024 to March 10, 2025 with respect to umbrella liability.
20. Good Nutured Products Inc. inland marine policy insurance policy with Chubb Insurance Company for the period of April 24, 2021 - April 24, 2022 with respect to directors and officer's insurance.
21. Good Nutured Products Inc. directors and officers management liability insurance with Intact Insurance Company for the period of April 29, 2024 to April 29, 2025 with respect to primary directors and officer's insurance.
22. Good Nutured Products Inc. directors and officers management liability insurance with Swiss Re for the period of April 29, 2024 to April 29, 2025 with respect to excess directors and officer's insurance.
23. Good Nutured Products Inc. directors and officers management liability insurance with Chubb Insurance Company for the period of April 29, 2024 to April 29, 2025 with respect to side "A" directors and officer's insurance.
24. Good Nutured Products Inc. directors and officers management liability insurance with Zurich Insurance Company for the period of April 29, 2024 to April 29, 2025 with respect to excess side "A" directors and officer's insurance.
25. Good Nutured Products Inc. employment practices liability insurance with Chubb Insurance Company for the period of April 29, 2024 to April 29, 2025.
26. Good Nutured Products Inc. crime coverage insurance with Chubb Insurance Company for the period of April 29, 2024 to April 29, 2025.
27. Good Nutured Products (US) Inc. commercial property insurance with QEB for the period of July 28, 2024 to July 27, 2025.
28. Good Nutured Products (US) Inc. business auto insurance with QEB for the period of July 28, 2024 to July 27, 2025.
29. Good Nutured Products (US) Inc. general liability insurance with QEB for the period of July 28, 2024 to July 27, 2025.

30. Good Nured Products (US) Inc. workers compensation insurance with QEB for the period of July 28, 2024 to July 27, 2025.
31. Good Nured Products (US) Inc. commercial umbrella insurance with QEB for the period of July 28, 2024 to July 27, 2025.
32. Good Nured Products (US) Inc. insurance with respect to molds at the Lindar location with Chubb Group of Insurance for the period of February 11, 2024 to February 11, 2025.
33. Good Nured Products (US) Inc. directors and officer's, EPLI, fiduciary, and crime insurance with Chubb Group of Insurance for the period of July 28, 2024 to July 27, 2025.

#### EMPLOYEE BENEFIT PLANS

34. Benefit plan provided to Good Nured Products Inc. dated June 1, 2024 provided by SunLife with respect to medical, dental, life, vision, and LTD insurance for all Canadian entities' employees.
35. Benefit plan provided to Good Nured Products Inc. dated June 1, 2024 provided by Lumino Health with respect to employee assistance program insurance for all Canadian entities' employees.
36. Benefit plan provided to Good Nured Products (Illinois) LLC dated January 1, 2024 (to be renewed January 1, 2025) provided by Blue Cross/Blue Shield IL (BC/BSIL) with respect to medical insurance for all USA entities' employees.
37. Benefit plan provided to Good Nured Products (Illinois) LLC dated January 1, 2024 (to be renewed January 1, 2025) provided by Ameritas with respect to dental insurance for all USA entities' employees.
38. Benefit plan provided to Good Nured Products (Illinois) LLC dated January 1, 2024 (to be renewed January 1, 2025) provided by EyeMed with respect to vision insurance for all USA entities' employees.
39. Benefit plan provided to Good Nured Products (Illinois) LLC dated January 1, 2024 (to be renewed January 1, 2025) provided by Hartford with respect to LTD insurance for all salaried employees located at the Richmond location.
40. Benefit plan provided to Good Nured Products (Illinois) LLC dated January 1, 2024 (to be renewed January 1, 2025) provided by Hartford with respect to life and supplemental life insurance for all USA entities' employees.
41. Benefit plan provided to Good Nured Products (Illinois) LLC dated January 1, 2024 (to be renewed January 1, 2025) provided by Hartford with respect to employee assistance program insurance for all USA entities' employees.
42. Benefit plan provided to Good Nured Products (Illinois) LLC dated January 1, 2024 (to be renewed January 1, 2025) provided by Prime Pay with respect to COBRA admin insurance for all USA entities' employees.
43. Benefit plan provided to Good Nured Products (Illinois) LLC dated provided by Principal Financial with respect to 401k savings plan for all employees at the Richmond location.
44. Benefit plan provided to Good Nured Products (Texas) LLC dated provided by John Hancock with respect to 401k savings plan for all employees at the Houston location.

## SUPPLIER CONTRACTS

45. Product supply agreement dated January 1, 2022 between Jimmy's Gourmet Bakery, LLC, as purchaser and Good Natured Products Inc., as supplier.
46. Product supply agreement dated January 1, 2024 between Jones Healthcare Group - Pharmacy & Medication Adherence, as purchaser and Good Natured Products Inc., as supplier.
47. Master agreement on terms and conditions of packaging materials procurement dated April 2, 2024 between FERRERO TRADING LUX S.A., as customer and Good Natured Products Packaging Brampton, as supplier.
48. Product supply agreement dated October 16, 2019 between Chuckanut Bay Foods LLC, as purchaser and Good Natured Products Inc., as supplier.
49. Shipping form dated March 20, 2023 between Bunzl San Antonio, as purchaser and Good Natured Products (US) Inc., as supplier.
50. Shipping form dated July 19, 2023 between Bunzl San Antonio, as purchaser and Good Natured Products (US) Inc., as supplier.
51. Supplier agreement (Discount and Incentive Programs) dated January 1, 2024 between Bunzl Distribution USA, LLC, as purchaser and Good Natured Products Inc., as supplier.
52. Order acknowledgment form dated November 23, 2023 between Chuckanut Bay Foods, as purchaser and Good Natured Products (CAD) Inc., as supplier.
53. Product supply agreement dated January 22, 2020 between Ameri-Sell Inc., DBA Flax4Life, as purchaser and Good Natured Products Inc., as supplier.
54. Manufacturing supplier agreement dated February 15, 2024 between Ameri-Sell Inc., DBA Flax4Life, as purchaser and Good Natured Products Inc., as supplier.
55. Safety stock inventory agreement dated November 27, 2024 between GVH Distribution LLC - Seattle, as customer and Good Natured Products Inc.
56. Quote/ Shipping form dated January 11, 2023 between Red Plate Foods, as purchaser and Good Natured Products (US) Inc., as supplier.
57. Volume agreement dated November 27, 2023 between Jem-D International DBA Red Sun Farms and Good Natured Products Inc.
58. Supply agreement dated June 14, 2024 between Jem-D International DBA Red Sun Farms, Agricola El Rosal SA de CV, Berrysal SPR de RL de CV, and San Miguel Red Sun Farms SPR de RL de CV, as client and Good Natured Products Inc., as supplier.
59. Central bill program agreement dated April 1, 2024 between Network Services Company/ National Paper & Plastics Company DBA NetSource and Good Natured Products Inc.
60. Volume and stocking agreement dated May 17, 2024 between Good Start Packaging Inc. and Good Natured Products (US) Inc.
61. Quote/ shipping form dated March 11, 2024 between Whidbey Pies, as purchaser and Good Natured Products (US) Inc., as supplier.

62. Supply agreement dated May 20, 2022 between Spring Creek Quail Farms, as purchaser and Shepherd Thermoforming & Pkg (part of the Good Natured family), as supplier.
63. Cost and fee agreement dated March 1, 2024 between Topco Associates LLC, as purchaser and Good Natured Products (CAD) Inc., as supplier.
64. Quote/ shipping form dated October 2, 2023 between Farm Boy Company Inc., as purchaser and Good Natured Products (CAD) Inc., as supplier.
65. Packaging quote form dated May 10, 2021 between Hail Merry, as purchaser and Good Natured Products Inc., as supplier.
66. Master purchase agreement dated June 21, 2024 between Clark Core Services DBA Clark Associates, as purchaser and Good Natured Products Direct LLC, as supplier.
67. Program term sheet dated June 25, 2024 between Clark Core Services DBA Clark Associates, as purchaser and Good Natured Products Direct LLC, as supplier.
68. Rigid packaging quote form dated December 12, 2022 between Hobi's Bites, as purchaser and Good Natured Products (US) Inc., as supplier.
69. Rigid packaging quote form dated October 25, 2023 between Hobi's Bites, as purchaser and Good Natured Products (US) Inc., as supplier.

#### CREDIT CARD AGREEMENTS

70. HSBC Commercial Mastercard Agreement dated August 30, 2021 between RBC (as successor by amalgamation to HSBC Bank Canada) and the Company;
71. Affiliate Participation Agreement dated August 2021 between Good Natured Products (CAD) Inc. and RBC (as successor by amalgamation to HSBC Bank Canada);
72. Affiliate Participation Agreement dated August 2021 between IPF Holdings Inc. (as successor by amalgamation to HSBC Bank Canada); and
73. Affiliate Participation Agreement dated August 2021 between Shepherd Thermoforming & Packaging Inc. and RBC (as successor by amalgamation to HSBC Bank Canada).

#### FINANCIAL CONTRACTS

74. Wells Fargo Credit Agreement and Forbearance, as further amended and restated.
75. TD Mortgage Agreement and all security documents executed by any of the Purchased Entities in favour of TD in relation to the TD Mortgage Agreement.
76. RBC Mortgage Agreement
77. RBC MEL
78. RBC Credit Card Agreements
79. RBC LC Agreement and related RBC LCs
80. related RBC Security
81. Secured ACB Note

82. EDC Amending Agreement

83. Revolving Credit Facility

**SCHEDULE “G”  
PERMITS AND LICENSES**

The following is a comprehensive list of the Permits and Licenses:

<b>Permit Name</b>	<b>License / Permit Number</b>	<b>Issued By:</b>	<b>Valid Until:</b>
Texas Sales and Use Tax Permit	3-20841-0827-6	State of Texas	No expiry
Alarm Permit, Houston	100107149	City of Houston	09-20-2025
Houston Solid Waste Permit	04101381-UB	City of Houston	14-01-2025
Brampton Declaration of an Ontario Limited Partnership	1000393987	Ontario Ministry of Public and Business Service Delivery	December 19, 2027
Ex-Tech Business Registration Certificate	089	Village of Richmond	April 4, 2025
City of Houston Certificate of Occupancy	97004593	City of Houston	No expiry
Ayr ISO Certification of Registration	CAN2303 - ISO 9001:2015	QAS International	July 16, 2025
Brampton NSF Certificate of Conformity	6528	NSF, Certification, LLC	December 14, 2024
Houston ISO Certification of Registration	7088	World Certification Services	March 3, 2025
Brampton ISO Certification of Registration	4534-3	Intertek Testing Services NA, Inc	September 25, 2025



**SCHEDULE “H”  
STATEMENT OF INDEBTEDNESS**

**Quantum of indebtedness being retained by the Company, as of October 25, 2024, exclusive of amounts accruing between October 25, 2024 and the Closing Date.**

Wells Fargo, in respect of the Wells Fargo Credit Agreement and Forbearance:	[●]
RBC, in respect of the RBC Mortgage Agreement:	[●]
TD, in respect of the TD Mortgage Agreement:	[●]
ACB, in respect of the Secured ACB Note:	[●]
RBC, in respect of the RBC MEL:	[●]
RBC, in respect of the RBC Credit Card Agreement:	[●]
RBC, in respect of the RBC LC Agreement:	[●]
EDC:	[●]
The Monitor:	\$30,000
McCarthy Tetrault LLP:	\$75,000
Osler, Hoskin & Harcourt LLP:	\$100,000
Akerman LLP:	\$95,000
Wind-Down Costs	\$50,000

**[Note: Schedule to be completed prior to Closing]**

**SCHEDULE "I"**  
**PRIORITY PAYMENTS**

**The following payments and amounts shall constitute the Priority Payments:**

Accrued wages and vacation payments due to Terminated Employees up to the Closing Date, inclusive of all amounts due pursuant to Section 6(5) of the CCAA up to the Closing Date \$139,000

Amounts due to His Majesty the King pursuant to Section 6(3) of the CCAA up to the Closing Date \$0.00

Amounts due to employees pursuant to Section 6(6) of the CCAA up to the Closing Date \$0.00

**Total:** \$139,000

This is Exhibit "**B**" referred to in the  
Affidavit #6 of Paul Antoniadis affirmed  
before me at Vancouver, BC,  
this 30th day of October 2024

A handwritten signature in blue ink, appearing to be "Chris [unclear]", written over a horizontal line.

A Commissioner/Notary Public for the  
Province of British Columbia

## SUBSCRIPTION AGREEMENT

This Agreement is made as of the 23 day of October, 2024 (the “**Effective Date**”)

### **BETWEEN:**

**GOOD NATURED PRODUCTS INC.**, a corporation incorporated pursuant to the laws of the Province of British Columbia (the “**Company**”)

– and –

**HUK 149 Limited**, a private limited company formed under the laws of the United Kingdom (“**Purchaser**”)

### **WHEREAS:**

- A. Pursuant to the Order of the Honourable Madam Justice Fitzpatrick of the Supreme Court of British Columbia (the “**Court**”) issued June 28, 2024, and further amended on July 8, 2024, and further amended on July 11, 2024, and as may be further amended or amended and restated from time to time (the “**Initial Order**”), the Company, Good Natured Real Estate Holdings (Ontario) Inc., 1306187 B.C. Ltd., Good Natured Products (CAD) Inc., Good Natured Products Packaging Canada GP Inc., Good Natured Products Packaging Brampton GP Inc., Good Natured Products Industrial Canada GP Inc., Good Natured Products Packaging Canada LP, Good Natured Products Packaging Brampton LP, Good Natured Products Industrial Canada LP, Good Natured Products (US) Inc. Good Natured Products (Illinois), LLC, Good Natured Products Real Estate U.S., LLC, Good Natured Products Packaging US LLC, Good Natured Products Direct LLC, and Good Natured Products (Texas) LLC (collectively, together with the Company, the “**Good Natured Group**”), among others, were granted, among other things, creditor protection under the *Companies’ Creditors Arrangement Act*, R.S.C., 1985, c. C-36, as amended (the “**CCAA**”) and Alvarez & Marsal Canada Inc. was appointed as Monitor of the Good Natured Group (in such capacity, the “**Monitor**”).
- B. In connection with the proceedings initiated by the Initial Order (the “**CCAA Proceedings**”), the Good Natured Group, in consultation with the Monitor, conducted a sale and investment solicitation process (“**SISP**”) to solicit offers for all or a portion of the business and/or assets of the Good Natured Group.
- C. In accordance with the terms of the SISP, the Purchaser submitted an offer for the purchase of all of the equity and assets of the Good Natured Group pursuant to a letter of intent dated September 27, 2024 (the “**LOI**”).
- D. The Company and the Purchaser wish to enter into this Agreement to formalize the terms and conditions contained in the LOI, and to set out the terms and conditions pursuant to which: the Purchaser will acquire the Purchased Shares (as defined herein) and the Retained Assets (as defined herein).

**NOW THEREFORE**, in consideration of the mutual covenants and agreements set forth in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby irrevocably acknowledged, the Parties hereby acknowledge and agree as follows:

## ARTICLE 1 INTERPRETATION

### 1.1 Definitions

Unless something in the subject matter or context is inconsistent therewith, the following terms shall have the following meanings:

“**1306187**” means 1306187 B.C. Ltd.

“**1306187 Shares**” means all of the issued and outstanding shares of 1306187 owned by the Company

“**ACB**” means American Community Bank & Trust.

“**ACB Security**” means all security over real and personal property granted to ACB in connection with the Secured ACB Note.

“**Administration Charge**” is defined in the Initial Order.

“**Affiliate**” has the meaning given to the term “affiliate” in the *Business Corporations Act* (British Columbia).

