

File No. CI 26-01-57065

**THE KING'S BENCH
WINNIPEG CENTRE**

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF WAREHOUSE ONE CLOTHING LTD.

(the "Applicant")

APPLICATION UNDER: THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C., c. C-36, AS AMENDED

**AFFIDAVIT OF SHAMSH KASSAM
(In Support of CCAA Order)
SWORN THE 1st DAY OF MAY, 2026**

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(File No. 71453.1)

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 ARRANGEMENT ACT, R.S.C., c. C-36,
 AS AMENDED

AFFIDAVIT OF SAMSH KASSAM

I, Shamsh Kassam, of the City of Vancouver, in the Province of British Columbia, MAKE OATH AND SAY THAT:

1. This affidavit is made in support of an Application by Warehouse One Clothing Ltd. ("**Warehouse One**" or the "**Applicant**"), for relief under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**").

2. I am a director and officer of Warehouse One. I am also a director and/or officer of a number of affiliated and related companies in a broader corporate group of which Warehouse One is a member. As such, I have personal knowledge of the facts and matters deposed to by me except where

stated to be based on information and belief, and where so stated, I do verily believe the same to be true. Where I have relied on other sources of information, I have specifically referred to such sources and believe them to be true. In preparing this Affidavit, I have consulted with legal, financial and other advisors to the Applicant and other members of the senior management teams of the Applicant. The Applicant does not waive or intend to waive any applicable privilege by any statement herein.

3. Capitalized terms used herein not otherwise defined shall have the meanings ascribed to them in the proposed initial order (the “**Initial Order**”).

4. As described in greater detail below, the Applicant is seeking, among other relief, the following as part of the proposed Initial Order:

- (a) abridging the time for service, validating service or dispensing with service, if necessary, of the Notice of Application and the materials filed in support thereof, such that this Application is properly returnable on the 6th day of May 2026 at 9:00 a.m., and dispensing with further service thereof;
- (b) declaring the Applicant to be a company to which the CCAA applies;

- (c) authorizing the Applicant to carry on business in a manner consistent with the preservation of its business and property;
- (d) appointing Alvarez & Marsal Canada Inc. ("**A&M**") as monitor of the Applicant with the rights and duties set out in the CCAA and the Initial Order (the "**Proposed Monitor**", and if appointed, the "**Monitor**");
- (e) staying all proceedings, rights and remedies taken or that might be taken in respect of the Applicant, its business and property, its directors and officers and the Monitor (the "**Stay of Proceedings**") for an initial period to and including May 15, 2026 (the "**Initial Stay Period**");
- (f) approving a debtor-in-possession Term Sheet (the "**DIP Agreement**") in respect of a DIP loan (the "**DIP Loan**") to a maximum principal amount of \$3,000,000 and approval to advance up to a maximum principal amount of \$1,000,000 during the Initial Stay Period ("**Stage 1**" of the DIP Loan);
- (g) authorizing but not requiring the Applicant to satisfy certain pre-filing obligations arising prior to the date of the Initial Order (the "**Filing Date**"), including amounts owing to employees, amounts

owing to critical suppliers with the consent of the Monitor and, until and including May 13, 2026, amounts relating to honouring gift cards; and

- (h) granting the following charges over the Applicant's Property (as defined in the Initial Order) (collectively, the "**Priority Charges**"), listed in the following order of priority:
 - (i) an Administration Charge in favour of counsel to the Applicant, the Monitor, and counsel to the Monitor to secure payment of their respective professional fees and disbursements to a maximum amount of \$500,000 ("**Administration Charge**");
 - (ii) a DIP Lender's Charge to secure payment of the obligations under the DIP Agreement to a maximum principal amount of \$1,000,000 during the Initial Stay Period under Stage 1 of the DIP Loan; and
 - (iii) a Directors' Charge to secure the Applicant's indemnity of its directors and officers pursuant to the Initial Order to a maximum amount of \$1,675,000.

