

COURT FILE NUMBER 2401-09688

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

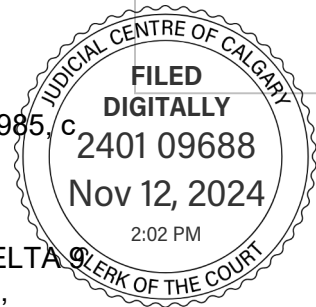
IN THE MATTER OF THE COMPANIES'
CREDITORS ARRANGEMENT ACT, RSC 1985, c
C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF
COMPROMISE OR ARRANGEMENT OF DELTA 9
CANNABIS INC., DELTA 9 LOGISTICS INC.,
DELTA 9 BIO-TECH INC., DELTA 9 LIFESTYLE
CANNABIS CLINIC INC. and DELTA 9 CANNABIS
STORE INC.

APPLICANTS DELTA 9 CANNABIS INC., DELTA 9 LOGISTICS
INC., DELTA 9 BIO-TECH INC., DELTA 9
LIFESTYLE CANNABIS CLINIC INC. and DELTA 9
CANNABIS STORE INC.

DOCUMENT **APPLICATION**

ADDRESS FOR SERVICE **MLT AIKINS LLP**
AND CONTACT Barristers and Solicitors
INFORMATION OF #2100 – 222 3rd Ave SW
PARTY FILING THIS Calgary, AB T2P 0B4
DOCUMENT Attention: Ryan Zahara / Molly McIntosh
Telephone: (403) 693-5420 / (780) 969-3501
Email: rzahara@mltaikins.com
mmcintosh@mltaikins.com
File No. 0136555.00034



Clerk's stamp

NOTICE TO RESPONDENTS:

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

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

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

Date: November 15, 2024
Time: 2:00 p.m.
Where: Calgary Courts Centre via WebEx Virtual Courtroom 86:
<https://albertacourts.webex.com/meet/virtual.courtroom86>
Before: The Honourable Justice D.R. Mah

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

REMEDY CLAIMED OR SOUGHT:

1. The Applicants, Delta 9 Cannabis Inc. ("**D9 Parent**"), Delta 9 Logistics Inc. ("**Logistics**"), Delta 9 Bio-Tech Inc. ("**Bio-Tech**"), Delta 9 Lifestyle Cannabis Clinic Inc. ("**Lifestyle**"), and Delta 9 Cannabis Store Inc. ("**Store**", and collectively with Logistics, Bio-Tech, and Lifestyle, the "**Applicants**" or "**Delta 9**") seek the following relief:
 - (a) an Order pursuant to the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 (the "**CCAA**") substantially in the form attached hereto as **Schedule "A"** (the "**SAVO Order**") granting the following relief:
 - (i) declaring service of this Application and its supporting materials good and sufficient and, if necessary, abridging the time for notice of the Application to the time actually given; and
 - (ii) approving the sale and vesting of certain assets of Bio-Tech to 10213358 Manitoba Ltd. (the "**Purchaser**"), free and clear of all claims, encumbrances, and charges;
 - (b) an Order pursuant to Part 6, Division 4 of the Alberta *Rules of Court*, AR 124/2010 (the "**Rules**") substantially in the form attached hereto as **Schedule "B"** (the "**Sealing Order**") sealing the Confidential Exhibit to the Fifth Affidavit of John Arbuthnot, sworn on November 9, 2024 and the Confidential Appendices to the Fourth Report of the Monitor, to be filed (the "**Fourth Report**"); and
 - (c) such further and other relief as this Court may deem just and appropriate in the circumstances.
2. Capitalized terms used herein that are not otherwise defined have the meaning ascribed to them in the First Affidavit of John Arbuthnot IV, sworn on July 12, 2024 (the "**First Arbuthnot Affidavit**"), the Second Affidavit of John Arbuthnot IV, sworn on July 18, 2024 (the "**Second Arbuthnot Affidavit**"), the Third Affidavit of John Arbuthnot IV, sworn on September 3, 2024 (the "**Third Arbuthnot Affidavit**"), the Fourth Affidavit of John Arbuthnot IV, sworn on October 21, 2024 (the "**Fourth Arbuthnot Affidavit**"), and the Fifth Arbuthnot Affidavit.