“**Agreement**” means this subscription agreement, as may be further amended and restated from time to time in accordance with the terms hereof, with the consent of the Monitor, and “**Article**” and “**Section**” mean and refer to the specified article, section and subsection of this Agreement.

“**Applicable Law**” means, in respect of any Person, property, transaction or event, any: (a) domestic or foreign statute, law (including the common law), ordinance, rule, regulation, treaty, restriction, regulatory policy, standard, code or guideline, by-law or order; (b) judicial, arbitral, administrative, ministerial, departmental or regulatory judgments, orders, decisions, rulings, instruments or awards of any Governmental Authority; and (c) policies, practices, standards, guidelines and protocols having the force of law, that applies in whole or in part to such Person, property, transaction or event.

“**Approval and Vesting Order**” means an order by the Court, in form and substance satisfactory to the Purchaser, acting reasonably, among other things: (a) approving and authorizing the Transaction; (b) authorizing and directing the Company to file the Reorganization Documents, as applicable; (c) vesting in the Purchaser (or as it may direct) all the right, title and interest in and to the Purchased Shares, free and clear from any Encumbrances; (d) cancelling all of the Existing Equity (other than the Purchased Shares) for no consideration; and (e) releasing, to the extent permitted by the Court: (i) the current and former directors, officers, Employees, legal counsel and advisors of the Good Natured Group and ResidualCo; and (ii) the Monitor and its legal counsel.

“**Assumed Contracts**” means the Contracts listed in Schedule “F”, as the same may be modified by the Purchaser prior to the Closing Time in accordance with the terms hereof (and including as such Assumed Contracts may be amended, restated, supplemented or otherwise modified from time to time).

“**Authorization**” means any authorization, approval, consent, concession, exemption, license, lease, grant, permit, franchise, right, privilege or no-action letter from any Governmental Authority having jurisdiction with respect to any specified Person, property, transaction or event, or with respect to any of such Person’s property or business and affairs (including any zoning

approval or building permit) or from any Person in connection with any easements, contractual rights or other matters.

**“Ayr Property”** means the real property owned by 1306187 with the municipal address 15 Waydom Drive, North Dumfries, Ontario.

**“Books and Records”** means: (i) all of the Purchased Entities’ files, documents, instruments, papers, books and records (whether stored or maintained in hard copy, digital or electronic format or otherwise), including Tax and accounting books and records; and (ii) all files, documents, instruments, papers, books and records (whether stored or maintained in hard copy, digital or electronic format or otherwise), including Tax and accounting books and records used or intended for use by, or in the possession of the Purchased Entities, or any other member of the Good Natured Group or any of their respective Affiliates including information, documents and records relating to the Assumed Contracts, customer lists, customer information and account records, sales records, computer files, data processing records, sales literature, advertising and marketing data and records, cost and pricing information, production reports and records, equipment logs, operating guides and manuals, credit records, records relating to present and former suppliers and contractors, plans and projections and all other records, data and information stored electronically, digitally or on computer-related media.

**“Brampton Property”** means the real property owned by Good Natured Real Estate Holdings with the municipal address on 5 Abacus Road, Brampton, Ontario.

**“Business”** means the business carried on by the Companies, being the business of manufacturing packaging, with a focus in the development and manufacturing of plant-based products in Canada and the United States.

**“Business Day”** means a day on which banks are open for business in Vancouver, British Columbia, but does not include a Saturday, Sunday or statutory holiday in the Province of British Columbia.

**“Cap West”** means Capital West Partners.

**“Cap West Success Fee Charge”** is defined in the DIP Approval Order.

**“CCAA”** has the meaning set out in the recitals hereto.

**“CCAA Proceedings”** has the meaning set out in the recitals hereto.

**“Claims”** means any civil, arbitral or investigative inquiry, action, suit, investigation or proceeding and any claim of any nature or kind (including any cross-claim or counterclaim), demand, investigation, audit, choice in action or cause of action, suit, default, assessment, litigation, prosecution, third party action, arbitral proceeding or proceeding, complaint or allegation, by or before any Person.

**“Closing”** means the closing and consummation of the Transaction.

**“Closing Cash Balance”** means the cash and cash equivalents retained, in the aggregate, by the Purchased Entities immediately following the Closing, exclusive of (i) any funds provided pursuant to the Revolving Credit Facility; (ii) the RBC Cash Collateral; and (iii) any amounts, Claims, or fees to be paid by the Purchased Entities or any of them in relation to the Closing.

**“Closing Date”** means the date that is seven (7) Business Days after the date upon which the conditions set forth in Article 8 have been satisfied or waived, other than any conditions set forth in Article 8 that by their terms are to be satisfied or waived at the Closing, or such other earlier or later date as may be agreed by the Parties in writing.

**“Closing Payment”** has the meaning set out in Section 3.3.

**“Closing Time”** means 12:01 a.m. (Vancouver time) on the Closing Date or such other time on the Closing Date as the Parties agree in writing.

**“Contracts”** means all pending and executory contracts, agreements, leases, understandings and arrangements (whether oral or written) to which any Purchased Entity is a party or by which any Purchased Entity is bound or in which such Purchased Entity has, or will at Closing have, any rights or by which any of its property or assets are or may be affected, including any Contracts in respect of Employees.

**“Company”** means Good Natured Products Inc.

**“Court”** has the meaning set out in the recitals hereto.

**“Directors’ Charge”** has the meaning set out in the Initial Order.

**“Deposit”** has the meaning set out in Section 3.5.

**“DIP Approval Order”** means the court order dated July 11, 2024

**“Discharge”** means, in relation to any Encumbrance against any Person or upon any asset, undertaking or property, the full, final, irrevocable, complete and permanent waiver, release, discharge, cancellation, termination and extinguishment of such Encumbrance against such Person or upon such asset, undertaking or property and all proceeds thereof.

**“EDC”** means Export Development Canada.

**“EDC Amending Agreement”** has the meaning set out in Section 3.5.

**“EDC Credit Agreement”** means the Credit Facility Agreement dated as of February 22, 2022 between EDC and the Company.

**“EDC Security”** means all security over personal property granted to EDC in connection with the EDC Amending Agreement.

**“Effective Date”** has the meaning set out in the preamble hereto.

**“Employee”** means any individual who is employed by a Purchased Entity as of the Closing Date, whether on a full-time or a part-time basis and includes an employee on short term or long term disability leave, but for certainty excludes any employee whose employment will be terminated pursuant to Section 8.2(e).

**“Encumbrance”** means any security interest, lien, Claim, charge, right of retention, deemed trust, judgement, writ of seizure, writ of execution, notice of seizure, notice of execution, notice of sale, hypothec, reservation of ownership, pledge, encumbrance, mortgage or right of a third party (including any contractual rights such as purchase options, rights of first refusal, rights of first offer or any other pre-emptive contractual right) or encumbrance of any nature or kind whatsoever and any agreement, option or privilege (whether by law, contract or otherwise)

capable of becoming any of the foregoing, (including any conditional sale or title retention agreement, or any capital or financing lease).

**“Excise Tax Act”** means the *Excise Tax Act*, R.S.C, 1985, c. E-15.

**“Excluded Assets”** means: the properties, rights, assets and undertakings of the Purchased Entities listed as “Excluded Assets” on Schedule “A”, as the same may be modified by the Purchaser prior to the Closing Time in accordance with the terms hereof.

**“Excluded Asset Bill of Sale”** has the meaning set out in Section 4.1

**“Excluded Contracts”** means those contracts and other agreements of the Purchased Entities that are not Assumed Contracts and for greater certainty, includes those contracts and agreements which are listed on Schedule “B”, as the same may be modified by the Purchaser prior to the Closing Time in accordance with the terms hereof.

**“Existing Equity”** means: (i) all of the common shares, or units, as applicable, of the Company and the other Purchased Entities that are issued and outstanding immediately prior to the Closing Time (excluding, for certainty, the Purchased Shares and the Retained Shares); and (ii) any other equity interests of any nature or kind of the Company and the other Purchased Entities, whether voting or non-voting, whether preferred, common or otherwise, whether convertible or otherwise, including any Contract, plan, indenture, deed, certificate, subscription rights, conversion rights, pre-emptive rights, options (including stock option or share purchase or equivalent plans), or other documents or instruments governing and/or having been created or granted in connection with any such equity interests; which, for greater certainty, does not include the Purchased Shares or the Retained Shares.

**“Excluded Liabilities Assumption Agreement”** has the meaning set out in Section 4.2

**“Excluded Liabilities”** has the meaning set out in Section 2.2(a).

**“Filing Date”** means June 27, 2024.

**“Good Natured Group”** has the meaning set out in the recitals hereto.

**“Good Natured Industrial Canada GP”** means Good Natured Products Industrial Canada GP Inc.

**“Good Natured Industrial Canada LP”** means Good Natured Products Industrial Canada LP.

**“Good Natured Packaging Canada GP”** means Good Natured Products Packaging Canada GP Inc.

**“Good Natured Packaging Canada LP”** means Good Natured Products Packaging Canada LP.

**“Good Natured Packaging Brampton GP”** means Good Natured Products Packaging Brampton GP Inc.

**“Good Natured Packaging Brampton LP”** means Good Natured Products Packaging Brampton LP.

**“Good Natured Products Direct”** means Good Natured Products Direct LLC.



**“Good Nured Products (CAD)”** means Good Nured Products (CAD) Inc.

**“Good Nured Products (Illinois)”** means Good Nured Products (Illinois), LLC.

**“Good Nured Products (Texas)”** means Good Nured Products (Texas) LLC.

**“Good Nured Products (US)”** means Good Nured Products (US) Inc.

**“Good Nured Products Packaging US”** means Good Nured Products Packaging US LLC.

**“Good Nured Products Real Estate U.S.”** means Good Nured Products Real Estate U.S., LLC.

**“Good Nured Real Estate Holdings”** means Good Nured Real Estate Holdings (Ontario) Inc.

**“Good Nured Real Estate Holdings Shares”** means all of the issued and outstanding shares of Good Nured Real Estate Holdings owned by the Company.

**“Good Nured Products (CAD) Shares”** means all of the issued and outstanding shares of Good Nured Products (CAD) owned by the Company.

**“Good Nured Packaging Canada GP Shares”** means all of the issued and outstanding shares of Good Nured Packaging Canada GP owned by Good Nured Products (CAD).

**“Good Nured Packaging Brampton GP Shares”** means all of the issued and outstanding shares of Good Nured Packaging Brampton GP owned by Good Nured Products (CAD).

**“Good Nured Industrial Canada GP Shares”** means all of the issued and outstanding shares of Good Nured Industrial Canada GP owned by Good Nured Products (CAD).

**“Good Nured Packaging Canada LP Shares”** means all of the issued and outstanding units of Good Nured Packaging Canada LP owned by Good Nured Products (CAD) and Good Nured Packaging Canada GP.

**“Good Nured Packaging Brampton LP Shares”** means all of the issued and outstanding units of Good Nured Packaging Brampton LP owned by Good Nured Packaging Canada LP and Good Nured Packaging Brampton GP.

**“Good Nured Industrial Canada LP Shares”** means all of the issued and outstanding units of Good Nured Industrial Canada LP owned by Good Nured Products (CAD) and Good Nured Industrial Canada GP.

**“Good Nured Products Direct Shares”** means all of the issued and outstanding shares of Good Nured Products Direct owned by Good Nured Products (US).

**“Good Nured Products (Illinois) Shares”** means all of the issued and outstanding shares of Good Nured Products (Illinois) owned by Good Nured Products (US).

**“Good Nured Products Packaging US Shares”** means all of the issued and outstanding shares of Good Nured Products Packaging US owned by Good Nured Products (US).

**“Good Natured Products Real Estate U.S. Shares”** means all of the issued and outstanding shares of Good Natured Products Packaging US owned by Good Natured Products (US).

**“Good Natured Products (Texas) Shares”** means all of the issued and outstanding shares of Good Natured Products (Texas) owned by Good Natured Products (US).

**“Good Natured Products (US) Shares”** means all of the issued and outstanding shares of Good Natured Products (US) owned by Good Natured Products (CAD).

**“Governmental Authority”** means any domestic or foreign government, whether federal, provincial, state, territorial or municipal; and any governmental agency, ministry, department, court (including the Court), tribunal, commission, stock exchange, bureau, board or other instrumentality exercising or purporting to exercise legislative, judicial, regulatory or administrative functions of, or pertaining to, government or securities market regulation.

**“GST/PST/HST”** means all goods and services tax and harmonized sales tax imposed under the Sales Tax Legislation.

**“Implementation Steps”** means the transactions, acts and events described in Exhibit “A”, as the same may be modified in accordance with Section 7.2 and the Approval and Vesting Order, which are to occur in the sequence described therein.

**“Income Tax Act”** means the *Income Tax Act*, R.S.C., 1985, c. 1 (5th Supp.).

**“Initial Order”** has the meaning set out in the recitals hereto.

**“Interim Period”** means the period from the Effective Date to the Closing Time.

**“KERP”** means the key employee retention plan approved by the Court on August 29, 2024.

**“KERP Payment”** means the payments required to be made by the Company to certain key employees in the maximum amount of \$116,000 as set out in the KERP.

**“Liability”** means, with respect to any Person, any liability or obligation of such Person of any kind, character or description, whether known or unknown, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise, and whether or not the same is required to be accrued on the financial statements of such Person.

**“Litigation Rights”** means the rights of the Good Natured Group in all ongoing litigation matters on going up to the date of closing, including but not limited to the complaint of Good Natured Products (Illinois), LLC against Dan Fosse filed in the United States District Court Northern District of Illinois Eastern Division under case no. 1:24-cv-005287.

**“Monitor”** has the meaning set out in the recitals hereto.

**“Monitor’s Certificate”** has the meaning set out in Section 8.1(d).

**“Organizational Documents”** means any trust document, charter, certificate or articles of incorporation or amalgamation, articles of amendment, articles of association, articles of organization, articles of continuance, bylaws, as amended, partnership agreement or similar formation or governing documents of a Person (excluding individuals).

**“Outside Date”** means 11:59 pm (Vancouver time) on ~~October 31~~November 12, 2024, or such later date and time as the Parties may agree to in writing.

**“Parties”** means the Company and the Purchaser, and **“Party”** means any one of them.

**“Permitted Encumbrances”** means those Encumbrances related to the Retained Assets as set forth in Schedule **“D”**, as the same may be modified by the Purchaser prior to the granting of the Approval and Vesting Order in accordance with the terms hereof.

**“Permits and Licenses”** means those permits and licenses identified on Schedule **“G”** hereof.

**“Person”** means any individual, partnership, limited partnership, limited liability company, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, Governmental Authority or other entity however designated or constituted.

**“Priority Encumbrances”** means the ACB Security, the Wells Fargo Security, the RBC Security and the TD Security.

**“Priority Payments”** means those payments set out in **Schedule “I”**.

**“Purchase Price”** has the meaning set out in Section 3.1.

**“Purchased Entities”** means the Company, Good Natured Real Estate Holdings, 1306187, Good Natured Products (CAD), Good Natured Packaging Canada GP, Good Natured Packaging Brampton GP, Good Natured Industrial Canada GP, Good Natured Packaging Canada LP, Good Natured Packaging Brampton LP, Good Natured Industrial Canada LP., Good Natured Products (US), Good Natured Products (Illinois), Good Natured Products Real Estate U.S., Good Natured Products Packaging US, Good Natured Products Direct, and Good Natured Products (Texas).