5. If the proposed Initial Order is granted, the Applicant intends to seek an Order scheduling a comeback hearing on May 15, 2026 at 10:00 a.m. before the Honourable Madam Justice Grammond (the “**Comeback Hearing**”), to seek an Amended and Restated Initial Order (the “**ARIO**”) including but not limited to the following relief:

- (a) extending the Stay of Proceedings;
- (b) increasing the amounts of certain Priority Charges;
- (c) approving and authorizing the Applicant to access the full availability under the DIP Loan to the maximum principal of \$3,000,000 during the period following the Initial Stay Period;
- (d) approving sale guidelines for the sale of all or substantially all of the Applicant's inventory and furniture, fixtures and equipment;
- (e) authorizing the Applicant, with the assistance of the Monitor, to pursue all transaction or restructuring opportunities to maximize the value of the Applicant and its remaining property, subject to Court approval of any material transaction; and

- (f) approving a Key Employee Retention Plan ("KERP") and granting a priority charge over the Applicant's Property to secure its obligations under the KERP.

6. All references to monetary amounts in this affidavit are in Canadian dollars unless noted otherwise.

PART I – INTRODUCTION & OVERVIEW

A. Nature of Business

7. I have been a director and officer of Warehouse One since December 5, 2002, and my current positions are director and Vice-President.

8. The Applicant is a Canadian apparel retailer operating under the Warehouse One and Bootlegger banners, with a total of 128 retail locations across nine provinces, comprised of 95 Warehouse One locations, 25 Bootlegger locations and 8 combination stores carrying both banners.

9. Warehouse One was founded in 1977 in Winnipeg. Known as "The Jean Store", to its customer base, the Warehouse One banner specializes in affordable, everyday denim and casual apparel for men and women. Its target customers are everyday Canadian consumers seeking practical, versatile, and affordable clothing for everyday use. Approximately 90% of

merchandise at Warehouse One is company-branded, while 10% is third-party brands. Warehouse One's merchandise consists of both core products (approximately 35%) and seasonal goods (approximately 65%).

10. WHO Industries Inc. ("**WHO Industries**"), the majority shareholder of the Applicant, acquired the assets of Warehouse One out of receivership in 2002. From the time of acquisition until the start of the COVID-19 pandemic, Warehouse One was a profitable business. During and following the COVID-19 pandemic, Warehouse One's financial performance began to deteriorate.

11. In April 2025, the Applicant acquired the Bootlegger brand and business, including certain inventory, leasehold interests, intellectual property and other assets following the completion of a restructuring of Bootlegger Clothing Inc. and certain of its affiliates under the CCAA (the "**Bootlegger Asset Purchase**"). Bootlegger was previously operated as subsidiary of Comark Holdings Inc., a larger retail platform previously owned by an affiliate of the Applicant's majority shareholder.

12. Bootlegger was founded in 1971 and is a retailer of denim, other casual apparel, and accessories for men and women between the ages of 35 and 55. Approximately two-thirds of merchandise at Bootlegger is company-branded, while one-third is third-party branded. Bootlegger's merchandise

consists of both core products (approximately 60%) and seasonal goods (approximately 40%).

13. Both banners also have an e-commerce presence in Canada as discussed further below.

B. Background

14. The Applicant has experienced a number of financial and operational challenges in recent years which have negatively impacted profitability and severely strained liquidity, primarily including: (i) a general decline in foot traffic and sales arising from increased competition from low-cost or 'fast-fashion' retailers and other online competition, resulting in lower overall profitability and losses at a subset of stores; (ii) certain operational challenges and losses arising following the Bootlegger Asset Purchase; and (iii) approximately one-third of the Applicant's retail store footprint, representing approximately 40% of total sales, is located in small-town Canada, where sales have declined by over 10% year-over-year, driven by an aging and shrinking customer base and increased e-commerce penetration.

15. The Applicant has suffered declining financial performance as a result of these challenges. For its fiscal-year ended February 28, 2026, the

Applicant recorded a net loss of approximately \$15.0 million. The Applicant's net loss for the prior one-year fiscal period was \$6.5 million.

16. Negative cash flow and working capital issues have caused a significant strain on the Applicant's liquidity and ability to operate within the terms of its senior credit facility (the "**Senior Credit Facility**"). Until recently, the lender under the Senior Credit Facility (the "**Senior Lender**") was the Canadian Imperial Bank of Commerce ("**CIBC**"). As described below, on April 28, 2026, Highgate Capital (as hereinafter defined), an entity affiliated with the Applicant through common ownership, acquired CIBC's rights and interests under the Senior Credit Facility. The acquisition of the Senior Credit Facility was completed at 100-cent dollars and provided a full recovery for CIBC.