GROUNDINGS FOR MAKING THIS APPLICATION:

Introduction and Background

3. Delta 9 is a vertically integrated group of companies in the business of cannabis cultivation, processing, extraction, wholesale distribution and retail sales. Bio-Tech holds cannabis licences from Health Canada and the CRA pursuant to the *Excise Act, 2001*.
4. On July 15, 2024, the Honourable Justice D.R. Mah granted an Initial Order pursuant to the CCAA (the “**Initial Order**”) which, among other things, appointed Alvarez & Marsal Canada Inc. as the Monitor of the Applicants (the “**Monitor**”).
5. On July 24, 2024, the Honourable Associate Chief K.G. Nielsen granted the Amended and Restated Initial Order (the “**ARIO**”) which, among other things, extended the initial stay period until September 15, 2024 and approved a sales investment and solicitation process (the “**SISP**”) in respect of the business and/or assets of Bio-Tech and a claims procedure order (the “**Claims Procedure Order**”).
6. On September 11, 2024, the Honourable Justice C. D. Simard granted the first Stay Extension Order, extending the stay of proceedings pursuant to the ARIO up to and including November 1, 2024.
7. On November 1, 2024, the Honourable Justice M.A. Marion granted the second Stay Extension Order, further extending the stay period pursuant to the ARIO up to and including January 31, 2024.

The Grow Pods

8. Bio-Tech is the licensed producer in the Applicants’ corporate structure. It holds a license pursuant to the *Cannabis Act*, SC 2018, c 16, from Health Canada permitting Bio-Tech to produce and sell cannabis oils, extracts and derivative products.
9. Bio-Tech also owns and operates a 95,000 square-foot cannabis cultivation and processing facility located in Winnipeg, Manitoba (the “**Cultivation Facility**”). The Cultivation Facility contains 297 modular “grow pods”, which are 320 square-foot shipping containers that have been retrofitted to support specific, micro-cultivation processes for the cultivation of certain types of cannabis plants (the “**Grow Pods**”).

10. The Grow Pods are customized for flowering, trimming, cloning, research, testing, support and storage.
11. Bio-Tech owns all of the inventory and intellectual property associated with the Grow Pods in its own name.

The SISP

12. Pursuant to the SISP, the Monitor, with the assistance of Bio-Tech, was authorized to carry out and implement the SISP, and to take such steps as necessary in carrying out their respective obligations under the SISP, subject to approval of the Court being obtained prior to the completion of any transaction resulting from the SISP.
13. The SISP included, among other things, the Grow Pods.
14. A description of the SISP and the Monitor's evaluation of same will be particularized in the Monitor's Fourth Report. In summary, in accordance with the SISP, the Monitor and Bio-Tech:
 - (a) created a list of known potential bidders;
 - (b) distributed teaser letters and non-disclosure agreements to Known Potential Bidders and published notice of the SISP in the National Post, Insolvency Insider, and other industry publications, websites, newspapers, and journals as considered appropriate;
 - (c) prepared and made available a data room available for potential bidders;
 - (d) received, assessed, and negotiated bids in respect of the Purchased Assets (defined herein); and
 - (e) selected a successful bid in respect of the Purchased Assets.

The Proposed Transaction

15. Bio-Tech has received and accepted an offer (the "**Offer**") in respect of the following assets from the Purchaser, subject to approval from this Honourable Court:
 - (a) 17 Grow Pods (the "**Purchased Grow Pods**");

(b) the intellectual property owned or used by Bio-Tech relating to the Purchased Grow Pods; and

(c) certain personal property

(collectively, the “**Purchased Assets**”).

16. Bio-Tech and the Monitor are of the view that the Offer is fair and reasonable, and that acceptance of the Offer and completion of the transaction contemplated therein (the “**Proposed Transaction**”) is in the best interests of Delta 9’s stakeholders.

Sealing Relief

17. The Confidential Exhibit to the Fifth Affidavit and the Confidential Appendices to the Fourth Report (collectively, the “**Confidential Materials**”) contain confidential information regarding the value of the Purchased Assets, the disclosure of which is likely to materially jeopardize the value which Bio-Tech might subsequently obtain in respect of the assets if the Proposed Transaction does not close and were the Monitor and Bio-Tech required to further market the Purchased Assets.
18. The relief, if granted, would only seal the Confidential Materials until the closing of the Proposed Transaction, a date certain, or upon further Order of the Court.
19. The proposed Sealing Order is the least restrictive and prejudicial alternative to prevent the dissemination of such information.

Material or evidence to be relied on:

20. The Fifth Affidavit of John Arbuthnot, to be filed;
21. The Fourth Report of the Monitor, to be filed;
22. The Brief of Law of the Applicants; and
23. Such further and other materials as counsel for the Monitor or the Applicants may advise and this Honourable Court may permit.