**“Purchased Shares”** has the meaning set out in Section 2.1(a).

**“Purchaser”** has the meaning set out in the recitals.

**“Real Property”** means the Ayr Real Property, the Brampton Real Property, and the Richmond Real Property.

**“RBC”** means Royal Bank of Canada.

**“RBC Cash Collateral”** means the term deposit in account 00990244624 001 with RBC in the name of the Company.

**“RBC Credit Cards”** means all credit cards issued pursuant to the RBC Credit Card Agreement.

**“RBC Credit Card Agreement”** means collectively, the:

- (a) HSBC Commercial Mastercard Agreement dated August 30, 2021 between RBC (as successor by amalgamation to HSBC Bank Canada) and the Company;
- (b) Affiliate Participation Agreement dated August 2021 between Good Natured Products (CAD) Inc. and RBC (as successor by amalgamation to HSBC Bank Canada);
- (c) Affiliate Participation Agreement dated August 2021 between IPF Holdings Inc. (as successor by amalgamation to HSBC Bank Canada); and

(d) Affiliate Participation Agreement dated August 2021 between Shepherd Thermoforming & Packaging Inc. and RBC (as successor by amalgamation to HSBC Bank Canada).

“**RBC LCs**” means all letters of credit issued pursuant to the RBC LC Agreement.

“**RBC MEL**” means the master equipment lease dated as of January 14, 2022 between RBC (as successor by amalgamation to HSBC Bank Canada) and Good Natured Products (CAD) as amalgamation successor to IFP Holdings Inc, as amended from time to time.

“**RBC Mortgage Agreement**” means the credit facility letter agreement dated September 20, 2022 issued by HSBC Bank Canada (a predecessor by amalgamation to RBC) to 1306187, as borrower, and among others, the Company, as guarantor, as amended from time to time.

“**RBC LC Agreement**” means the amended and restated facility letter agreement dated October 3, 2023 between RBC (as successor by amalgamation to HSBC Bank Canada) and the Company, which amended and restated the facility letter dated August 19, 2021 between HSBC Bank Canada and the Company, as amended to, among other things, permit no further advances, and as may be further amended from time to time.

“**RBC Security**” means all security over real and personal property and guarantees granted to HSBC Bank Canada (a predecessor by amalgamation to RBC) or RBC, by any party in connection with the RBC Mortgage Agreement, the RBC MEL, the RBC Cash Collateral, the RBC Credit Card Agreement, and the RBC LC Agreement.

“**ResidualCo**” means a corporation to be incorporated as a wholly-owned subsidiary of the Company to which the Excluded Assets and Excluded Liabilities will be transferred pursuant to the Approval and Vesting Order and in accordance with the Implementation Steps.

“**Reorganization Documents**” means (a) the notice of alteration to be filed with the British Columbia Registrar of Companies (and an equivalent amendment to the articles of the Company) to (i) alter the notice of articles of the Company (and to amend the articles of the Company) to create a new class of shares of the Company; (ii) provide for the redemption or cancellation by the Company of the Existing Equity (other than the Purchased Shares) for no consideration on Closing and (iii) make such other changes in order to consummate the transactions contemplated by this Agreement; and (b) a resolution of the directors of the Company authorizing the redemption by the Company of all of the Existing Equity other than the Purchased Shares, in a form and substance satisfactory to the Purchaser and the Monitor, acting reasonably.

“**ResidualCo Shares**” means all of the issued and outstanding shares of ResidualCo.

“**Retained Assets**” has the meaning set out in Section 4.1.

“**Retained Liabilities**” means: (a) Liabilities specifically and expressly designated by the Purchaser as Retained Liabilities in Schedule “E”, as the same may be modified by the Purchaser prior to the Closing Time in accordance with the terms hereof and (b) all Liabilities which relate to the Permits and Licenses and the Business under any Assumed Contracts, solely in respect of the period from and after the Closing Time and not relating to any default existing prior to or as a consequence of Closing.

“**Retained Shares**” means the Good Natured Real Estate Holdings Shares, 1306187 Shares, Good Natured Products (CAD) Shares, Good Natured Packaging Canada GP Shares, Good Natured Packaging Brampton GP Shares, Good Natured Industrial Canada GP Shares, Good Natured Packaging Canada LP Shares, Good Natured Packaging Brampton LP Shares, Good Natured Industrial Canada LP Shares, Good Natured Products Direct Shares, Good Natured Products (Illinois) Shares, Good Natured Products Packaging US Shares, Good Natured Products

Real Estate U.S. Shares, Good Natured Products (Texas) Shares, and Good Natured Products (US) Shares).

**“Revolving Credit Facility”** has the meaning set out in Section 3.2(a).

**“Revolving Credit Facility Agreement”** has the meaning set out in Section 3.2(a).

**“Revolving Credit Facility Lender”** means HUK 147 Limited, a private limited company formed under the laws of the United Kingdom.

**“Revolving Credit Security”** has the meaning set out in Section 3.2(c).

**“Richmond Property”** means the real property owned by Good Natured Products Real Estate U.S. with the municipal address 11413 North Burlington Road, Richmond, Illinois, United States of America.

**“Sales Tax Legislation”** means Part IX of the *Excise Tax Act* (Canada).

**“Secured ACB Note”** means the promissory note dated May 28, 2021, granted by Good Natured Products Real Estate U.S. to ACB.

**“Secured Creditors”** means Wells Fargo, RBC, TD, ACB, and EDC.

**“Spark Power Claim”** means Spark Power Low Voltage Services Inc.’s claim against 1306187 and any other Good Natured Product Group entity.

**“Spark Power Construction Lien”** means the construction lien registered as instrument number WR1590089 on title to the Ayr Property.

**“Spark Power Holdback”** means \$87,209, to be held back in trust by the Monitor, pending resolution of the Spark Power Construction Lien Claim between ResidualCo and Spark Power.

**“Taxes”** means, with respect to any Person, all national, federal, provincial, local or other taxes, including income taxes, capital gains taxes, value added taxes, severance taxes, ad valorem taxes, property taxes, capital taxes, net worth taxes, production taxes, sales taxes, use taxes, license taxes, excise taxes, environmental taxes, transfer taxes, withholding or similar taxes, payroll taxes, employment taxes, employer health taxes, pension plan premiums and contributions, workers’ compensation premiums, employment insurance or compensation premiums, stamp taxes, occupation taxes, premium taxes, alternative or add-on minimum taxes, GST/PST/HST, customs duties or other taxes of any kind whatsoever imposed or charged by any Governmental Authority, together with any interest, penalties, or additions with respect thereto and any interest in respect of such additions or penalties and any Liability for the payment of any amounts of the type described in this paragraph as a result any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any Person.

**“TD”** means the Toronto-Dominion Bank.

**“TD Mortgage Agreement”** means the letter agreement dated February 13, 2024 issued by TD to Good Natured Real Estate Holdings.

**“TD Security”** means all security over real and personal property granted to TD in connection with the TD Mortgage Agreement.

**“Terminated Employee”** means those Employees whose employment will be terminated prior to Closing pursuant to Section 8.2(e), as determined by the Purchaser by written notice to the Company at least two (2) Business Days prior to the Closing Date.

**“Transaction”** means all of the transactions contemplated by this Agreement, including the transactions whereby the Purchaser will acquire the Purchased Shares.

**“U.S. Court”** means the United States Bankruptcy Court for the Northern District of Illinois Western Division.

**“U.S. Recognition Order”** means one or more orders of the U.S. Court, in form and substance satisfactory to the Purchaser, the Company, and the Monitor, each acting reasonably, among other things, recognizing the Approval and Vesting Order.

**“Wells Fargo”** means Wells Fargo Capital Finance Corporation Canada.

**“Wells Fargo Credit Agreement and Forbearance”** means the credit agreement between the Petitioners and Wells Fargo date as of August 25, 2022, as subsequently amended on October 3, 2022; February 28, 2023; June 22, 2023; February 20, 2024; February 22, 2024; March 5, 2024; March 28, 2024; June 3, 2024; and July 11, 2024.

**“Wells Fargo Security”** means all security over real and personal property granted to Wells Fargo in connection with the Wells Fargo Credit Agreement and Forbearance.

**“Wind-Down Costs”** has the meaning set out in Section 3.1(o)

**“Working Capital Amount”** has the meaning set out in Section 3.2(b).

## **1.2 Interpretation Not Affected by Headings, etc.**

The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

## **1.3 General Construction**

The terms “this Agreement”, “hereof”, “herein” and “hereunder” and similar expressions refer to this Agreement and not to any particular section hereof. The expression “Section” or reference to another subdivision followed by a number mean and refer to the specified Section or other subdivision of this Agreement. The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party.

## **1.4 Extended Meanings**

Words importing the singular include the plural and vice versa and words importing gender include all genders. The term “including” means “including, without limitation,” and such terms as “includes” have similar meanings and the term “third party” means any other Person other than the Company or the Purchaser, or any Affiliates thereof.

## **1.5 Currency**

All references in this Agreement to dollars, monetary amounts, or to \$, are expressed in Canadian currency unless otherwise specifically indicated.

## **1.6 Statutes**

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

### **1.7 Schedules & Amendments to Schedules**

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

#### **EXHIBITS**

Exhibit A - Implementation Steps

#### **SCHEDULES**

Schedule A - Excluded Assets  
 Schedule B - Excluded Contracts  
 Schedule C - Excluded Liabilities  
 Schedule D - Permitted Encumbrances  
 Schedule E - Retained Liabilities  
 Schedule F - Assumed Contracts  
 Schedule G - Permits and Licenses  
 Schedule H - Statement of Indebtedness  
 Schedule I - Priority Payments

The Parties acknowledge that as of the Effective Date, the Schedules are not complete. Such Schedules are for the benefit of the Purchaser and may be amended or completed by the Purchaser, in its sole and absolute discretion, on or before the dates set out in such Schedules and on notice to the Company.

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

## **ARTICLE 2 PURCHASE OF SHARES AND ASSUMPTION OF LIABILITIES**

### **2.1 Purchase and Sale of the Purchased Shares**

- (a) Subject to the terms and conditions of this Agreement, in accordance with the Implementation Steps and effective as of the Closing Time, the Company shall issue to the Purchaser, and the Purchaser shall subscribe for and purchase from the Company, free and clear of all Encumbrances (other than any Permitted Encumbrances), 100 newly-issued common shares of the Company (the “**Purchased Shares**”).
- (b) Pursuant to the Approval and Vesting Order and the Reorganization Documents, and in accordance with the Implementation Steps, all of the Existing Equity shall be cancelled or redeemed, without consideration, and the Purchased Shares issued to the Purchaser

shall represent 100% of the issued and outstanding common shares of the Company following such cancellation and issuance.

- (c) For the avoidance of doubt, upon the Closing, following the issuance of the Purchased Shares, the cancellation of the Existing Equity, and the completion of the Implementation Steps, the Company (and Good Natured Real Estate Holdings, 1306187, Good Natured Products (CAD), Good Natured Packaging, Good Natured Packaging Brampton GP, Good Natured Industrial Canada GP, Good Natured Packaging Canada LP, Good Natured Packaging Brampton LP, Good Natured Industrial Canada LP, Good Natured Products (US), Good Natured Products (Illinois), Good Natured Products Real Estate U.S., Good Natured Products Packaging US, Good Natured Products Direct, and Good Natured Products (Texas)) shall be wholly owned, directly or indirectly, by the Purchaser.

## 2.2 Excluded Liabilities

- (a) Pursuant to the Approval and Vesting Order, save and except for the Retained Liabilities, all debts, obligations, Liabilities, Encumbrances, indebtedness, Excluded Contracts, leases, agreements, undertakings, Claims, rights and entitlements of any kind or nature whatsoever (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or in equity and whether based in statute or otherwise) of or against the Purchased Entities, the Purchased Shares, or against, relating to or affecting any of the Retained Assets, or any Excluded Assets or Excluded Contracts, including, *inter alia*, the non-exhaustive list of Liabilities set forth in Schedule “C”, (collectively, the “**Excluded Liabilities**”) shall be excluded and will no longer be binding on the Purchased Entities, Purchased Shares (or the holders thereof), Retained Shares, Retained Assets, Employees, Permits and Licenses or Books and Records following the Closing Time.
- (b) Subject to the Implementation Steps and pursuant to the Approval and Vesting Order, the Excluded Liabilities shall be transferred to, vested in and assumed in full by ResidualCo in accordance with and as further described in Article 4 and the Approval and Vesting Order, and the Purchased Entities, the Purchased Shares, the Retained Shares, the Retained Assets and the Purchased Entities’ undertakings, Business and properties shall be Discharged of such Excluded Liabilities. All Claims attaching to the Excluded Liabilities, if any, shall continue to exist against ResidualCo only and the Excluded Assets, if any, shall be available to satisfy such Claims.

## ARTICLE 3 PURCHASE PRICE

### 3.1 Purchase Price

The total aggregate consideration payable by the Purchaser for the Purchased Shares (the “**Purchase Price**”) shall be equal to the following:

- (a) The Good Natured Group’s indebtedness to Wells Fargo under or in connection with the Wells Fargo Credit Agreement and Forbearance, as of October 25, 2024, as set out in **Schedule “H”**, plus any additional amounts due pursuant to the Wells Fargo Credit Agreement and Forbearance through to the Closing Date, which specific amount of indebtedness shall, for greater certainty, be a Retained Liability; plus
- (b) Certain entities of the Good Natured Group’s indebtedness to RBC under or in connection with the RBC Mortgage Agreement as of October 25, 2024, as set out in



**Schedule “H”**, plus any additional amounts due pursuant to the RBC Mortgage Agreement through to the Closing Date, which specific amount of indebtedness shall, for greater certainty, be a Retained Liability; plus

- (c) Certain entities of the Good Natured Group’s indebtedness to TD under or in connection with the TD Mortgage Agreement, as of October 25, 2024, as set out in **Schedule “H”**, plus any additional amounts due pursuant to the TD Mortgage Agreement through to the Closing Date, which specific amount of indebtedness shall, for greater certainty, be a Retained Liability; plus
- (d) Certain entities of the Good Natured Group’s indebtedness to ACB under or in connection with the Secured ACB Note, as of October 25, 2024, as set out in **Schedule “H”**, plus any additional amounts due pursuant to the Secured ACB Note through to the Closing Date, which specific amount of indebtedness shall, for greater certainty, be a Retained Liability; plus
- (e) Certain entities of the Good Natured Group’s indebtedness to RBC under or in connection with the RBC MEL, as of October 25, 2024, as set out in **Schedule “H”**, plus any additional amounts due pursuant to the RBC MEL through to the Closing Date, which specific amount of indebtedness shall, for greater certainty, be a Retained Liability; plus
- (f) Certain entities of the Good Natured Group’s indebtedness to RBC under or in connection with the RBC Credit Card Agreement, as of October 25, 2024, as set out in **Schedule “H”**, plus any additional amounts due pursuant to the RBC Credit Card Agreement through to the Closing Date, which specific amount of indebtedness shall, for greater certainty, be a Retained Liability; plus
- (g) Certain entities of the Good Natured Group’s indebtedness to RBC under or in connection with the RBC LC Agreement, as of October 25, 2024, as set out in **Schedule “H”**, plus any additional amounts due pursuant to the RBC LC Agreement through to the Closing Date, which specific amount of indebtedness shall, for greater certainty, be a Retained Liability; plus
- (h) Certain entities of the Good Natured Group’s indebtedness to EDC under or in connection with the EDC Amending Agreement, as of October 25, 2024, as set out in **Schedule “H”**, plus any additional amounts due pursuant to the EDC Amending Agreement through to the Closing Date, which specific amount of indebtedness shall, for greater certainty, be a Retained Liability; plus
- (i) The Good Natured Group’s indebtedness to the Monitor, as set out in **Schedule “H”**, which specific amount of indebtedness shall, for greater certainty, be a Retained Liability; plus
- (j) The Good Natured Group’s indebtedness to McCarthy Tetrault LLP, as set out in **Schedule “H”**, which specific amount of indebtedness shall, for greater certainty, be a Retained Liability; plus
- (k) The Good Natured Group’s indebtedness to Osler, Hoskin and Harcourt LLP, as set out in **Schedule “H”**, which specific amount of indebtedness shall, for greater certainty, be a Retained Liability; plus

- (l) The Good Natured Group's indebtedness to Akerman LLP, as set out in **Schedule "H"**, which specific amount of indebtedness shall, for greater certainty, be a Retained Liability; plus
- (m) The Priority Payments, which specific amount of indebtedness shall, for greater certainty, be a Retained Liability; plus
- (n) The value of the Revolving Credit Facility, including the Closing Payment; plus
- (o) The value of the Spark Power Holdback, which specific amount shall, for greater certainty, be a Retained Liability, and shall be held in trust by the Monitor pending the resolution of the Spark Power Claim, as determined by the Monitor in the Monitor's sole discretion and without further authorization from the Good Natured Group or the Purchaser.. If, following resolution of the Spark Power Claim, as determined by the Monitor in the Monitor's sole discretion and without further authorization from the Good Natured Group or the Purchaser, there remain funds in trust with the Monitor for the Spark Power Holdback, the funds will be returned by the Monitor to the Company; plus
- (p) The value of the costs incurred in connection with the administration and wind-down of ResidualCo (the "**Wind-Down Costs**"), in the specific amount set out in **Schedule "H"**, in the Monitor's sole discretion and without further authorization from the Good Natured Group or the Purchaser; plus
- (q) the value of all other Retained Liabilities, if any, to be satisfied by the Purchaser performing and/or discharging such Retained Liabilities as and when they become due.