17. To provide the Applicant with financial support to operate its business, WHO Industries, 456 Manitoba (as hereinafter defined) and other indirect shareholders or affiliates of the Applicant, including Highgate Capital (collectively, the "**Affiliate Lenders**") have provided the Applicant with secured loans (the "**Affiliate Secured Loans**") in the principal amount of \$31.5 million since 2020, including approximately \$20.5 million advanced since January 2025.

18. Despite this financial support from the Affiliate Lenders, the Applicant has been unable to overcome industry headwinds and generate sufficient cash flow in the operation of its business. The Applicant is facing an acute liquidity crisis and is unable to satisfy its near-term obligations as they become due.

19. As described in further detail below, the Applicant does not have sufficient borrowing base availability under the Senior Credit Facility to fund its near term cash flow requirements, including upcoming rent and payroll requirements.

20. Accordingly, the Applicant is commencing these CCAA proceedings to obtain a stay of proceedings during the Initial Stay Period. The Applicant intends to pursue an orderly liquidation and closure of its retail store locations during the CCAA proceedings. The Applicant will seek authorization to commence the liquidation at the Comeback Hearing in these CCAA proceedings, scheduled on May 15, 2026, prior to the expiry of the Initial Stay Period. The Applicant also intends to use time afforded by the CCAA proceedings to evaluate potential opportunities to maximize the value of its ancillary assets, including its intellectual property assets and corporate attributes.

C. Corporate Structure

21. The Applicant is a privately held retail clothing company and is federally incorporated under the laws of Canada and extra-provincially registered to carry on business in various provinces and territories, including the Province of Manitoba. The Applicant's registered office is located in Vancouver, British Columbia, and its corporate head office, warehouse and distribution centre is located at 1530 Gamble Place, Winnipeg, MB. Attached hereto and marked as **Exhibit "A"** is a copy of a Manitoba Companies' Office search of Warehouse One dated April 26, 2026.

22. The Applicant carries on business under the name "Warehouse One" and under the registered business name "Bootlegger". Attached hereto and marked as **Exhibit "B"** is a copy of a Manitoba Companies' Office search of Bootlegger dated April 21, 2026, confirming the business name of Bootlegger is registered to Warehouse One.

23. WHO Industries is the majority shareholder of the Applicant and is incorporated under the laws of Canada. Attached hereto and marked as **Exhibit "C"** is a copy of a federal corporation search of WHO Industries dated April 7, 2026.

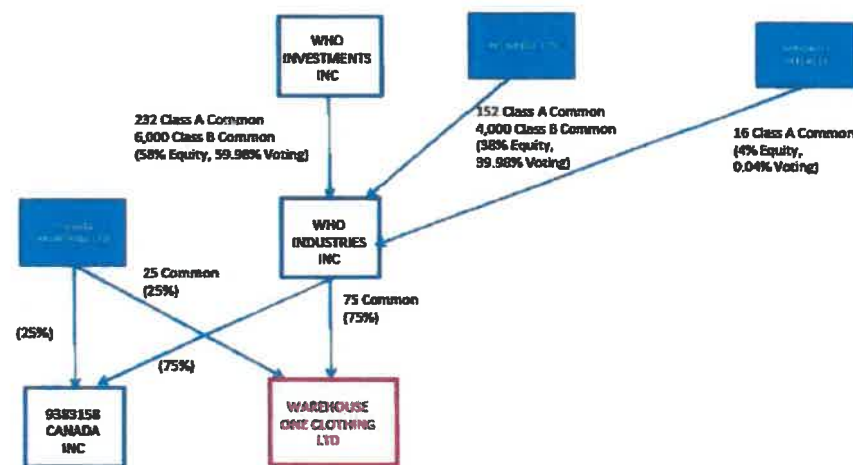
24. 4565038 Manitoba Inc. ("**456 Manitoba**") is a minority shareholder of the Applicant and is incorporated under the laws of Manitoba. Attached hereto and marked as **Exhibit "D"** is a copy of a Manitoba Companies' Office search of 456 Manitoba dated April 26, 2026.