Applicable rules:

24. Part 6, Division 1 of the Alberta *Rules of Court*, Alta Reg 124/2010.

Applicable Acts and regulations:

25. The *Companies' Creditors Arrangement Act*, RSC 1985, c C-36; and
26. Such further and other Acts or regulations as counsel may advise and this Honourable Court may permit.

Any irregularity complained of or objection relied on:

27. None.

How the application is proposed to be heard or considered:

28. By WebEx videoconference before the Honourable Justice D.R. Mah pursuant to the WebEx details enclosed hereto at **Appendix "A"**.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to give evidence in response to the application, you must reply by filing an affidavit or other evidence with the Court and serving a copy of that affidavit or other evidence on the applicant a reasonable time before the application is to be heard or considered.

Appendix “A” – WebEx Details

The above booking is Confirmed

File #(s) : 2401 09688

Style of Cause: DELTA 9 CANNABIS INC. v. COMPANIES' CREDITORS ARRANGEMENT ACT

Date/Duration:

Nov 15, 2024 02:00 PM

Total: 60 Minute(s)

Booking Type/List: Commercial

Purpose of Hearing: Commercial Hearing

Counsel: Molly Gretna Heather McIntosh; Ryan Zahara; Christopher Allan Nyberg; David LeGeyt; Ryan Edward Algar; Jennifer Nicole Deyholos; James William Reid; Sean Francis Collins; Ashley Elizabeth Bowron;

Virtual Courtroom 86 has been assigned for the above noted matter:

Virtual Courtroom Link:

<https://albertacourts.webex.com/meet/virtual.courtroom86>

SCHEDULE "A"

Form of Sale Approval and Vesting Order

COURT FILE NUMBER 2401-09688
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

Clerk's Stamp

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

AND IN THE MATTER OF A PLAN OF
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CANNABIS CLINIC INC. and DELTA 9 CANNABIS
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APPLICANTS DELTA 9 CANNABIS INC., DELTA 9 LOGISTICS
INC., DELTA 9 BIO-TECH INC., DELTA 9
LIFESTYLE CANNABIS CLINIC INC. and DELTA 9
CANNABIS STORE INC.

DOCUMENT **SALE APPROVAL AND VESTING ORDER**

ADDRESS FOR SERVICE **MLT AIKINS LLP**
AND CONTACT Barristers and Solicitors
INFORMATION OF #2100 – 222 3rd Ave SW
PARTY FILING THIS Calgary, AB T2P 0B4
DOCUMENT Attention: Ryan Zahara / Molly McIntosh
Telephone: (403) 693-5420 / (780) 969-3501
Email: rzahara@mltaikins.com
mmcintosh@mltaikins.com
File No. 0136555.00034

DATE ON WHICH ORDER WAS PRONOUNCED: NOVEMBER 15, 2024

LOCATION WHERE ORDER WAS PRONOUNCED: EDMONTON, ALBERTA

NAME OF JUSTICE WHO MADE THIS ORDER: JUSTICE D.R. MAH

UPON THE APPLICATION of Delta 9 Cannabis Inc. ("**D9 Parent**"), Delta 9 Logistics Inc. ("**Logistics**"), Delta 9 Bio-Tech Inc. ("**Bio-Tech**"), Delta 9 Lifestyle Cannabis Store Inc. ("**Lifestyle**") and Delta 9 Cannabis Store Inc. ("**Store**" and collectively, with D9 Parent, Logistics, Bio-Tech, and Lifestyle, the "**Applicants**" or "**Delta 9**") for approving the sale transaction (the "**Transaction**") contemplated by the Asset Purchase Agreement (the "**Sale Agreement**") between Bio-Tech and 10213358 Manitoba Ltd. (the "**Purchaser**") and vesting in the Purchaser Bio-Tech's right, title and interest in and to the assets described in the Sale Agreement (the

“Purchased Assets”) pursuant to the *Companies’ Creditors Arrangement Act*, RSC 1985, c C-36, as amended; **AND UPON** having read the Fifth Affidavit of John Arbuthnot, sworn on November 8, 2024 (the **“Fifth Affidavit”**), the Fourth Report of Alvarez & Marsal Canada Inc. (the **“Monitor”**) filed on November ___, 2024 (the **“Fourth Report”**), the Confidential Appendices to the Fourth Report, and the Affidavit of Service of _____, sworn on November ___, 2024; **AND UPON** hearing from counsel for the Applicants, counsel for the Monitor, and all other parties in attendance;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, no other person is required to have been served with notice of this application and time for service of this application is abridged to that actually given.