### 3.2 **Revolving Credit Facility**

- (a) At the Closing, the Company and the Revolving Credit Facility Lender will execute a Revolving Credit Facility Agreement (the "**Revolving Credit Facility Agreement**") in form and substance satisfactory to the Revolving Credit Facility Lender and the Purchaser, acting reasonably, pursuant to which the Revolving Credit Facility Lender will provide a \$7,000,000 revolving credit facility (the "**Revolving Credit Facility**") to the Company, on commercially reasonable terms and to be secured as described below in Sections 3.2(c) and 3.2(d), with availability to be determined on a borrowing base calculation mechanism in form and substance satisfactory to the Revolving Credit Facility Lender and the Purchaser, acting reasonably, to be used by the Company or other Good Natured Group entities for general working capital purposes.
- (b) Immediately after the Closing the Company shall draw \$2,000,000 (the "**Working Capital Amount**") from the Revolving Credit Facility to be used for general working capital purposes.
- (c) The Revolving Credit Facility shall be secured on all of the Good Natured Group's present and after-acquired personal and real property, including but not limited to the Retained Assets (the "**Revolving Credit Security**").
- (d) The Revolving Credit Facility and Security shall rank in priority immediately below the Priority Encumbrances and immediately ahead of, and in priority to the EDC Security.
- (e) For greater certainty, the Deposit shall be considered an advance from the Revolving Credit Facility and shall be secured by the Revolving Credit Security.

### 3.3 Closing Payment

- (a) At the Closing, the Company shall execute a direction, in form and substance satisfactory to the Purchaser, at its sole discretion, directing the Revolving Credit Facility Lender to cause ~~\$315,000~~\$892,500 (being \$850,000 + GST) in cash (the “**Closing Payment**”), inclusive of the Deposit, from the Revolving Credit Facility to be paid to the Monitor, to be held in trust by the Monitor for the benefit of Persons entitled to be paid from the Closing Payment.
- (b) Following the Closing, the Monitor may utilize the Closing Payment to pay and satisfy the Cap West Success Fee Charge,.

For the avoidance of doubt, neither the Purchaser nor the Good Natured Group shall have any obligation to pay nor liability related to the payments of any amounts referenced in this Section 3.3 from and after the Closing.

### 3.4 EDC Amending Agreement

The Company and EDC shall execute a form of amendment to the EDC Credit Agreement (the “**EDC Amending Agreement**”), on terms satisfactory to the Purchaser in its sole discretion, in respect of certain entities of the Good Natured Group’s obligations to EDC pursuant to the EDC Credit Agreement. The EDC Amending Agreement shall, inter alia, (i) confirm that the Good Natured Group’s total indebtedness to EDC as of the Closing Date is the specific amount set out in **Schedule “H”** and (ii) confirm that EDC will be given security over all of the Purchased Entities’ personal and real property ranking below the Priority Encumbrances and the Revolving Credit Security.

### 3.5 Deposit

The Purchaser has paid to the Monitor, in trust, prior to the execution and delivery of this Agreement, the amount of \$200,000, representing a deposit (the “**Deposit**”) to be held in trust by the Monitor in a non-interest bearing trust account. The Deposit will be dealt with as follows:

- (a) Applied in accordance with Section 3.3(a) in the event the Closing occurs;
- (b) If, (i) after the conditions set out in Sections 8.1, 8.2, and 8.3 herein are satisfied or waived, the Purchaser fails to complete the Transaction in accordance with this Agreement or (ii) the Closing does not occur in whole or in part by reason of a breach of this Agreement by the Purchaser, then the Deposit will be forfeited to the Company, without prejudice to any other rights or remedies of the Company whether at law or in equity;
- (c) if the conditions set out in Sections 8.1, 8.2, and 8.3 herein are not satisfied or waived within the applicable time periods contemplated in conditions set out in Sections 8.1, 8.2, and 8.3, other than as a result of a breach by the Purchaser of its obligations hereunder, the Deposit will be returned to the Purchaser forthwith without any deduction, as the sole remedy of the Purchaser against the Company; or
- (d) if, after the conditions set out in Sections 8.1, 8.2, and 8.3 herein are satisfied or waived, and if the Purchaser is not in default of any of its obligations under this Agreement and the Company fails to complete the Transaction or if the Company repudiates this Agreement, then the Deposit will be returned to the Purchaser forthwith without any deduction, as the sole remedy of the Purchaser against the Company.

## **ARTICLE 4**

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

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

At Closing, each of the Purchased Entities shall retain all of the assets owned by it on the Effective Date of this Agreement and any assets acquired by it up to and including Closing, including, without limitation, the Retained Shares, the Real Property, the Litigation Rights, the Purchased Entities' equipment, Assumed Contracts, Permits and Licenses, Books and Records, Business and undertakings (collectively, the “**Retained Assets**”). The Retained Assets shall not include: (i) the Excluded Assets; or (ii) the Excluded Contracts; which shall be transferred to ResidualCo, in accordance with the Implementation Steps, and same shall be vested in ResidualCo pursuant to the Approval and Vesting Order as evidenced by a bill of sale and assignment of contracts (the “**Excluded Asset Bill of Sale**”).

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

In accordance with the Implementation Steps and the Approval and Vesting Order, the Excluded Liabilities shall be transferred to, vested in and assumed in full by ResidualCo as evidenced by an assignment and assumption agreement in form and substance acceptable to the Purchaser and the Company (the “**Excluded Liabilities Assumption Agreement**”). Notwithstanding any other provision of this Agreement, the Purchaser and the Purchased Entities shall not assume and shall have no Liability for any of the Excluded Liabilities and all Excluded Liabilities shall be Discharged from the Purchased Shares, Purchased Entities and the Retained Assets as of and from and after the Closing Time.

#### **4.3 Tax Matters**

Pursuant to the Implementation Steps and the Approval and Vesting Order, at the Closing Time, all Taxes owed or owing or accrued due by the Purchased Entities shall be transferred to, vested in and assumed by ResidualCo, including any Taxes arising from or in connection with the consummation of the Transaction and the transfer of the Excluded Assets and Excluded Liabilities to ResidualCo. Any audits or reassessments with respect to any Taxes that relate to a time period occurring, or facts arising, prior to the Closing Date, regardless upon when such audit was commenced or completed, and any and all such obligations with respect to such audits or reassessments shall be transferred to and vest in ResidualCo.

## **ARTICLE 5**

### **REPRESENTATIONS AND WARRANTIES**

#### **5.1 Representations and Warranties of the Purchased Entities**

The Company hereby represents and warrants as of the date hereof and as of the Closing Time as follows, and acknowledges that the Purchaser is relying on such representations and warranties in connection with entering into this Agreement and performing their obligations hereunder:

- (a) Subject to the Approval and Vesting Order, the Company has the necessary power, authority, and capacity to enter into this Agreement and carry out its obligations under this Agreement.

#### **5.2 Representations and Warranties of the Purchaser**

The Purchaser hereby represents and warrants to and in favour of the Company as of the date hereof and as of the Closing Time as follows, and acknowledges that the Company is relying on such representations and warranties in connection with entering into this Agreement and performing its obligations hereunder:

- (a) Incorporation and Status. The Purchaser is a corporation incorporated and existing under the laws of the jurisdiction of its incorporation and has the power and authority to enter into, deliver and perform its obligations under this Agreement.
- (b) Corporate Authorization. The execution, delivery and performance by the Purchaser of this Agreement has been authorized by all necessary corporate action on the part of the Purchaser.
- (c) No Conflict. The execution, delivery and performance by the Purchaser of this Agreement do not (or would not with the giving of notice, the lapse of time, or both, or the happening of any other event or condition) result in a breach or a violation of, or conflict with, or allow any other Person to exercise any rights under, any terms or provisions of the Organizational Documents of the Purchaser.
- (d) Execution and Binding Obligation. This Agreement has been duly executed and delivered by the Purchaser and constitutes a legal, valid and binding obligation of the Purchaser, enforceable against it in accordance with its terms subject only to the Approval and Vesting Order.
- (e) Proceedings. There are no proceedings pending, or to the knowledge of the Purchaser, threatened, against the Purchaser before any Governmental Authority, which prohibit or seek to enjoin delay, restrict or prohibit the Closing of the Transaction, as contemplated by this Agreement, or which would reasonably be expected to delay, restrict or prevent the Purchaser from fulfilling any of its obligations set forth in this Agreement.

### **5.3 As is, Where is**

The representations and warranties of the Purchased Entities shall survive the Closing Time on the Closing Date provided, however, that the Purchaser's recourse for any breach or inaccuracy of such representations and warranties shall be against ResidualCo. The Purchaser acknowledges, agrees and confirms that, at the Closing Time, the Purchased Shares (for clarity, together with the Retained Assets) shall be sold and delivered to the Purchaser on an "*as is, where is*" basis, subject only to the representations and warranties contained herein. Other than those representations and warranties contained herein, no representation, warranty or condition is expressed or can be implied as to title, encumbrances, description, fitness for purpose, merchantability, condition or quality or in respect of any other matter or thing whatsoever.

## **ARTICLE 6 COVENANTS**

### **6.1 Closing Date**

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

## **6.2 Application for Approval and Vesting Order**

As soon as practicable following the Effective Date, the Company shall serve and file with the Court an application for the issuance of the Approval and Vesting Order, seeking relief that will, *inter alia*, approve this Agreement and the Transaction and release the officers and directors of the Purchased Entities along with the Purchased Entities' counsel, the Monitor and the Monitor's counsel. The Company shall use commercially reasonable efforts to seek the issuance and entry of the Approval and Vesting Order and the Purchaser shall cooperate with the Company in its efforts to obtain the issuance and entry of the Approval and Vesting Order. The Parties agree that the Approval and Vesting Order shall include provisions allowing for the Purchaser, or either of them, to assign their rights under this Agreement following the issuance of the Approval and Vesting Order but prior to Closing.

The Purchaser shall forthwith provide such information and documentation as may be required by the Vendor, acting reasonably, from time to time in order to facilitate the granting of the Approval and Vesting Order.

## **6.3 Interim Period**

During the Interim Period, except as otherwise expressly contemplated or permitted by this Agreement (including the Approval and Vesting Order and the Implementation Steps), the Company shall, and shall cause the other Purchased Entities to, maintain the Retained Assets in substantially the same condition as on the Effective Date and in material compliance with all Applicable Laws and Permits and Licenses.

## **6.4 Access During Interim Period**

During the Interim Period, the Company shall give, or cause to be given, to the Purchaser, and their representatives, reasonable access during normal business hours to the Retained Assets, including the Books and Records, to conduct such investigations, inspections, surveys or tests thereof and of the financial and legal condition of the Business and the Retained Assets as the Purchaser reasonably deem necessary or desirable to further familiarize themselves with the Business and the Retained Assets. Without limiting the generality of the foregoing: (a) the Purchaser and their representatives shall be permitted reasonable access during normal business hours to all documents relating to information scheduled or required to be disclosed under this Agreement and to the Employees; and (b) the Purchaser and their representatives shall be permitted to contact and discuss the Transactions contemplated herein with Governmental Authorities and the Purchased Entities' customers and contractual counterparties. Such investigations, inspections, surveys and tests shall be carried out at the Purchaser' sole and exclusive risk and cost, during normal business hours, and without undue interference with the Purchased Entities' operations and the Company shall co-operate reasonably in facilitating such investigations, inspections, surveys and tests and shall furnish copies of all such documents and materials relating to such matters as may be reasonably requested by or on behalf of the Purchaser.

## **6.5 Insurance Matters**

Until Closing, the Company shall cause the Good Natured Group to keep in full force and effect all existing insurance policies and give any notice or present any claim under any such insurance policies consistent with past practice in the ordinary course of business.

## **6.6 ResidualCo**

On the Closing Date, the Company shall convey the ResidualCo Shares to the Monitor to hold the ResidualCo Shares as agent and bare trustee on behalf of the shareholders of the Company prior to the Closing. The Monitor shall not have any obligation or duties to take any actions, steps or otherwise in respect of the ResidualCo Shares.

## **6.7 Revolving Credit Facility**

On the Closing Date, the Company shall enter into the Revolving Credit Facility.

## **6.8 Inter-Creditor Agreement**

The Company shall use commercially reasonable efforts to assist with the negotiations with Wells Fargo, RBC, TD, ACB, and EDC to enter into intercreditor and, in the case of RBC, TD, ACB, and EDC, forbearance agreements, satisfactory to the Purchaser, that, *inter alia*, reflect the priority of the Revolving Credit Facility Security among the Revolving Credit Security and the other Secured Creditor's security and Priority Encumbrances.

## **6.9 Petition for US Recognition Order**

The Company shall:

- (a) as promptly as practicable after execution and delivery of this Agreement, serve and file with the U.S. Court, a petition for the issuance of the U.S. Recognition Order;
- (b) provide the Purchaser with a reasonable opportunity to review and comment upon all materials filed by the Company with the U.S. Court in accordance with this Section 6.10, which materials shall be consistent with the terms and conditions of this Agreement;
- (c) provide notice of the petition for the U.S. Recognition Order on all Persons as may be required by the Purchaser, including, without limitation, all Persons required to receive notice under Applicable Law and any other Person determined necessary or advisable by the Company or the Purchaser; and
- (d) if the U.S. Recognition Order shall be appealed or any application or petition for rehearing or re-argument shall be filed with respect thereto, take all action as may be commercially reasonable and appropriate to defend against such appeal, application, or motion.

## **6.10 Professional Fees**

The Company shall pay professional fees out of its own funds between the Effective Date and the Closing Time, as follows:

- (a) to Osler, Hoskin & Harcourt LLP in the amount of \$112,835;
- (b) to McCarthy Tetrault LLP in the amount of \$12,876; and
- (c) to Akerman LLP in the amount of \$46,289.

In addition, each of Osler, Hoskin & Harcourt LLP, McCarthy Tetrault LLP, Akerman LLP, and the Monitor shall apply the retainers held by the respective professionals to any outstanding indebtedness owed to the professional by the Good Natured Group between the Effective Date and the Closing Time.