25. R.I.S. Media Ltd. ("**R.I.S. Media**") is an affiliate and indirect shareholder of the Applicant and is incorporated under the laws of Manitoba. Attached hereto and marked as **Exhibit "E"** is a copy of a Manitoba Companies' Office search of R.I.S. Media dated April 27, 2026.

26. Highgate Capital Ltd. ("**Highgate Capital**") is an affiliate of the Applicant and incorporated under the laws of British Columbia. Attached hereto and marked as **Exhibit "F"** is a copy of a BC Registry Services search of Highgate Capital dated April 27, 2026.

27. Parian Logistics Inc. ("**Parian**") is a real estate holdings company incorporated under the laws of Manitoba. Attached hereto and marked as **Exhibit "G"** is a copy of a Manitoba Companies' Office search of Parian as of April 21, 2026. Parian is a related party to Warehouse One and is the owner of 1530 Gamble Place, Winnipeg, Manitoba, and leases premises to Warehouse One out of which Warehouse One operates its corporate head office, warehouse and distribution centre.

28. Below is the organizational chart of Warehouse One as at April 29, 2026.



D. Warehouse One Directors and Officers

29. As of the date hereof, I am the sole director, and officer of Warehouse One. Attached hereto and marked as **Exhibit "H"** are copies of the current directors' and officers' registers from the minute book of Warehouse One.

E. Warehouse One Shareholders

30. As of the date hereof, the shareholders of Warehouse One are WHO Industries (75% ownership), and 456 Manitoba (25% ownership).

F. Warehouse One Business

a) The Canadian Apparel Retail Industry

31. The Canadian retail apparel industry is a highly competitive and rapidly evolving sector. The Applicant's major competitors include *Mark's, American Eagle, Shein, Temu, Amazon, Guess and Reitmans*.

32. The retail apparel industry in Canada has undergone significant changes in the past decade. This includes the entry of new low-cost retail concepts and new advertising models, the significant growth of online shopping, and an increase in both the frequency and level of discounts offered by retailers through promotions delivered to customers in-store and online. As a result of these changes, many Canadian retailers have experienced financial challenges and have filed for protection under the CCAA, including *Hudson's Bay Company, Nordstrom Canada, Ted Baker, Brooks Brothers Canada, Lucky Brand Jeans, Ricki's, cleo and Bootlegger*, among others.

b) Employees

33. The Applicant employs 982 employees, comprised of 579 part time and 403 full time non-unionized employees across Canada. This includes corporate and retail employees.

34. Below is a table outlining all of the Applicant's corporate and retail employees by province:

Employees by Province (Part time and Full time)	
Alberta	281
Manitoba (including head office)	232
British Columbia	177
Ontario	101
Saskatchewan	94
Newfoundland	49
Nova Scotia	22
New Brunswick	17
Yukon	6
Prince Edward Island	3
Total	982

(i) Employee Benefit Plans

35. All employees of the Applicant are compensated through base salary or hourly wages and company-paid benefits. In addition, some employees are eligible to receive bonuses. The Applicant also provides group health and dental benefits, as well as life and disability insurance benefits, to its employees through Canada Life. The Applicant does not have any pension plans.

G. Retail Stores and Leases

a) Retail Store Locations and Leases

36. The Applicant currently operates under the "Warehouse One" and "Bootlegger" banners at 128 retail store locations located throughout Canada, with the majority of stores in Western Canada. The Applicant's retail business activities are conducted primarily in leased premises with the exception of one retail store located at 323 First Street South, Kenora, Ontario, which building is owned by Warehouse One. The leased premises are leased by Warehouse One from third-party landlords, primarily located in malls, shopping centres and power centres across Canada.

37. The following chart sets out the Applicant's current store locations by Province:

Province	Warehouse One Stores	Bootlegger Stores	Combination Stores	Total
Alberta	30	9	2	41
British Columbia	21	5	1	27
Saskatchewan	11	2	3	16
Manitoba	14	2		16
Ontario	8	4	2	14
Newfoundland	5	2		7
Nova Scotia	4	-		4
New Brunswick	1	1		2
Yukon	1	-		1
Total	95	25	8	128

38. The terms of the Applicant's retail leases vary. Some leases require payment of fixed rent, other leases require payment of rent based on a percentage of the retail location's sales, and some leases require a combination of both. The term remaining on each of the Applicant's retail leases varies.

b) Current Status of Retail Leases

39. Due to its highly constrained liquidity, the Applicant is unable to pay (i) the majority of the percentage rents that became due in the month of April 2026 aggregating to approximately \$100,000, and (ii) the full monthly rent payment for its retail store leases due on May 1, 2026 in the amount of approximately \$1.1 million. The proposed Initial Order provides that, promptly following the issuance of the Initial Order, the Applicant shall pay rent for the period commencing on the date of the Initial Order and ending on May 14, 2026. Thereafter (and subject to the granting of the ARIO), the Applicant will pay rent twice-monthly in equal instalments on the first and fifteenth day of each month, in advance.