APPROVAL OF TRANSACTION

2. The Transaction is hereby approved and execution of the Sale Agreement by Bio-Tech is hereby authorized and approved, with such minor amendments as the parties may deem necessary. Bio-Tech is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for completion of the Transaction and conveyance of the Purchased Assets to the Purchaser (or its nominee).

VESTING OF PROPERTY

3. Upon delivery of a Monitor’s certificate to the Purchaser (or its nominee) substantially in the form set out in **Schedule “A”** hereto (the **“Monitor’s Closing Certificate”**), all of the Debtor’s right, title and interest in and to the Purchased Assets listed in **Schedule “B”** hereto shall vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, **“Claims”**) including, without limiting the generality of the foregoing:

- a. any encumbrances or charges created by the Receivership Order;
- b. any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system;
- c. any liens or claims of lien under the *Builders' Lien Act* (Alberta); and
- d. those Claims listed in **Schedule "C"** hereto

(all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, caveats, interests, easements, and restrictive covenants listed in **Schedule "D"** (collectively, "**Permitted Encumbrances**")) and for greater certainty, this Court orders that all Claims including Encumbrances other than Permitted Encumbrances, affecting or relating to the Purchased Assets are hereby expunged, discharged and terminated as against the Purchased Assets.

4. Upon delivery of the Monitor's Certificate, and upon filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities including those referred to below in this paragraph (collectively, "**Governmental Authorities**") are hereby authorized, requested and directed to accept delivery of such Monitor's Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to convey to the Purchaser or its nominee clear title to the Purchased Assets subject only to Permitted Encumbrances. Without limiting the foregoing:
 - a. the Registrar of the Alberta Personal Property Registry (the "**PPR Registrar**") shall and is hereby directed to forthwith cancel and discharge any registrations at the Alberta Personal Property Registry (whether made before or after the date of this Order) claiming security interests (other than Permitted Encumbrances) in the estate or interest of Bio-Tech in any of the Purchased Assets which are of a kind prescribed by applicable regulations as serial-number goods.
5. In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities to take such steps as are necessary to give effect to the terms of this Order and the Sale Agreement. Presentment of this Order and the Monitor's Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations against any

of the Purchased Assets of any Claims including Encumbrances but excluding Permitted Encumbrances.

6. No authorization, approval or other action by and no notice to or filing with any governmental authority or regulatory body exercising jurisdiction over the Purchased Assets is required for the due execution, delivery and performance by Bio-Tech of the Sale Agreement.
7. Upon delivery of the Monitor's Certificate together with a certified copy of this Order, this Order shall be immediately registered by the Land Titles Registrar notwithstanding the requirements of section 191(1) of the *Land Titles Act*, RSA 2000, c.L-7 and notwithstanding that the appeal period in respect of this Order has not elapsed. The Land Titles Registrar is hereby directed to accept all Affidavits of Corporate Signing Authority submitted by the Monitor, in its capacity as the Monitor of the Applicants, and not in its personal capacity.
8. For the purposes of determining the nature and priority of Claims, net proceeds from sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets from and after delivery of the Monitor's Certificate and all Claims including Encumbrances (but excluding Permitted Encumbrances) shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets and may be asserted against the net proceeds from sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale. Unless otherwise ordered (whether before or after the date of this Order), no distributions shall be made to creditors of net proceeds from the sale of the Purchased Assets without further order of this Court. Notwithstanding the foregoing, the Applicants shall be permitted to utilize the net proceeds from the sale of the Purchased Assets in its day-to-day operations in this proceeding as prescribed by the cashflow, affixed to the Third Report of the Monitor, filed on October 30, 2024.
9. Except as expressly provided for in the APA or by section 5 of the Alberta *Employment Standards Code*, the Purchaser (or its nominee) shall not, by completion of the Transaction, have liability of any kind whatsoever in respect of any Claims against Bio-Tech.
10. Upon completion of the Transaction, the Applicants and all persons who claim by, through or under the Applicants in respect of the Purchased Assets, and all persons or entities

having any Claims of any kind whatsoever in respect of the Purchased Assets, save and except for persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased Assets, and to the extent that any such persons or entities remain in the possession or control of any of the Purchased Assets, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate, or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).