## **ARTICLE 7 CLOSING ARRANGEMENTS**

### **7.1 Closing**

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

### **7.2 Implementation Steps**

- (a) Subject to the other terms of this Agreement, on or prior to the Closing Date, the Company shall effect the Implementation Steps on the terms and using the steps set out at Exhibit “A”; *provided that* the Purchaser and the Company shall cooperate to ensure that the Implementation Steps are completed in a tax efficient manner, including by revising the steps thereof as required by the Purchaser.
- (b) The Purchaser and the Company shall work cooperatively and use commercially reasonable efforts to prepare, before the Closing Date, all documentation necessary and do such other acts and things as are necessary to give effect to the Implementation Steps.

### **7.3 Company’s Closing Deliveries**

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

- (a) a true copy of the Approval and Vesting Order, as issued and entered by the Court;
- (b) a true copy of the U.S. Recognition Order, as issued and entered by the U.S. Court;
- (c) share certificates representing the Purchased Shares, issued to the Purchaser, and the Retained Shares;
- (d) a true copy of the Excluded Asset Bill of Sale;
- (e) a true copy of the Excluded Liability Assumption Agreement;
- (f) a certificate of an officer of the Company, without personal liability, dated as of the Closing Date, confirming that all of the representations and warranties contained in this Agreement are true in all material respects as of the Closing Time, with the same effect as though made at and as of the Closing Time, and that the Company has performed in all material respects the covenants to be performed by it prior to the Closing Time;
- (g) the Organizational Documents of the Purchased Entities, and the corporate Books and Records; and
- (h) such other agreements, documents and instruments as may be reasonably required by the Purchaser to complete the Transaction, all of which shall be in form and substance satisfactory to the Parties, acting reasonably.



#### 7.4 Purchaser's Closing Deliveries

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

- (a) evidence that the Revolving Credit Facility has been established;
- (b) the Closing Payment;
- (c) certificates of an officer of each of the Purchaser dated as of the Closing Date confirming that all of the representations and warranties of the Purchaser contained in this Agreement are true in all material respects as of the Closing Time, with the same effect as though made at and as of the Closing Time, and that the Purchaser has performed in all material respects the covenants to be performed by them prior to the Closing Time; and
- (d) such other agreements, documents and instruments as may be reasonably required by the Company to complete the Transaction, all of which shall be in form and substance satisfactory to the Parties, acting reasonably.

### ARTICLE 8 CONDITIONS OF CLOSING

#### 8.1 Conditions Precedent in favour of the Parties

The obligation of the Parties to complete the Transaction is subject to the following joint conditions being satisfied, fulfilled or performed on or prior to the Closing Date:

- (a) Approval and Vesting Order. The Court shall have issued and entered the Approval and Vesting Order, which Approval and Vesting Order shall not have been stayed, set aside, or vacated and no application, motion or other proceeding shall have been commenced seeking the same, in each case which has not been fully dismissed, withdrawn or otherwise resolved in a manner satisfactory to the Parties, each acting reasonably.
- (b) U.S. Recognition Orders. The U.S. Court shall have issued and entered the U.S. Recognition Orders, which U.S. Recognition Orders shall not have been stayed, varied in a manner materially adverse to the Purchaser, set aside, or vacated and no application, motion or other proceeding shall have been commenced seeking the same, in each case which has not been fully dismissed, withdrawn, or otherwise resolved in a manner satisfactory to the Purchaser, at its sole discretion.
- (c) No Order. No Applicable Law and no judgment, injunction, order or decree shall have been issued by a Governmental Authority or otherwise in effect that restrains or prohibits the completion of the Transaction.
- (d) No Restraint. No application, motion, action or proceedings shall be pending by or before a Governmental Authority to restrain or prohibit the completion of the Transaction contemplated by this Agreement.
- (e) Monitor's Certificate. The Monitor shall have provided an executed certificate of the Monitor substantially in the form attached to the Approval and Vesting Order (the “**Monitor's Certificate**”) confirming that all conditions to Closing have either been satisfied or waived by both the Purchaser and the Company.

The foregoing conditions are for the mutual benefit of the Parties. If any condition set out in Section 8.1 is not satisfied, performed or mutually waived on or prior to the Outside Date, any Party may elect on written notice to the other Parties to terminate this Agreement.

## **8.2 Conditions Precedent in favour of the Purchaser**

The obligation of the Purchaser to complete the Transaction is subject to the following conditions being satisfied, fulfilled, or performed on or prior to the Closing Date:

- (a) Implementation Steps. The Implementation Steps shall have been completed in the order and in the timeframes contemplated hereunder.
- (b) Company's Deliverables. The Company and the other Purchased Entities, as applicable, shall have executed and delivered or caused to have been executed and delivered to the Purchaser at the Closing all the documents contemplated in Section 7.3.
- (c) No Breach of Representations and Warranties. Except as such representations and warranties may be affected by the occurrence of events or transactions specifically contemplated by this Agreement, each of the representations and warranties contained in Section 5.1 and Section 5.2 shall be true and correct in all material respects: (i) as of the Closing Date as if made on and as of such date; or (ii) if made as of a date specified therein, as of such date.
- (d) No Breach of Covenants. The Company and the other Purchased Entities, as applicable, shall have performed, in all material respects, all covenants, obligations and agreements contained in this Agreement required to be performed by the Purchased Entities on or before the Closing Date.
- (e) Company Employees. The Purchased Entities shall have terminated the employment of any employees identified by the Purchaser in its sole discretion to be Terminated Employees and all Liabilities owing to any such Terminated Employees in respect of such terminations, including all amounts owing on account of statutory notice, termination payments, individual or group notice of termination (as applicable), severance, wages, overtime pay, vacation pay, benefits, bonuses or other compensation or entitlements, including any amounts deemed owing pursuant to statute or common law, shall be Excluded Liabilities or shall be Discharged pursuant to the Approval and Vesting Order.
- (f) ResidualCo. Pursuant to the Implementation Steps and the Approval and Vesting Order: (i) all Excluded Assets and Excluded Liabilities shall have been transferred to ResidualCo or Discharged; (ii) the Excluded Liabilities shall have attached to the Excluded Assets; and (iii) the Purchased Entities and their Business and the Retained Assets, including the Facility, shall have been released and forever Discharged of all Claims and Encumbrances (other than Retained Liabilities and Permitted Encumbrances, if any) such that, from and after Closing the Business and Retained Assets of the Purchased Entities shall exclude the Excluded Assets and shall not be subject to any Excluded Liabilities.
- (g) Partial Termination of CCAA Proceeding. Upon Closing, the CCAA Proceeding shall have been terminated in respect of the Purchased Entities and their Business and property, as set out in the Approval and Vesting Order, but, for greater certainty, shall continue in respect of ResidualCo.

- (h) Disclaimer of Excluded Contracts. The Company shall have sent notices of disclaimer for all known Excluded Contracts and other agreements, and such known Excluded Contracts shall form part of the Excluded Assets.
- (i) Permits and Licenses. The Permits and Licenses shall be in good standing at the Closing Time and no material default shall have occurred under any such Permits and Licenses that remains unremedied.
- (j) Wells Fargo Refinancing. The Company, Wells Fargo, and the Purchaser shall have agreed to refinance the total indebtedness owing by the Purchased Entities to Wells Fargo under the Wells Fargo Credit Agreement and Forbearance on terms mutually agreed to by the Purchaser and Wells Fargo. For greater certainty, such refinancing shall not result in any reduction of the total indebtedness payable by the Purchased Entities or the Purchaser.
- (k) Intercreditor and Forbearance Agreements. The Company, the Purchaser, the Revolving Credit Facility Lender, Wells Fargo, RBC, TD, ACB, and EDC shall have agreed to intercreditor agreements and, in the case of RBC, TD, and ACB and forbearance agreements, satisfactory to the Purchaser in its sole discretion.
- (l) RBC Letters of Credit. The Purchaser and RBC shall have resolved, to each of the Purchaser and RBC's satisfaction, all of the Company's and the Purchased Entities' potential liability to RBC pursuant to the RBC LC Agreement and pursuant to the irrevocable standby letter of credit no. SDNHTI310668 issued by HSBC Bank Canada, as predecessor by amalgamation to RBC, to Ravago Americas LLC on April 4, 2023.
- (m) Spark Power Construction Lien. The Spark Power Construction Lien shall have been discharged and the Monitor shall confirm that the Spark Power Holdback is in place.
- (n) Cash on Hand. The Company and the other Purchased Entities shall have, as of October 25, 2024, in the aggregate, at least \$650,000 cash and cash equivalents on hand, exclusive of (i) the RBC Cash Collateral; and (ii) any amounts, Claims, or fees to be paid by the Purchased Entities or any of them in relation to the Closing, but inclusive of any Cash swept by Wells Fargo from the Company's accounts from the Effective Date through the end of day October 25, 2024.
- (o) Wells Fargo. As of October 25, 2024, exclusive of any amounts, Claims, or fees to be paid by the Purchased Entities or any of them in relation to the Closing, the borrowing base as certified by the Borrower shall be no less than \$13,500,000 pursuant to the Wells Fargo Credit Agreement and Forbearance.
- (p) EDC Amending Agreement. The Company and EDC shall have executed the EDC Amending Agreement.

The foregoing conditions are for the exclusive benefit of the Purchaser. Any condition in this Section 8.2 may be waived by the Purchaser in whole or in part, without prejudice to any of their rights of termination in the event of non-fulfillment of any other condition in whole or in part. Any such waiver shall be binding on the Purchaser only if made in writing. If any condition set out in Section 8.2 is not satisfied, at the Purchaser's sole discretion, or performed on or prior to the Outside Date, the Purchaser may elect on written notice to the Company and the Monitor to terminate this Agreement.

### 8.3 Conditions Precedent in favour of the Company

The obligation of the Company to complete the Transaction is subject to the following conditions being satisfied, fulfilled, or performed on or prior to the Closing Date:

- (a) Purchaser's Deliverables. The Purchaser shall have executed and delivered or caused to have been executed and delivered to the Company at the Closing all the documents and payments contemplated in Section 7.4.
- (b) No Breach of Representations and Warranties. Each of the representations and warranties contained in Section 5.2 shall be true and correct in all material respects: (i) as of the Closing Date as if made on and as of such date; or (ii) if made as of a date specified therein, as of such date.
- (c) No Breach of Covenants. The Purchaser shall have performed in all material respects all covenants, obligations and agreements contained in this Agreement required to be performed by the Purchaser on or before the Closing.

The foregoing conditions are for the exclusive benefit of the Company. Any condition in this Section 8.3 may be waived by the Company in whole or in part, without prejudice to any of its rights of termination in the event of non-fulfilment of any other condition in whole or in part. Any such waiver shall be binding on the Company only if made in writing. If any condition set forth in this Section 8.3 is not satisfied or performed on or prior to the Outside Date, the Company may elect on written notice to the Purchaser to terminate this Agreement.

## ARTICLE 9 TERMINATION

### 9.1 Grounds for Termination

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

- (a) by the mutual written agreement of the Company (with the consent of the Monitor) and the Purchaser; or
- (b) by the Company (with the consent of the Monitor) or the Purchaser, if there has been a material violation or breach by the other Party of any agreement, covenant, representation or warranty of such Party in this Agreement which would prevent the satisfaction of, or compliance with, any condition set forth in Article 8 by the Outside Date, and such violation or breach has not been waived by the non-breaching Party or cured within five (5) Business Days after written notice thereof from the non-breaching Party to the breaching Party; or
- (c) by the Company (with the consent of the Monitor) or the Purchaser upon written notice to the other Parties if the Closing has not occurred on or prior to the Outside Date; provided that the failure to close by such deadline is not caused by a breach of this Agreement by the Party proposing to terminate the Agreement.

## 9.2 Effect of Termination.

If this Agreement is terminated pursuant to Section 9.1, all further obligations of the Parties under this Agreement will terminate and no Party will have any Liability or further obligations hereunder.

## ARTICLE 10 GENERAL

### 10.1 Access to Books and Records

For a period of two years from the Closing Date or for such longer period as may be reasonably required to comply with Applicable Law, the Purchaser will retain all original Books and Records that are transferred to the Purchaser under this Agreement, but the Purchaser is not responsible or liable for any accidental loss or destruction of, or damage to, any such Books and Records. So long as any such Books and Records are retained by the Purchaser pursuant to this Agreement, the Monitor has the right to inspect and to make copies (at its own expense) of them at any time upon reasonable request during normal business hours and upon reasonable notice for any proper purpose and without undue interference to the business operations of the Purchaser.

### 10.2 Notice

Any notice or other communication under this Agreement shall be in writing and may be delivered by read-receipted email, addressed:

- (a) in the case of the Purchaser, as follows:

**HUK** **149** **Limited**

Attention: Chris Emmott / Josh Robertshaw

Email: [chris.emmott@hilcocapital.com](mailto:chris.emmott@hilcocapital.com) / [josh.robertshaw@hilcocapital.com](mailto:josh.robertshaw@hilcocapital.com)

with a copy to:

**Miller Thomson LLP**

40 King Street West, Suite 5800

Toronto, ON M5H 4A9

Attention: Larry Ellis / Matthew Cressatti

Email: [lellis@millერთhompson.com](mailto:lellis@millერთhompson.com) / [mcressatti@millერთhompson.com](mailto:mcressatti@millერთhompson.com)

- (b) in the case of the Company, as follows:

**Good** **Natured** **Products** **Inc.**  
5 Abacus Road  
Brampton, ON L6T 5B7

Attention: Paul Antoniadis / Don Holmstorm

Email: [paul.a@goodnaturedproducts.com](mailto:paul.a@goodnaturedproducts.com) / [don.h@goodnaturedproducts.com](mailto:don.h@goodnaturedproducts.com)

with a copy to:

**Osler, Hoskin & Harcourt LLP**

Suite 3000, Bentall Four

1055 Dunsmuir Street

Vancouver,

BC

V7X

1K8

Attention: Mary Buttery, K.C. / Christian Garton / Emma Newbery

Email: mbuttery@osler.com / cgarton@osler.com / enewbery@osler.com

- (c) in each case, with a further copy to the Monitor as follows:

**Alvarez & Marsal Canada Inc.**

Cathedral Place Building

925 West Georgia Street, Suite 902

Vancouver, BC V6C 3L2

Attention: Anthony Tillman / Pinky Law

Email: atillman@alvarezandmarsal.com / pinky.law@alvarezandmarsal.com

with a copy to:

**McCarthy Tetrault LLP**

745 Thurlow Street

Suite 2400

Vancouver,

BC

V6E

0C5

Attention: Lance Williams / Ashley Bowron

Email: lwilliams@mccarthy.ca / abowron@mccarthy.ca

Any such notice or other communication, if transmitted by email before 5:00 p.m. (Vancouver time) on a Business Day, will be deemed to have been given on such Business Day, and if transmitted by email after 5:00 p.m. (Vancouver time) on a Business Day, will be deemed to have been given on the Business Day after the date of the transmission. In the case of a communication by email or other electronic means, if an autoreply is received indicating that the email is no longer monitored or in use, delivery must be followed by the dispatch of a copy of such communication pursuant to one of the other methods described above; provided however that any communication originally delivered by electronic means shall be deemed to have been given on the date stipulated above for electronic delivery.

Sending a copy of a notice or other communication to a Party's legal counsel as contemplated above is for information purposes only and does not constitute delivery of the notice or other communication to that Party. The failure to send a copy of a notice or other communication to legal counsel does not invalidate delivery of that notice or other communication to a Party. A Person may change its address for service by notice given in accordance with the foregoing and any subsequent communication must be sent to such Person at its changed address.

**10.3 Public Announcements**

The Company shall be entitled to disclose this Agreement to the Court and parties in interest in the CCAA Proceedings, other than any information which the Purchaser advises the Company in writing as being confidential, and this Agreement may be posted on the Monitor's website maintained in connection with the CCAA Proceedings. Other than as provided in the preceding sentence or statements made in Court (or in pleadings filed therein) or where required to meet timely disclosure obligations of the Company or any of its Affiliates under Applicable Laws or stock exchange rules, the Company shall not issue (prior to or after the Closing) any press release or make any public statement or public communication with respect to this Agreement or the Transactions contemplated hereby without the prior consent of the other Parties, which shall not be unreasonably withheld or delayed.