H. Office Lease

40. In addition to the retail locations, the Applicant leases premises from Parian (an affiliate of the majority shareholder of the Applicant) at 1530 Gamble Place, Winnipeg, Manitoba pursuant to a Lease dated June 4, 2018 (as amended, the "**Office Lease**"), which premises serve as the Applicant's corporate head office. The Applicant leases 29,687 square feet of office space on a per square foot basis from Parian under the Office Lease. As of

the date hereof, the Applicant has paid all payments due and owing under the Office Lease.

I. Distribution Centre Lease

41. The Applicant also leases warehouse premises from Parian at 1530 Gamble Place, Winnipeg, Manitoba pursuant to a Master Services Agreement dated June 4, 2018 (as amended, the "**MSA**"), which premises serve as the Applicant's warehouse and distribution centre (the "**Distribution Centre**"). The Applicant leases 70,980 square feet of warehouse space under the MSA. In addition, the Applicant pays to Parian approximately \$17,000 per month for use of certain warehouse equipment, specifically, a Bombay sorter for which the Applicant is invoiced separately by Parian. As of the date hereof, the Applicant has paid all payments due and owing under the MSA.

J. Real Property

42. The Applicant is the legal and beneficial owner of the property civically known as 323 First Street South Kenora, Ontario and legally described as LT 287 PL 25; Kenora.

K. Merchandising and Sourcing

43. As set out above, the Applicant is a leading retailer of private label and branded specialty apparel. From a retail strategy perspective, Bootlegger has made a shift to sell more branded merchandise, including Silver Jeans and Bestsellers JJXX, Only and Only & Sons, and Kuwalla, and has limited private label stock on hand. Warehouse One, on the other hand, sells a more private label product (~80-90% of product) and a small amount of branded merchandise.

44. The Applicant offers private label products under each of the Warehouse One and Bootlegger banners. The private label products, in the Warehouse One banner, provide consumers with an enhanced value proposition, and thereby represent a significant percentage of the Applicant's total sales and gross profit. In the case of Bootlegger, the branded products business drives the largest percentage of the total sales and gross profit.

45. For its Warehouse One banner, the Applicant sources private label products from factories primarily based in China to take advantage of lower costs. As of February 2026, approximately 90% of the banners' unit purchases were sourced from foreign manufacturers, and these purchases are typically made in U.S. dollars. The remaining 10% of purchases are

sourced from domestic suppliers in North America. With respect to the Bootlegger banner, as of February 2026, approximately 100% of the unit purchases were sourced from domestic suppliers in North America.

46. The Applicant enters purchase orders directly with third-party vendors in order to purchase inventory. While certain vendors supply inventory to both banners, the banners' also have unique vendors. For overseas manufacturers, title to the inventory typically transfers when it is shipped from the port of origin overseas and papers are received by the Canadian Retail Shippers' Association ("CRSA"). The CRSA is a cooperative logistics venture of Canadian retailers and retail suppliers used by the banners to combine direct import volumes from Asia and procure ocean freight, manage purchase orders, consolidate, and deconsolidate loads and deliver shipments to retailers. Use of the CRSA reduces the Applicant's shipping and logistics costs.

47. The Applicant typically pays vendors directly in accordance with the arrangement between the banner and the vendor. Bangladesh vendors are paid via a power of attorney ("POA") arrangement. Under the POA arrangements, upon presentation of an original endorsed Forwarder's Cargo Receipt, the Applicant (or its third-party transportation provider) takes

possession of the goods at the destination port. These arrangements have now been discontinued and any payments in respect of POAs for pre-filing goods will be stayed under the proposed Initial Order.