11. The Purchaser (or its nominee) shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by Bio-Tech, or any person claiming by, through or against the Applicants.
12. Immediately upon closing of the Transaction, holders of Permitted Encumbrances shall have no claim whatsoever against the Applicants associated with the Purchased Assets.
13. The Monitor is directed to file with the Court a copy of the Monitor's Certificate forthwith after delivery thereof to the Purchaser (or its nominee).
14. Notwithstanding:
 - a. the pendency of these proceedings and any declaration of insolvency made herein;
 - b. the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C 1985, c. B-3, as amended (the "**BIA**"), in respect of the Debtor, and any bankruptcy order pursuant to any such applications;
 - c. any assignment in bankruptcy made in respect of the Debtor; and
 - d. the provisions of any federal or provincial statute:

the vesting of the Purchased Assets in the Purchaser (or its nominee) pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Applicants and shall not be void or voidable by creditors of the Applicants, nor shall it constitute nor be deemed to be a transfer at undervalue, settlement, fraudulent preference, assignment, fraudulent conveyance, or other reviewable transaction under the BIA or any

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

15. The Applicants, the Monitor, the Purchaser (or its nominee) and any other interested party, shall be at liberty to apply for further advice, assistance and direction as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.
16. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such order and to provide such assistance to the Applicants, as may be necessary or desirable to give effect to this Order or to assist the Applicants and their agents in carrying out the terms of this Order.
17. Service of this Order shall be deemed good and sufficient by:
 - a. Serving the same on:
 - i. the persons listed on the service list created in these proceedings;
 - ii. any other person served with notice of the application for this Order;
 - iii. any other parties attending or represented at the application for this Order;
 - iv. the Purchaser or the Purchaser's solicitors; and
 - b. Posting a copy of this Order on the Monitor's website at:
<https://www.alvarezandmarsal.com/Delta9>and service on any other person is hereby dispensed with.
18. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

Justice of the Court of King's Bench of Alberta

SCHEDULE "A"
(to Sale Approval and Vesting Order)

Form of Monitor's Certificate

COURT FILE NUMBER 2401-09688

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

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

Clerk's Stamp

AND IN THE MATTER OF A PLAN OF COMPROMISE
OR ARRANGEMENT OF DELTA 9 CANNABIS INC.,
DELTA 9 LOGISTICS INC., DELTA 9 BIO-TECH INC.,
DELTA 9 LIFESTYLE CANNABIS CLINIC INC., and
DELTA 9 CANNABIS STORE INC.

APPLICANTS DELTA 9 CANNABIS INC., DELTA 9 LOGISTICS INC.,
DELTA 9 BIO-TECH INC., DELTA 9 LIFESTYLE
CANNABIS CLINIC INC., and DELTA 9 CANNABIS
STORE INC.

DOCUMENT **MONITOR'S CERTIFICATE**

ADDRESS FOR SERVICE MLT Aikins LLP
AND CONTACT 2100 – 222 3rd Ave SW
INFORMATION OF PARTY Calgary, AB T2P 0B4
FILING THIS DOCUMENT Attention: Ryan Zahara/Molly McIntosh
Email: rzahara@mltaikins.com
mmcintosh@mltaikins.com
File: 128056-06

RECITALS

- A. Pursuant to an Order of the Honourable Justice D.R. Mah, of the Court of King's Bench of Alberta, Judicial District of Edmonton (the "**Court**") dated November 15, 2024 (the "**SAVO**"), the Court approved the agreement of purchase and sale made as of November __, 2024 (the "**Sale Agreement**") between Delta 9 Bio-Tech Inc. ("**Bio-Tech**") and 10213358 Manitoba Ltd. (the "**Purchaser**") and provided for the vesting in the Purchaser of Bio-Tech's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Monitor to the Purchaser of a

certificate confirming: (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing of the Sale Agreement have been satisfied or waived by Bio-Tech and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Monitor.

- B. Unless otherwise indicated herein, capitalized terms have the meanings set out in the Sale Agreement and the SAVO.

THE MONITOR CERTIFIES the following:

1. the Purchaser has paid Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. the conditions to Closing as set out in section _____ of the Sale Agreement have been satisfied or waived by the Bio-Tech and the Purchaser; and
3. the Transaction has been completed to the satisfaction of the Monitor.

This Certificate was delivered by the Monitor at _____ on _____.

Alvarez & Marsal Canada Inc., in its capacity as the Court-appointed Monitor of the Applicants, and not in its personal capacity

Per: _____
Name:
Title:

SCHEDULE "B"

(to Sale Approval and Vesting Order)

Purchased Assets

"Purchased Assets" means all of the Vendor's right, title and interest, if any, in and to the properties, rights, assets, and undertakings listed in Schedule "A" to the Sale Agreement. For certainty, the Purchased Assets do not include the Excluded Assets.