#### **10.4 Time**

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

#### **10.5 Survival**

The representations and warranties of the Parties contained in this Agreement shall not merge on Closing and the representations, warranties and covenants of the Parties contained herein to be performed after the Closing shall survive Closing and remain in full force and effect.

#### **10.6 Benefit of Agreement**

This Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns, including for greater certainty, ResidualCo, provided that no consent, waiver or agreement of ResidualCo shall be required for any amendment of this Agreement.

#### **10.7 Entire Agreement**

This Agreement and the attached Schedules hereto constitute the entire agreement between the Parties with respect to the subject matter hereof and supersede all prior negotiations, understandings and agreements. This Agreement may not be amended or modified in any respect except by written instrument executed by the Company and the Purchaser.

#### **10.8 Paramountcy**

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

#### **10.9 Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein and each of the Parties irrevocably attorns to the exclusive jurisdiction of the Court, and any appellate courts of the Province of British Columbia therefrom.

#### **10.10 Assignment**

- (a) The Purchaser may assign its rights under this Agreement prior to Closing, in whole or in part, without the prior written consent of the Company, ResidualCo or the Monitor, provided that: (i) the Purchaser provides prior notice of such assignment to the Company and the Monitor, and such assignment is to one or more of the Purchaser's Affiliates; and

(ii) such assignee agrees to be bound by the terms of this Agreement to the extent of the assignment; provided, however, that any such assignment shall not relieve the Purchaser of its obligations hereunder.

- (b) Except as specifically contemplated herein as it relates to ResidualCo, this Agreement may not be assigned by the Company without the consent of the Purchaser.

#### **10.11 Further Assurances**

Each of the Parties shall, at the request and expense of the requesting Party, take or cause to be taken such action and execute and deliver or cause to be executed and delivered to the other such conveyances, transfers, documents and further assurances as may be reasonably necessary or desirable to give effect to this Agreement.

#### **10.12 Counterparts**

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement. Transmission by e-mail of an executed counterpart of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart.

#### **10.13 Severability**

Notwithstanding any provision herein, if a condition to complete the Transaction, or a covenant or an agreement herein is prohibited or unenforceable pursuant to Applicable Law, then such condition, covenant or agreement shall be ineffective to the extent of such prohibition or unenforceability without invalidating the other provisions hereof.

#### **10.14 Monitor's Certificate**

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

#### **10.15 Monitor's Capacity**

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

***[Signature Page Follows]***



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

For the Purchaser:

**HUK 149 Limited**

By: \_\_\_\_\_

Name: Chris Emmott

Title: Authorized Signatory

I have authority to bind the Corporation.

For the Company:

**GOOD NATURED PRODUCTS INC.**

By: \_\_\_\_\_

Name:

Title: Authorized Signatory

I have authority to bind the Corporation.

**EXHIBIT “A”  
IMPLEMENTATION STEPS**

1. The Company shall incorporate and organize ResidualCo as a wholly-owned subsidiary of the Company, with nominal consideration for common shares.
2. Immediately prior to the Closing the Company shall pay:
  - a. the KERP Payment; and
  - b. the payments required pursuant to Section 6.10 of the Agreement.
3. Effective as of the Closing Time, the following steps shall take place sequentially pursuant to the Approval and Vesting Order:
  - (a) ResidualCo shall be added to the CCAA Proceeding as a Petitioner;
  - (b) all employees designated by the Purchaser as Terminated Employees will be terminated by the applicable member of the Purchased Entities;
  - (c) the Excluded Assets, Excluded Contracts and Excluded Liabilities shall transfer to, and vest in, ResidualCo.;
  - (d) the ResidualCo Shares shall be transferred to the Monitor, or another entity designated by the Monitor;
  - (e) to the extent required by Applicable Law, the Reorganization Documents shall be filed or deposited with the applicable Governmental Authority or other Person;
  - (f) the Company shall issue the Purchased Shares to the Purchaser, free and clear of all Encumbrances except for Permitted Encumbrances;
  - (g) the Existing Equity shall be cancelled, or redeemed, for no consideration pursuant to the Approval and Vesting Order and the Reorganization Documents;
  - (h) the Purchaser shall satisfy the Purchase Price in accordance with the terms of this Agreement;
  - (i) from the Closing Payment the Monitor shall make all payments set out in Section 3.3(b) of the Agreement;
  - (j) Closing shall be deemed to have occurred;
  - (k) any and all Liabilities arising from or relating to: (i) the transactions noted above; (ii) the change of control resulting from the Transaction; and (iii) the transfer of the Excluded Assets and Excluded Liabilities to ResidualCo; including, for certainty and without limitation, Liabilities and Taxes resulting from any debt forgiveness, shall be transferred to ResidualCo and the Purchased Entities shall have no obligations in connection with such Liabilities or Taxes;
  - (l) the Purchaser shall pay Osler, Hoskin & Harcourt LLP the amount of \$300,000 in trust for, and in satisfaction of, the Retained Liabilities to the Monitor, McCarthy Tetrault LLP Osler, Hoskin & Harcourt LLP, and Akerman LLPs defined on Schedule “H” hereto;

- (m) the Purchaser shall pay to Osler, Hoskin & Harcourt LLP the amount of \$139,000 in trust for and in satisfaction of the Priority Payments, as defined on Schedule “I” hereto;
- (n) the Purchaser shall pay to the Monitor the Wind-Down Costs in the amount of \$50,000 in trust for and in satisfaction of the Wind-Down Cost, as defined in Schedule “H”; and
- (o) the Purchased Entities shall cease to be Petitioners in the CCAA Proceedings.

**The Parties agree that this Exhibit “A” remains subject to further revision no less than two (2) days prior to the Closing of the Transaction contemplated in this Agreement.**

**SCHEDULE "A"**  
**EXCLUDED ASSETS**

1. The Excluded Contracts.

## SCHEDULE “B” EXCLUDED CONTRACTS

The following is a non-exhaustive list of the Excluded Contracts:

### DEBT:

1. Trust indenture between Good Natured Products Inc. and Integral Wealth Securities Limited, as lender, dated December 30, 2019.
2. Trust indenture between Good Natured Products Inc. and the TSX Trust Company, dated October 28, 2021.
3. Repayable government grant between Good Natured Products Inc., as borrower, and Western Innovation Initiative, Government of Canada, as lender, dated June 20, 2014.
4. Subordinated promissory note between Good Natured Products (CAD) Inc., as borrower, and Bill Mechar, as lender, dated December 1, 2023.
5. Amended and restated subordinated promissory note between Good Natured Products (CAD) Inc., as borrower and JTF Holdings, Inc. as lender, dated December 5, 2023.
6. Secured promissory note between good natured Real Estate Holdings (Ontario) Inc., as borrower, and Good Natured Products Inc., Todd Shepherd, Mark Shepherd, Barry Shepherd, Denise Shepherd and Shepherd Family Trust as lenders, dated May 12, 2020.
7. The Guarantee Products and Other Insurance Declaration granted by certain of the Purchased Entities in favour of EDC dated October 9, 2020.

### FACILITY LEASES:

8. Lease of the head office located at 814 - 470 Granville Street, Vancouver, BC (the “**Head Office**”) dated April 1, 2020, between Good Natured Products Inc., as tenant, and Lotte And John Hecht Memorial Foundation, by its Agent, Equitable Real Estate Investment Corporation Ltd., as landlord, as amended, restated, or modified from time to time.
9. Lease of N532 Williams Road, Genoa City, Wisconsin dated November 1, 2008, between Prime-Genoa Properties, LLC and Ex-Tech Plastics Inc., as amended by the Addendum between United Five Group, LLC, as successor to Prime-Genoa Properties, LLC, and Ex-Tech Plastics Inc., dated October 31, 2020.
10. Lease of #803, 804, 814, 815 and 818 470 Granville Street, Vancouver BC, dated June 17, 2022 between Good Natured Products Inc., as tenant and Lotte and John Hecht Memorial Foundation, as landlord, as amended, restated, or modified from time to time.
11. Lease of 320 Sheldon Drive, Cambridge (the “**Sheldon Location**”) dated October 18, 2021, between IPF Holdings Inc., as tenant, and DONGAB Co. Inc, as landlord.

### EQUIPMENT LEASES

12. The Master Equipment Lease Agreement dated October 31, 2022 by and between Good Natured Products (Illinois), LLC and Wingspire Equipment Finance LLC, including but not limited to all of the Petitioners' liabilities and obligations arising pursuant to Addendum Schedule #01, Addendum Schedule #02, and any and all other addendums thereto;

### INVESTOR RELATIONS AGREEMENTS

13. Investor relations agreement between Good Natured Products Inc. and Integral Wealth Securities Limited dated October 2, 2019.
14. Investor relations agreement between Good Natured Products Inc. and Platform Group Limited dated December 30, 2020.
15. Investor relations agreement between Good Natured Products Inc. and Bristol Capital Ltd. dated Executed June 18, 2020 and effective on July 1, 2020.
16. Investor relations agreement between Good Natured Products Inc. and William Blair & Company, L.L.C. dated on or about July 14, 2023.

### INSURANCE:

17. Property and casualty insurance policy with Chubb Insurance Company for the period of March 10, 2024 to March 10, 2025 with respect to equipment breakdown at the Sheldon and Head Office locations.

**SCHEDULE “C”  
EXCLUDED LIABILITIES**

The following is a non-exhaustive list of Excluded Liabilities:

1. Any and all Liabilities relating to any change of control provision that may arise in connection with the change of control contemplated by the Transaction and to which the Purchased Entities may be bound as at the Closing Time.
2. Any and all Liabilities pertaining to the administration of the CCAA Proceedings including, without limitation, under any Court-ordered charge granted therein.
3. All Liabilities relating to or under the Excluded Contracts and Excluded Assets.
4. All Liabilities to Terminated Employees whose employment with the Purchased Entities is terminated on or before Closing, including all amounts owing on account of statutory notice, termination payments, individual or group notice of termination (as applicable), severance, overtime pay, benefits, bonuses or other compensation or entitlements, including any amounts deemed owing pursuant to statute or common law, but excluding wages and vacation pay owing to Terminated Employees up to the Closing Date.
5. Any Liabilities for commissions, fees or other compensation payable to any finder, broker or similar intermediary in connection with the negotiation, execution or delivery of this Agreement or the consummation of the Transaction.
6. Any Liabilities arising from the Guarantee Products and Other Insurance Declaration granted by certain of the Purchased Entities in favour of EDC dated October 9, 2020.
7. Any Liabilities arising from the Spark Power Claim.
8. Any and all Liabilities that are not Retained Liabilities.

**SCHEDULE “D”**  
**PERMITTED ENCUMBRANCES**

**Canadian Personal Property Registrations, as amended and renewed from time to time**

**I. Ontario PPR Registrations**

1. Debtor: Good Natured Products Inc.
  - a. Registration: 20220726 1431 9234 3923 in favour of Wells Fargo Capital Finance Corporate Canada
    - i. Inventory, Equipment, Accounts, Other, and Motor Vehicle
    - ii. Expiry: July 26, 2029
  - b. Registration: 20220929 1627 1590 2408 in favour of HSBC Bank Canada
    - i. Accounts and Other
    - ii. Expiry: September 29, 2030
2. Debtor: Good Natured Real Estate Holdings (Ontario) Inc.
  - a. Registration: 20240222 0918 1590 1673 in favour of The Toronto Dominion Bank
    - i. Accounts and Other
    - ii. Expiry: February 22, 2030
  - b. Registration: 20240222 0918 1590 1674 in favour of The Toronto Dominion Bank
    - i. Inventory, Equipment, Accounts, Other, and Motor Vehicle
    - ii. Expiry: February 22, 2030
  - c. Registration: 20220726 1434 9234 3930 in favour of Wells Fargo Capital Finance Corporate Canada
    - i. Inventory, Equipment, Accounts, Other, and Motor Vehicle
    - ii. Expiry: July 26, 2029
  - d. Registration: 20220929 1625 1590 2407 in favour of HSBC Bank Canada
    - i. Accounts and Other
    - ii. Expiry: September 29, 2030
3. Good Natured Products (CAD) Inc.
  - a. Registration: 20220113 1934 1531 3437 in favour of HSBC Bank Canada, Leasing Division
    - i. Equipment and Other
    - ii. Expiry January 13, 2029
  - b. Registration: 20220726 1432 9234 3924 in favour of Wells Fargo Capital Finance Corporate Canada
    - i. Inventory, Equipment, Accounts, Other, and Motor Vehicle
    - ii. Expiry: July 26, 2029
  - c. Registration: 20220726 1433 9234 3926 in favour of Wells Fargo Capital Finance Corporate Canada
    - i. Inventory, Equipment, Accounts, Other, and Motor Vehicle
    - ii. Expiry: July 26, 2029
  - d. Registration: 20220726 1433 9234 3927 in favour of Wells Fargo Capital Finance Corporate Canada
    - i. Inventory, Equipment, Accounts, Other, and Motor Vehicle
    - ii. Expiry: July 26, 2029
  - e. Registration: 20220726 1433 9234 3928 in favour of Wells Fargo Capital Finance Corporate Canada
    - i. Inventory, Equipment, Accounts, Other, and Motor Vehicle
    - ii. Expiry: July 26, 2029



- f. Registration: 20220726 1434 9234 3929 in favour of Wells Fargo Capital Finance Corporate Canada
      - i. Inventory, Equipment, Accounts, Other, and Motor Vehicle
      - ii. Expiry: July 26, 2029
    - g. Registration: 20220929 1622 1590 2404 in favour of HSBC Bank Canada
      - i. Accounts and Other
      - ii. Expiry: September 29, 2030
    - h. Registration: 20220929 1623 1590 2405 in favour of HSBC Bank Canada
      - i. Accounts and Other
      - ii. Expiry: September 29, 2030
    - i. Registration: 20220929 1624 1590 2406 in favour of HSBC Bank Canada
      - i. Accounts and Other
      - ii. Expiry: September 29, 2030
    - j. Registration: 20220929 1628 1590 2409 in favour of HSBC Bank Canada
      - i. Accounts and Other
      - ii. Expiry: September 29, 2030
  - 4. Debtors: Good Natured Products Packaging Canada LP, Good Natured Products Packaging Canada GP Inc., Good Natured Products Packaging Brampton GP Inc., and Good Natured Products Packaging Brampton LP
    - a. Registration: 20240222 0918 1590 1674 in favour of The Toronto Dominion Bank
      - i. Accounts and Other
      - ii. Expiry: February 22, 2030
    - b. Registration: 20221223 1546 9234 6215 in favour of Wells Fargo Capital Finance Corporate Canada
      - i. Inventory, Equipment, Accounts, Other, and Motor Vehicle
      - ii. Expiry: December 23, 2029
    - c. Registration: 20221223 1547 9234 6217 in favour of Wells Fargo Capital Finance Corporate Canada
      - i. Inventory, Equipment, Accounts, Other, and Motor Vehicle
      - ii. Expiry: December 23, 2029
    - d. Registration: 20221223 1548 9234 6218 in favour of Wells Fargo Capital Finance Corporate Canada
      - i. Inventory, Equipment, Accounts, Other, and Motor Vehicle
      - ii. Expiry: December 23, 2029
    - e. Registration: 20221223 1548 9234 6219 in favour of Wells Fargo Capital Finance Corporate Canada
      - i. Inventory, Equipment, Accounts, Other, and Motor Vehicle
      - ii. Expiry: December 23, 2029
    - f. Registration: 20230120 1523 1590 7845 in favour of HSBC Bank Canada
      - i. Accounts and Other
      - ii. Expiry: January 20, 2031
    - g. Registration: 20230120 1525 1590 7846 in favour of HSBC Bank Canada
      - i. Accounts and Other
      - ii. Expiry: January 20, 2031
  - 5. Debtors: Good Natured Products Industrial Canada GP Inc. and Good Natured Products Industrial Canada LP
    - a. Registration: 20220113 1934 1531 3437 in favour of HSBC Bank Canada Leasing Division
      - i. Equipment and Other
      - ii. Expiry January 13, 2029
    - b. Registration: 20220726 1435 9234 3931 in favour of Wells Fargo Capital Finance Corporate Canada