L. Inventory and Distribution

48. The Applicant transports products to its stores and customers through its third-party transportation companies. The Applicant does not have its own transportation capability. Purolator is the Applicant's primary third-party transportation provider that transports products from the Distribution Centre to retail stores. Canada Post is the Applicant's primary third-party transportation provider that transports products for online orders from the Distribution Centre to customers' homes. The Applicant is invoiced directly for its usage of Purolator or Canada Post services and pays those invoices directly in the ordinary course.

M. E-Commerce Businesses

49. The Applicant operates consumer direct websites under the domain names www.warehouseone.com and www.bootlegger.com. The products offered online by each of the banners are typically the same as the products offered in store, with a small proportion of online-exclusive items, such as additional colours of products.

50. Customers shopping on the websites are able to access and purchase a variety of products for delivery within Canada. All orders placed online are fulfilled through the Distribution Centre. Online orders are shipped directly from the Distribution Centre to customers within Canada or are shipped to a store for pick-up.

51. For the month ending March 2026, online sales accounted for 8.2% of company-wide sales. It is anticipated that the Applicant may discontinue e-commerce sales for each of the banners shortly after the commencement of the liquidation process.

N. Gift Cards and Return Policies

52. Customers of the Applicant can purchase banner-specific gift cards ("**Gift Cards**") in-store or online, to be redeemed for merchandise. The Gift Cards are managed by a third-party pursuant to the Stored Value Card Agreement with Givex Canada Corp., as amended. Collectively, as of April 28, 2026, there is approximately \$900,000 of net outstanding liability in respect of Gift Cards.

53. Each banner offers the same return policy. Returns of in-store purchases are accepted within 30 days of the purchase date, and returns of online orders are accepted within 45 days of the order ship date. Returns of

in-store purchases must be returned to the Applicant's store location and online orders can be sent back to the Distribution Centre or returned to a store location.

54. Pursuant to the proposed Initial Order, the Applicant seeks authorization to honour gift cards sold by the Applicant prior to the Filing Date until and including May 13, 2026. The Applicant will not be selling any further gift cards on or after the Filing Date. The Applicant will accept returns and exchanges of any products until and including May 13, 2026 (subject to compliance with the terms of its return policy), after which time returns and exchanges will no longer be accepted.

O. Cash Management System and Bank Accounts

55. Warehouse One maintains a centralized cash management system which facilitates cash management, collections and disbursements (the "**Cash Management System**"). Warehouse One reviews and monitors account activity on a daily basis and produces weekly reporting and forecasting.

56. The Applicant maintains nine bank accounts across three banks. Three bank accounts are used to facilitate store deposits (collectively, the "**Deposit Accounts**"). Store deposits are made into a specific account based on

proximity of a branch location to the retail store. One of the Deposit Accounts, which is held by CIBC, receives both store deposits and all credit card deposits from retail and ecommerce purchases (the “**CIBC Deposit Account**”). The Deposit Accounts are manually swept to a general operating account held with CIBC (the “**Main Operating Account**”). In addition to the Main Operating Account and the CIBC Deposit Account, the Applicant maintains five additional accounts at CIBC that facilitate payroll and operating disbursements.

57. An overview of the Applicant's bank accounts is as follows:

- (a) one Canadian dollar Main Operating Account that receives manual sweeps from the Deposit Accounts and facilitates wire payments in U.S. dollars through Corpay for merchandise. This account also facilitates vendor payments by cheque, bank fees, interest charges and receives proceeds from Affiliate Secured Loans. As required, this account will fund the other disbursement accounts at CIBC;
- (b) two Canadian dollar payroll accounts with CIBC used to facilitate payroll and benefits for all store-level and corporate employees;

- (c) one Canadian dollar account with CIBC for payment of non payroll disbursement of general operating disbursements, sales tax and source deductions;
- (d) one U.S. dollar checking account with CIBC that settles certain supplier payments, in U.S. dollars;
- (e) one Canadian dollar account with CIBC that historically was restricted and held cash collateral and accrued interest related to letters of credit;
- (f) one Canadian dollar deposit account with CIBC used to facilitate local store deposits where CIBC is the closest bank and deposits from all credit card sales, which is manually swept to the Main Operating Account;
- (g) one Canadian dollar deposit account with Vision Credit Union used to facilitate local store deposits where Vision Credit Union is the closest bank, which is manually swept to the Main Operating Account; and