Where **"Excluded Assets"** is defined as all of the Vendor's right, title and interest in and to the properties, rights, assets, and undertakings that are not identified as Purchased Assets.

Schedule "A" lists the following:

1. All Intellectual Property
2. 17 grow pods located at Vendor's premises (not including the D-Pod)
3. Certain personal property evidenced in photos found at Schedule "A" to the Sale Agreement.

SCHEDULE "C"
(to Sale Approval and Vesting Order)
Identified Claims

N/A

SCHEDULE "D"
(to Sale Approval and Vesting Order)
Permitted Encumbrances

None.

SCHEDULE "B"

Form of Sealing Order

COURT FILE NUMBER 2401-09688
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

Clerk's Stamp

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CREDITORS ARRANGEMENT ACT, RSC 1985, c
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APPLICANTS DELTA 9 CANNABIS INC., DELTA 9 LOGISTICS
INC., DELTA 9 BIO-TECH INC., DELTA 9
LIFESTYLE CANNABIS CLINIC INC. and DELTA 9
CANNABIS STORE INC.

DOCUMENT **TEMPORARY SEALING ORDER**

ADDRESS FOR SERVICE **MLT AIKINS LLP**
AND CONTACT Barristers and Solicitors
INFORMATION OF #2100 – 222 3rd Ave SW
PARTY FILING THIS Calgary, AB T2P 0B4
DOCUMENT Attention: Ryan Zahara / Molly McIntosh
Telephone: (403) 693-5420 / (780) 969-3501
Email: rzahara@mltaikins.com
mmcintosh@mltaikins.com
File No. 0136555.00034

DATE ON WHICH ORDER WAS PRONOUNCED: NOVEMBER 15, 2024

LOCATION WHERE ORDER WAS PRONOUNCED: EDMONTON, ALBERTA

NAME OF JUSTICE WHO MADE THIS ORDER: JUSTICE D.R. MAH

UPON THE APPLICATION of Delta 9 Cannabis Inc. ("**D9 Parent**"), Delta 9 Logistics Inc. ("**Logistics**"), Delta 9 Bio-Tech Inc. ("**Bio-Tech**"), Delta 9 Lifestyle Cannabis Store Inc. ("**Lifestyle**") and Delta 9 Cannabis Store Inc. ("**Store**") and collectively, with D9 Parent, Logistics, Bio-Tech, and Lifestyle, the "**Applicants**" or "**Delta 9**") for a temporary sealing order; **AND UPON** having read the Fifth Affidavit of John Arbuthnot, sworn on November 8, 2024 (the "**Fifth Affidavit**"), the Confidential Exhibit to the Fifth Report (the "**Confidential Exhibit**"), the Fourth Report of Alvarez & Marsal Canada Inc. (the "**Monitor**") filed on November ___, 2024 (the "**Fourth**"),

Report”), the Confidential Appendices to the Fourth Report (the “**Confidential Appendices**” and together with the Confidential Exhibit, the “**Confidential Materials**”), and the Affidavit of Service of _____, sworn on November ___, 2024; **AND UPON** hearing from counsel for the Applicants, counsel for the Monitor, and all other parties in attendance;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, no other person is required to have been served with notice of this application and time for service of this application is abridged to that actually given.
2. The Confidential Materials shall be sealed until the earlier of: (a) completion of the Applicants’ proceedings under the CCAA; (b) May 15, 2025; or (c) by further order of the Court.
3. If directed by Court, copies of the Confidential Materials can be provided to the Clerk of the Court, who is hereby directed to seal any such copies in a sealed envelope which shall have a notice attached that sets out the style of cause of these proceedings and states that:

THIS ENVELOPE CONTAINS CONFIDENTIAL DOCUMENTS.
THESE CONFIDENTIAL DOCUMENTS ARE SEALED ON COURT
FILE NO. 2401 09688 PURSUANT TO THE ORDER OF THE
HONOURABLE JUSTICE D.R. MAH ON NOVEMBER 15, 2024.
THESE CONFIDENTIAL DOCUMENTS ARE NOT TO BE
ACCESSED UNLESS OR UNTIL THE EARLIER OF: (a)
COMPLETION OF THE APPLICANTS’ PROCEEDINGS UNDER
THE CCAA; (b) MAY 15, 2025; OR (c) FURTHER ORDER OF THE
COURT.

Justice of the Court of King’s Bench of Alberta