- i. Inventory, Equipment, Accounts, Other, and Motor Vehicle
  - ii. Expiry: July 26, 2029
- c. Registration: 20221223 1547 9234 6216 in favour Wells Fargo Capital Finance Corporate Canada
  - i. Inventory, Equipment, Accounts, Other, and Motor Vehicle
  - ii. Expiry: December 23, 2029
- d. Registration: 20230120 1522 15907844 in favour of HSBC Bank Canada
  - i. Account and Other
  - ii. Expiry: January 20, 2031
- 6. Debtor: 1306187 BC Ltd.
  - a. Registration: 20220929 1621 1590 2403 in favour of HSBC Bank Canada
    - i. Goods, Inventory, Equipment, Accounts, Other
    - ii. Expiry: September 29, 2030
  - b. Registration: 785240487 20220726 1432 9234 3925
    - i. Inventory, Equipment, Accounts, Other and Motor Vehicle
    - ii. Expiry: July 26, 2029
- 7. Debtor: Good Natured Products (US) Inc.
  - a. Registration: 785321406 20220728 1258 9234 3984
    - i. Inventory, Equipment, Accounts, Other and Motor Vehicle
    - ii. Expiry: July 28, 2029

## II. British Columbia PPR Registrations

- 8. Debtor: Good Natured Products Inc.
  - a. Base Registration: 710442M in favour of HSBC Bank Canada
    - i. Expiry: January 15, 2031 at 11:59:59 pm PST
  - b. Base Registration: 948361M in favour of HSBC Bank Canada
    - i. Expiry: May 5, 2031 at 11:59:59 pm PST
  - c. Base Registration: 948362M in favour of HSBC Bank Canada
    - i. Expiry: May 5, 2031 at 11:59:59 pm PST
  - d. Base Registration: 243164N in favour of HSBC Bank Canada
    - i. Expiry: September 15, 2031 at 11:59:59 pm PST
  - e. Base Registration: 621059N in favour of HSBC Bank Canada
    - i. Expiry: March 25, 2032 at 11:59:59 pm PST
  - f. Base Registration: 882343N in favour of Wells Fargo Capital Finance Corporation Canada
    - i. Expiry: July 26, 2029 at 11:59:59 pm PST
  - g. Base Registration: 114068P in favour of HSBC Bank Canada
    - i. Expiry: September 29, 2030 at 11:59:59 pm PST
- 9. Debtor: 1306187 BC Ltd
  - a. Base Registration: 882368N in favour of Wells Fargo Capital Finance Corporation Canada
    - i. Expiry: July 26, 2029 at 11:59:59 pm PST
  - b. Base Registration: 114073P in favour of HSBC Bank Canada
    - i. Expiry September 29, 2030 at 11:59:59 pm PST
- 10. Debtor: Good Natured Products (CAD) Inc.
  - a. Base Registration: 114066P in favour of HSBC Bank Canada
    - i. Expiry September 29, 2030 at 11:59:59 pm PST
  - b. Base Registration: 882355N Wells Fargo Capital Finance Corporation Canada
    - i. Expiry: July 26, 2029 at 11:59:59 pm PST
  - c. Base Registration: 882399N Wells Fargo Capital Finance Corporation Canada
    - i. Expiry: July 26, 2029 at 11:59:59 pm PST

- d. Base Registration: 882409N Wells Fargo Capital Finance Corporation Canada
    - i. Expiry: July 26, 2029 at 11:59:59 pm PST
  - e. Base Registration: 882386N Wells Fargo Capital Finance Corporation Canada
    - i. Expiry: July 26, 2029 at 11:59:59 pm PST
  - f. Base Registration: 882404N Wells Fargo Capital Finance Corporation Canada
    - i. Expiry: July 26, 2029 at 11:59:59 pm PST
- 11. Debtor: Good Natured Real Estate Holdings (Ontario) Inc.
  - a. Base Registration: 882415N Wells Fargo Capital Finance Corporation Canada
    - i. Expiry: July 26, 2029 at 11:59:59 pm PST
  - b. Registration 882415N in favour of Wells Fargo Capital Finance Corporate Canada
    - i. All of the Debtor's present and after-acquired personal property.
    - ii. Expiry: July 26, 2029
  - c. Registration 200925Q in favour of The Toronto Dominion Bank
    - i. All of the debtor's present and after-acquired personal property, including without limitation fixtures and an uncrystallized floating charge on land
    - ii. Expiry: February 20, 2030
  - d. Registration 200939Q in favour of The Toronto Dominion Bank
    - i. Leases and rents located at 5 Abacus Road, Brampton Ontario
    - ii. Expiry: February 20, 2030
  - e. Registration 200925Q in favour of The Toronto Dominion Bank
    - i. All of the debtor's present and after-acquired personal property, including without limitation fixtures and an uncrystallized floating charge on land
    - ii. Expiry: February 20, 2030
  - f. Registration 200939Q in favour of The Toronto Dominion Bank
    - i. Leases and rents located at 5 Abacus Road, Brampton Ontario
    - ii. Expiry: February 20, 2030
- 12. Debtor: Good Natured Products Industrial Canada LP and Good Natured Products Industrial Canada GP Inc.
  - a. Base Registration: 882430N Wells Fargo Capital Finance Corporation Canada
    - i. Expiry: July 26, 2029 at 11:59:59 pm PST
- 13. Debtor: Good Natured Products (US) Inc.
  - a. Base Registration: 888652N Wells Fargo Capital Finance Corporation Canada
    - i. Expiry: July 28, 2029 at 11:59:59 pm PST
- 14. Debtors: Good Natured Products Packaging Brampton LP Good Natured Products Packaging Brampton GP Inc.
  - a. Base Registration: 269597P Wells Fargo Capital Finance Corporation Canada
    - i. Expiry: December 23, 2029 at 11:59:59 pm PST
- 15. Debtors: Good Natured Products Packaging Canada LP and Good Natured Products Packaging Canada GP Inc.
  - a. Base Registration: 269598P Wells Fargo Capital Finance Corporation Canada
    - i. Expiry: December 23, 2029 at 11:59:59 pm PST
- 16. Debtors: Good Natured Products Packaging Brampton GP Inc.
  - a. Base Registration: 269599P Wells Fargo Capital Finance Corporation Canada
    - i. Expiry: December 23, 2029 at 11:59:59 pm PST
- 17. Debtors: Good Natured Products Industrial Canada GP Inc.
  - a. Base Registration: 269600P Wells Fargo Capital Finance Corporation Canada
    - i. Expiry: December 23, 2029 at 11:59:59 pm PST
- 18. Debtors: Good Natured Products Packaging Canada GP Inc.
  - a. Base Registration: 269601P Wells Fargo Capital Finance Corporation Canada
    - i. Expiry: December 23, 2029 at 11:59:59 pm PST

19. Debtors: Good Natured Products Packaging Canada LP, Good Natured Products Packaging Canada GP Inc., Good Natured Products Packaging Brampton GP Inc., and Good Natured Products Packaging Brampton LP
  - a. Registration: 269597P in favour of Wells Fargo Capital Finance Corporation Canada
    - i. All of the Debtor's present and after-acquired personal property
    - ii. Expiry: December 23, 2029
  - b. Registration: 269599P in favour of Wells Fargo Capital Finance Corporation Canada
    - i. All of the Debtor's present and after-acquired personal property
    - ii. Expiry: December 23, 2029
  - c. Registration: 200925Q in favour of The Toronto Dominion Bank
    - i. All of the debtor's present and after-acquired personal property, including without limitation fixtures and an uncrystallized floating charge on land
    - ii. Expiry: February 20, 2030

### III. Ontario and British Columbia

20. Debtor: All Purchased Entities
  - a. All registrations in favour of the Revolving Credit Facility Lender in respect of the Revolving Credit Facility.
  - b. All registrations in favour of EDC in respect of the EDC Amending Agreement.
  - c. All registrations in favour of RBC in respect of the RBC Mortgage Agreement, the RBC MEL, the RBC Cash Collateral, and the RBC Credit Card Agreement.

### IV. United States

21. Debtor: Good Natured Products (US) Inc.
  - a. State: Delaware
  - b. Registration Number: 2022 7172554
  - c. Collateral: All assets and properties of the Debtor, whether now owned or hereafter acquired, wherever located, and all proceeds and products thereof.
  - d. Expiry Date: August 25, 2027
22. Debtor: Good Natured Products Direct LLC
  - a. State: Delaware
  - b. Registration Number: 2023 1852242
  - c. Collateral: All assets and properties of the Debtor, whether now owned or hereafter acquired, wherever located, and all proceeds and products thereof.
  - d. Expiry Date: March 9, 2028
23. Debtor: Good Natured Products Packaging US LLC
  - a. State: Delaware
  - b. Registration Number: 2023 1852721
  - c. Collateral: All assets and properties of the Debtor, whether now owned or hereafter acquired, wherever located, and all proceeds and products thereof.
  - d. Expiry Date: March 9, 2028
24. Debtor: Good Natured Products Inc.
  - a. State: District of Columbia
  - b. Registration Number: 2022089751
  - c. Collateral: All assets and properties of the Debtor, whether now owned or hereafter acquired, wherever located, and all proceeds and products thereof.
  - d. Expiry Date: August 25, 2027
25. Debtor: Good Natured Products (CAD) Inc.
  - a. State: District of Columbia

- b. Registration Number: 2022089750
  - c. Collateral: All assets and properties of the Debtor, whether now owned or hereafter acquired, wherever located, and all proceeds and products thereof.
  - d. Expiry Date: August 25, 2027
- 26. Debtor: Good Nured Products (Illinois), LLC
  - a. State: Illinois
  - b. Registration Number: 28833423
  - c. Collateral: All assets and properties of the Debtor, whether now owned or hereafter acquired, wherever located, and all proceeds and products thereof.
  - d. Expiry Date: August 25, 2027
- 27. Debtor: Good Nured Products Real Estate U.S., LLC
  - a. State: Illinois
  - b. Registration Number: 28826990
  - c. Collateral: All assets and properties of the Debtor, whether now owned or hereafter acquired, wherever located, and all proceeds and products thereof.
  - d. Expiry Date: August 25, 2027
- 28. Debtor: Good Nured Products (Texas) LLC
  - a. State: Texas
  - b. Registration Number: 22-0042533960
  - c. Collateral: All assets and properties of the Debtor, whether now owned or hereafter acquired, wherever located, and all proceeds and products thereof.
  - d. Expiry Date: August 25, 2027

### **Canadian Real Property Charges**

- 1. 1306187 BC Ltd. – Parcel Register 03848-0103 at LRO #58:
  - a. Registration: WR1470526 from 1306187 BC Ltd in favour of HSBC Bank Canada
  - b. Registration: WR1470527 from 1306187 BC Ltd in favour of HSBC Bank Canada
  - c. Registration: WR1470529 from 1306187 BC Ltd in favour of HSBC Bank Canada
  - d. A registration to be registered prior to Closing in favour of the Revolving Credit Facility Lender.
  - e. A registration to be registered prior to Closing in favour of EDC.
- 2. Good Nured Real Estate Holdings (Ontario) Inc. – Parcel Register 14021-0094 at LRO #43:
  - a. Registration PR4305960 from Good Nured Real Estate Holdings (Ontario) Inc. in favour of The Toronto-Dominion Bank
  - b. Registration PR4305961 from Good Nured Real Estate Holdings (Ontario) Inc. in favour of The Toronto-Dominion Bank
  - c. A registration to be registered prior to Closing in favour of the Revolving Credit Facility Lender.
  - d. A registration to be registered prior to Closing in favour of EDC.

### **American Real Property Charges**

- 1. All real property security granted to American Community Bank & Trust by Good Nured Products Real Estate U.S., LLC in respect of the real property with the municipal address of 11413 North Burlington Road, Richmond, Illinois, United States of America.

2. A registration to be registered prior to Closing in favour of the Revolving Credit Facility Lender in respect of the real property with the municipal address of 11413 North Burlington Road, Richmond, Illinois, United States of America..
3. A registration to be registered prior to Closing in favour of EDC in respect of the real property with the municipal address of 11413 North Burlington Road, Richmond, Illinois, United States of America..

## SCHEDULE “E” RETAINED LIABILITIES

1. The Good Natured Group’s indebtedness to Wells Fargo under or in connection with the Wells Fargo Credit Agreement and Forbearance, as of October 25, 2024, as set out in **Schedule “H”**, plus any additional amounts due pursuant to the Wells Fargo Credit Agreement and Forbearance through to the Closing Date.
2. Certain entities of the Good Natured Group’s indebtedness to RBC under or in connection with the RBC Mortgage Agreement as of October 25, 2024, as set out in **Schedule “H”**, plus any additional amounts due pursuant to the RBC Mortgage Agreement through to the Closing Date.
3. Certain entities of the Good Natured Group’s indebtedness to TD under or in connection with the TD Mortgage Agreement, as of October 25, 2024, as set out in **Schedule “H”**, plus any additional amounts due pursuant to the TD Mortgage Agreement through to the Closing Date, plus a *per diem* to the Closing Date.
4. Certain entities of the Good Natured Group’s indebtedness to ACB under or in connection with the Secured ACB Note, as of October 25, 2024, as set out in **Schedule “H”**, plus any additional amounts due pursuant to the Secured ACB Note through to the Closing Date, plus a *per diem* to the Closing Date.
5. Certain entities of the Good Natured Group’s indebtedness to RBC under or in connection with the RBC MEL, as of October 25, 2024, as set out in **Schedule “H”**, plus any additional amounts due pursuant to the RBC MEL through to the Closing Date, plus a *per diem* to the Closing Date.
6. Certain entities of the Good Natured Group’s indebtedness to RBC under or in connection with the RBC Credit Card Agreement, as of October 25, 2024, as set out in **Schedule “H”**, plus any additional amounts due pursuant to the RBC Credit Card Agreement through to the Closing Date.
7. Certain entities of the Good Natured Group’s indebtedness to RBC under or in connection with the RBC LC Agreement, as of October 25, 2024, as set out in **Schedule “H”**, plus any additional amounts due pursuant to the RBC MEL through to the Closing Date, plus a *per diem* to the Closing Date.
8. Certain entities of the Good Natured Group’s indebtedness to EDC under or in connection with the EDC Amending Agreement, as of October 25, 2024, as set out in **Schedule “H”**, plus any additional amounts due pursuant to the EDC Amending Agreement through to the Closing Date, plus a *per diem* to the Closing Date.
9. The Good Natured Group’s indebtedness to the Revolving Credit Facility Lender pursuant to the Revolving Credit Facility.
10. The Good Natured Group’s accounts payable arising from or related to all Assumed Contracts.
11. Certain entities of the Good Natured Group’s indebtedness to RBC under or in connection with the RBC Credit Cards, as of October 25, 2024, as set out in **Schedule “H”**, plus any additional amounts due pursuant to the RBC Credit Cards through to the Closing Date, plus a *per diem* to the Closing Date.
12. The Good Natured Group’s indebtedness to the Monitor, as set out in **Schedule “H”**.
13. The Good Natured Group’s indebtedness to McCarthy Tetrault LLP, as set out in **Schedule “H”**.