- (h) one Canadian dollar deposit account with Royal Bank used to facilitate local store deposits where Royal Bank is the closest bank, which is manually swept to the Main Operating Account;

58. Cash activity across the Company's bank accounts is reviewed and reconciled by the Applicant's treasury team.

59. To ensure that the Applicant can continue to collect revenues and make disbursements without disruption during these CCAA proceedings, the proposed Initial Order authorizes the Applicant to continue to use the existing Cash Management System

P. Outstanding Litigation

60. The Applicant is not subject to any ongoing litigation in the Province of Manitoba, and to the best of my knowledge, there are no unsatisfied court judgments or writs owing by the Applicant in any another jurisdiction. Attached hereto and marked as **Exhibit "I"** is a copy of a search conducted of the Court of King's Bench Registry dated April 28, 2026.

Q. Trademarks/IP

61. Attached hereto and marked as **Exhibit "J"** is a list of registered trademarks owned by Warehouse One.

PART II: FINANCIAL POSITION

62. Attached hereto and marked as **Exhibit “K”** is a copy of the audited annual financial statements dated February 22, 2025, prepared for the Applicant by PricewaterhouseCoopers LLP. These are the most recent set of annual audited financial statements.

63. Attached hereto and marked as **Exhibit “L”** is a copy of the Applicant's unaudited balance sheet and income statement for the fiscal period ending February 28, 2026. Certain information contained in this unaudited balance sheet is summarized below.

A. Assets

64. As at February 28, 2026, the assets of the Applicant had a book value of approximately \$30.8 million and consisted of the following (rounded to the nearest thousand Canadian dollar):

Current Assets: \$25,606,000	
Cash and Restricted Cash	\$3,348,000
Accounts Receivable	\$261,000
Inventories	\$16,841,000
Prepaid Expenses	\$1,195,000

Note Receivable from 9383158 Canada Inc.	\$3,960,000
Non-Current Assets: \$5,236,000	
Net Capital Assets	\$5,236,000
Total Assets	\$30,843,000

B. Liabilities

65. As at February 28, 2026, the liabilities of the Applicant had a book value of approximately \$48.6 million and consisted of the following (rounded to the nearest thousand Canadian dollar):

Current Liabilities: \$15,923,000	
Trade Accounts Payable	\$6,974,000
Other Accounts Payable and Accrued Liabilities	\$2,970,000
Accrued Payroll	\$2,253,000
Bank Indebtedness	\$3,726,000
Non-Current Liabilities: \$32,684,000	
Deferred Revenue	\$897,000
Deferred Inducements	\$331,000
Due to Shareholders	\$31,457,000
Total Liabilities	\$48,607,000

66. The Applicant is current on payment of all of its statutory remittances including without limitation, source deductions, GST, and retail sales tax.

C. Financial Performance

67. The Applicant's operating cash flow, EBITDA, and net income each experienced a material decline in fiscal 2026 as compared to fiscal 2025. In fiscal 2026 (the twelve-month period ending February 28, 2026), operating cash flows were negative \$12.3 million (a decline of \$7.9 million or 181% compared to fiscal 2025); EBITDA was negative \$14.4 million (a decline of \$10.5 million or 270% compared to fiscal 2025); and net income was negative \$15.0 million (a decline of \$8.5 million or 132% compared to fiscal 2025).

68. Following the completion of the Bootlegger Asset Purchase, the Applicant experienced year-over-year revenue growth of 39% or \$20.7 million, with the majority attributable to the acquisition of the Bootlegger locations. This increase to revenue was almost entirely offset by an increase to store level, corporate and other overhead costs totalling \$18.2 million or 50% compared with fiscal 2025.

69. The continued strengthening of the U.S. dollar relative to the Canadian dollar has added significant strain on the Applicant's business. Most of the

Applicant's merchandise is purchased in U.S. dollars, with merchandise necessarily being priced in stores and online competitively in Canadian dollars. Accordingly, given the weakness of the Canadian dollar relative to the U.S. dollar, the Applicant pays relatively more for its inventory purchased in U.S. dollars, negatively impacting their profit margin.