14. The Good Natured Group's indebtedness to Osler, Hoskin and Harcourt LLP, as set out in **Schedule "H"**.
15. The Good Natured Group's indebtedness to Akerman LLP, as set out in **Schedule "H"**.
16. The Priority Payments, as defined in **Schedule "I"**.
17. The Spark Power Holdback.
18. The payments required to be made pursuant to section 6.10 of this Subscription Agreement.



## **SCHEDULE “F” ASSUMED CONTRACTS**

The following is a comprehensive list of Assumed Contracts, each as may be amended, restated, or supplemented from time to time:

### FACILITY LEASES:

1. Lease of the building having an address of 6817 Wynnwood Lane, Houston, Texas (the “**Houston Location**”) dated September 1, 2020, between Formtex Plastics Corporation, as tenant, and SL6 Logistics Inc., as landlord.
2. Lease of 11413 N Burlington Rd, Richmond, IL (the “Richmond Location”) dated May 28, 2021, between Good Natured Products (Illinois), LLC, as tenant, and Good Natured Products Real Estate U.S., LLC, as landlord.
3. Lease of 15 Waydom Drive, North Dumfries dated October 3, 2022 between IPf Holdings Inc., as tenant, and 1306187 B.C. LTD., as landlord.
4. Lease of 5 Abacus Road, Brampton, Ontario dated January 1, 2023 between Good Natured Products Packaging Brampton LP, as tenant, and Good Natured Real Estate Holdings (Ontario) Inc., as landlord.

### EQUIPMENT LEASES:

5. Lease of certain equipment dated January 14, 2022, between IPF Holdings, as lessee, and Royal Bank of Canada, as lessor.
6. Tooling equipment financing agreement dated February 22, 2022, between Good Natured Products Inc., as borrower, and Export Development Canada, as lender.

### KEY CONTRACTORS

7. Fulfilment contract between Launch Fulfillment, LLC. and Good Natured Products Inc. dated July 8, 2022.
8. Warehouse Service Agreement between Good Natured Products Packaging Canada LP and Good Natured Products Packaging Brampton LP and Highlight Logistics Inc. dated December 11, 2023.
9. Service and rates agreement between Good Natured Products Inc. and GPS Logistics & Warehouse dated February 22, 2017.
10. Master service agreement between Ceridan Canada Ltd., Ceridan Dayforce Licensing LLC, and Good Natured Products Inc.
11. Freight forwarding agreement between Good Natured Products Inc., Good Natured Products (USA) Inc., Good Natured Products (CAN) Inc., Crane Worldwide Logistics Canada Corporation and Crane Worldwide Logistics LLC dated October 27, 2020.
12. Independent contractor agreement between Good Natured Products Direct LLC and Little Gus Ecommerce Incorporated dated February 13, 2023.

13. Consulting agreement between Good Natured Products Inc. and Scenario Creation Ltd. dated April 1, 2024.
14. Service agreement between Good Natured Products Inc. and LDBL Limited dated January 10, 2024.
15. Computer services agreement between Good Natured Products Inc. and AYS Technologies Canada Inc. dated April 7, 2022.

INSURANCE CONTRACTS:

16. Good Natured Products Inc. property and casualty insurance policy with Chubb Insurance Company for the period of March 10, 2024 to March 10, 2025 with respect to property.
17. Good Natured Products Inc. property and casualty insurance policy with Chubb Insurance Company for the period of March 10, 2024 to March 10, 2025 with respect to commercial property.
18. Good Natured Products Inc. property and casualty insurance policy with Chubb Insurance Company for the period of March 10, 2024 to March 10, 2025 with respect to commercial general liability plus employee benefits.
19. Good Natured Products Inc. property and casualty insurance policy with Chubb Insurance Company for the period of March 10, 2024 to March 10, 2025 with respect to umbrella liability.
20. Good Natured Products Inc. inland marine policy insurance policy with Chubb Insurance Company for the period of April 24, 2021 - April 24, 2022 with respect to directors and officer's insurance.
21. Good Natured Products Inc. directors and officers management liability insurance with Intact Insurance Company for the period of April 29, 2024 to April 29, 2025 with respect to primary directors and officer's insurance.
22. Good Natured Products Inc. directors and officers management liability insurance with Swiss Re for the period of April 29, 2024 to April 29, 2025 with respect to excess directors and officer's insurance.
23. Good Natured Products Inc. directors and officers management liability insurance with Chubb Insurance Company for the period of April 29, 2024 to April 29, 2025 with respect to side "A" directors and officer's insurance.
24. Good Natured Products Inc. directors and officers management liability insurance with Zurich Insurance Company for the period of April 29, 2024 to April 29, 2025 with respect to excess side "A" directors and officer's insurance.
25. Good Natured Products Inc. employment practices liability insurance with Chubb Insurance Company for the period of April 29, 2024 to April 29, 2025.
26. Good Natured Products Inc. crime coverage insurance with Chubb Insurance Company for the period of April 29, 2024 to April 29, 2025.
27. Good Natured Products (US) Inc. commercial property insurance with QEB for the period of July 28, 2024 to July 27, 2025.

28. Good Nured Products (US) Inc. business auto insurance with QEB for the period of July 28, 2024 to July 27, 2025.
29. Good Nured Products (US) Inc. general liability insurance with QEB for the period of July 28, 2024 to July 27, 2025.
30. Good Nured Products (US) Inc. workers compensation insurance with QEB for the period of July 28, 2024 to July 27, 2025.
31. Good Nured Products (US) Inc. commercial umbrella insurance with QEB for the period of July 28, 2024 to July 27, 2025.
32. Good Nured Products (US) Inc. insurance with respect to molds at the Lindar location with Chubb Group of Insurance for the period of February 11, 2024 to February 11, 2025.
33. Good Nured Products (US) Inc. directors and officer's, EPLI, fiduciary, and crime insurance with Chubb Group of Insurance for the period of July 28, 2024 to July 27, 2025.

#### EMPLOYEE BENEFIT PLANS

34. Benefit plan provided to Good Nured Products Inc. dated June 1, 2024 provided by SunLife with respect to medical, dental, life, vision, and LTD insurance for all Canadian entities' employees.
35. Benefit plan provided to Good Nured Products Inc. dated June 1, 2024 provided by Lumino Health with respect to employee assistance program insurance for all Canadian entities' employees.
36. Benefit plan provided to Good Nured Products (Illinois) LLC dated January 1, 2024 (to be renewed January 1, 2025) provided by Blue Cross/Blue Shield IL (BC/BSIL) with respect to medical insurance for all USA entities' employees.
37. Benefit plan provided to Good Nured Products (Illinois) LLC dated January 1, 2024 (to be renewed January 1, 2025) provided by Ameritas with respect to dental insurance for all USA entities' employees.
38. Benefit plan provided to Good Nured Products (Illinois) LLC dated January 1, 2024 (to be renewed January 1, 2025) provided by EyeMed with respect to vision insurance for all USA entities' employees.
39. Benefit plan provided to Good Nured Products (Illinois) LLC dated January 1, 2024 (to be renewed January 1, 2025) provided by Hartford with respect to LTD insurance for all salaried employees located at the Richmond location.
40. Benefit plan provided to Good Nured Products (Illinois) LLC dated January 1, 2024 (to be renewed January 1, 2025) provided by Hartford with respect to life and supplemental life insurance for all USA entities' employees.
41. Benefit plan provided to Good Nured Products (Illinois) LLC dated January 1, 2024 (to be renewed January 1, 2025) provided by Hartford with respect to employee assistance program insurance for all USA entities' employees.

42. Benefit plan provided to Good Natured Products (Illinois) LLC dated January 1, 2024 (to be renewed January 1, 2025) provided by Prime Pay with respect to COBRA admin insurance for all USA entities' employees.
43. Benefit plan provided to Good Natured Products (Illinois) LLC dated provided by Principal Financial with respect to 401k savings plan for all employees at the Richmond location.
44. Benefit plan provided to Good Natured Products (Texas) LLC dated provided by John Hancock with respect to 401k savings plan for all employees at the Houston location.

#### SUPPLIER CONTRACTS

45. Product supply agreement dated January 1, 2022 between Jimmy's Gourmet Bakery, LLC, as purchaser and Good Natured Products Inc., as supplier.
46. Product supply agreement dated January 1, 2024 between Jones Healthcare Group - Pharmacy & Medication Adherence, as purchaser and Good Natured Products Inc., as supplier.
47. Master agreement on terms and conditions of packaging materials procurement dated April 2, 2024 between FERRERO TRADING LUX S.A., as customer and Good Natured Products Packaging Brampton, as supplier.
48. Product supply agreement dated October 16, 2019 between Chuckanut Bay Foods LLC, as purchaser and Good Natured Products Inc., as supplier.
49. Shipping form dated March 20, 2023 between Bunzl San Antonio, as purchaser and Good Natured Products (US) Inc., as supplier.
50. Shipping form dated July 19, 2023 between Bunzl San Antonio, as purchaser and Good Natured Products (US) Inc., as supplier.
51. Supplier agreement (Discount and Incentive Programs) dated January 1, 2024 between Bunzl Distribution USA, LLC, as purchaser and Good Natured Products Inc., as supplier.
52. Order acknowledgment form dated November 23, 2023 between Chuckanut Bay Foods, as purchaser and Good Natured Products (CAD) Inc., as supplier.
53. Product supply agreement dated January 22, 2020 between Ameri-Sell Inc., DBA Flax4Life, as purchaser and Good Natured Products Inc., as supplier.
54. Manufacturing supplier agreement dated February 15, 2024 between Ameri-Sell Inc., DBA Flax4Life, as purchaser and Good Natured Products Inc., as supplier.
55. Safety stock inventory agreement dated November 27, 2024 between GVH Distribution LLC - Seattle, as customer and Good Natured Products Inc.
56. Quote/ Shipping form dated January 11, 2023 between Red Plate Foods, as purchaser and Good Natured Products (US) Inc., as supplier.
57. Volume agreement dated November 27, 2023 between Jem-D International DBA Red Sun Farms and Good Natured Products Inc.

58. Supply agreement dated June 14, 2024 between Jem-D International DBA Red Sun Farms, Agricola El Rosal SA de CV, Berrysal SPR de RL de CV, and San Miguel Red Sun Farms SPR de RL de CV, as client and Good Nured Products Inc., as supplier.
59. Central bill program agreement dated April 1, 2024 between Network Services Company/ National Paper & Plastics Company DBA NetSource and Good Nured Products Inc.
60. Volume and stocking agreement dated May 17, 2024 between Good Start Packaging Inc. and Good Nured Products (US) Inc.
61. Quote/ shipping form dated March 11, 2024 between Whidbey Pies, as purchaser and Good Nured Products (US) Inc., as supplier.
62. Supply agreement dated May 20, 2022 between Spring Creek Quail Farms, as purchaser and Shepherd Thermoforming & Pkg (part of the Good Nured family), as supplier.
63. Cost and fee agreement dated March 1, 2024 between Topco Associates LLC, as purchaser and Good Nured Products (CAD) Inc., as supplier.
64. Quote/ shipping form dated October 2, 2023 between Farm Boy Company Inc., as purchaser and Good Nured Products (CAD) Inc., as supplier.
65. Packaging quote form dated May 10, 2021 between Hail Merry, as purchaser and Good Nured Products Inc., as supplier.
66. Master purchase agreement dated June 21, 2024 between Clark Core Services DBA Clark Associates, as purchaser and Good Nured Products Direct LLC, as supplier.
67. Program term sheet dated June 25, 2024 between Clark Core Services DBA Clark Associates, as purchaser and Good Nured Products Direct LLC, as supplier.
68. Rigid packaging quote form dated December 12, 2022 between Hobi's Bites, as purchaser and Good Nured Products (US) Inc., as supplier.
69. Rigid packaging quote form dated October 25, 2023 between Hobi's Bites, as purchaser and Good Nured Products (US) Inc., as supplier.

#### CREDIT CARD AGREEMENTS

70. HSBC Commercial Mastercard Agreement dated August 30, 2021 between RBC (as successor by amalgamation to HSBC Bank Canada) and the Company;
71. Affiliate Participation Agreement dated August 2021 between Good Nured Products (CAD) Inc. and RBC (as successor by amalgamation to HSBC Bank Canada);
72. Affiliate Participation Agreement dated August 2021 between IPF Holdings Inc. (as successor by amalgamation to HSBC Bank Canada); and
73. Affiliate Participation Agreement dated August 2021 between Shepherd Thermoforming & Packaging Inc. and RBC (as successor by amalgamation to HSBC Bank Canada).

#### FINANCIAL CONTRACTS

74. Wells Fargo Credit Agreement and Forbearance, as further amended and restated.

75. TD Mortgage Agreement and all security documents executed by any of the Purchased Entities in favour of TD in relation to the TD Mortgage Agreement.
76. RBC Mortgage Agreement
77. RBC MEL
78. RBC Credit Card Agreements
79. RBC LC Agreement and related RBC LCs
80. related RBC Security
81. Secured ACB Note
82. EDC Amending Agreement
83. Revolving Credit Facility

**SCHEDULE “G”  
PERMITS AND LICENSES**

The following is a comprehensive list of the Permits and Licenses:

<b>Permit Name</b>	<b>License / Permit Number</b>	<b>Issued By:</b>	<b>Valid Until:</b>
Texas Sales and Use Tax Permit	3-20841-0827-6	State of Texas	No expiry
Alarm Permit, Houston	100107149	City of Houston	09-20-2025
Houston Solid Waste Permit	04101381-UB	City of Houston	14-01-2025
Brampton Declaration of an Ontario Limited Partnership	1000393987	Ontario Ministry of Public and Business Service Delivery	December 19, 2027
Ex-Tech Business Registration Certificate	089	Village of Richmond	April 4, 2025
City of Houston Certificate of Occupancy	97004593	City of Houston	No expiry
Ayr ISO Certification of Registration	CAN2303 - ISO 9001:2015	QAS International	July 16, 2025
Brampton NSF Certificate of Conformity	6528	NSF, Certification, LLC	December 14, 2024
Houston ISO Certification of Registration	7088	World Certification Services	March 3, 2025
Brampton ISO Certification of Registration	4534-3	Intertek Testing Services NA, Inc	September 25, 2025

**SCHEDULE “H”  
STATEMENT OF INDEBTEDNESS**

**Quantum of indebtedness being retained by  
the Company, as of October 25, 2024, exclusive  
of amounts accruing between October 25, 2024  
and the Closing Date.**

Wells Fargo, in respect of the Wells Fargo Credit Agreement and Forbearance:	[●]
RBC, in respect of the RBC Mortgage Agreement:	[●]
TD, in respect of the TD Mortgage Agreement:	[●]
ACB, in respect of the Secured ACB Note:	[●]
RBC, in respect of the RBC MEL:	[●]
RBC, in respect of the RBC Credit Card Agreement:	[●]
RBC, in respect of the RBC LC Agreement:	[●]
EDC:	[●]
The Monitor:	\$30,000
McCarthy Tetrault LLP:	\$75,000
Osler, Hoskin & Harcourt LLP:	\$100,000
Akerman LLP:	\$95,000
Wind-Down Costs	\$50,000

**[Note: Schedule to be completed prior to Closing]**



**SCHEDULE “I”  
PRIORITY PAYMENTS**

**The following payments and amounts shall constitute the Priority Payments:**

Accrued wages and vacation payments due to Terminated Employees up to the Closing Date, inclusive of all amounts due pursuant to Section 6(5) of the CCAA up to the Closing Date	\$139,000
Amounts due to His Majesty the King pursuant to Section 6(3) of the CCAA up to the Closing Date	\$0.00
Amounts due to employees pursuant to Section 6(6) of the CCAA up to the Closing Date	\$0.00
<b>Total:</b>	<b>\$139,000</b>