PART III – DEBT AND CREDIT FACILITIES

70. The Applicant's negative cash flow and working capital issues have caused a significant strain on the Applicant's liquidity and ability to operate within the terms and borrowing base limits of its Senior Credit Facility. Until recently, the lender under the Senior Credit Facility was CIBC, the Senior Lender. As described below, on April 28, 2026, Highgate Capital acquired CIBC's rights and interests under the Senior Credit Facility.

71. To provide the Applicant with financial support to operate its business, WHO Industries, 456 Manitoba, Highgate Capital, and R.I.S. Media (collectively, the **"Affiliate Lenders"**) have provided the Applicant with secured loans (the **"Affiliate Secured Loans"**) of approximately \$31.5 million since 2020, including approximately \$20.5 million advanced since January 2025.

72. The following table provides a summary of the Applicant's secured debt obligations, including accrued interest, as at April 28, 2026:

Secured Obligations	Outstanding Obligations
Senior Credit Facility	\$7,127,562
Affiliate Secured Loans	\$33,056,816
Total Secured Obligations	\$40,184,378

73. The Senior Credit Facility and the Affiliate Secured Loans are described in additional detail below.

A. Senior Credit Facility

74. The Senior Credit Facility is governed pursuant to a credit facility letter agreement dated April 16, 2010 (as amended and restated from time to time, the "**Senior Credit Agreement**"). Under the Senior Credit Agreement, the Senior Lender made available to the Applicant the following three credit facilities:

- (a) a demand revolving operating line of credit (the "**Revolving Facility**") in the principal amount of up to \$10 million, subject to a borrowing base calculation and certain exclusions;

- (b) a demand credit facility to support the issuance of documentary letters of credit (the "**LC Facility**") in the maximum amount of \$3.25 million; and
- (c) a demand credit facility to support the entry into forward foreign exchange contracts (the "**FX Facility**") in the maximum amount of US\$100,000.

75. The Revolving Facility is used to fund working capital and other general corporate expenses. The Revolving Facility bears interest at: (i) under Canadian dollar loans, the applicable prime rate plus 0.375% per annum; (ii) under term CORRA loans, the applicable term CORRA rate for the applicable CORRA interest period plus 2.17% per annum; and (iii) under U.S. dollar loans, the applicable U.S. base rate plus 0.375% per annum.

76. The maximum amount available for borrowing under the Revolving Facility is subject to a borrowing base formula set out in the Senior Credit Agreement, which borrowing base is calculated by reference to the value of certain of the Applicant's inventory, less certain priority payables (including accrued and unpaid payroll, source deductions and sales taxes). Accordingly, borrowing availability under the Revolving Facility fluctuates from month to month.

77. On April 28, 2026, CIBC and Highgate Capital entered into an agreement pursuant to which Highgate Capital purchased and assumed from CIBC all right, title and interest of CIBC in and to the Revolving Facility and the FX Facility and all related security interests and registrations (the **"Senior Credit Facility Assignment"**) Attached hereto and marked as **Exhibit "M"** is a copy of the Senior Credit Facility Assignment.

78. In connection with the Senior Credit Facility Assignment, the LC Facility was terminated and 6879900 Canada Inc. (**"687 Canada"**), an affiliate of the Applicant, assumed all obligations of the Applicant with respect to the outstanding letters of credit issued under the LC Facility (the **"Outstanding LCs"**). On the date of the assignment, there were 12 Outstanding LCs with a total face value (in Canadian dollar equivalent) of \$2,592,000. The Outstanding LCs are fully cash collateralized. Concurrently with the assignment, the cash collateral for the Outstanding LCs in the amount of \$2,625,000, which had been maintained by the Applicant in a bank account pledged to CIBC, was transferred to a bank account of 687 Canada pledged to CIBC. The 12 Outstanding LCs under the LC Facility at the date of the assignment remain outstanding, for the benefit of the holders of such letters of credit, under a new letter of credit facility made available to 687 Canada by CIBC.

79. In summary, as of April 28, 2026 approximately \$7,127,000 in principal and accrued interest is owing under the Revolving Facility by the Applicant to Highgate Capital, in its capacity as Senior Lender. There are no outstanding obligations under the FX Facility and the LC Facility has been terminated.

B. Affiliate Secured Loans

80. The Applicant is indebted to the Affiliate Lenders under four separate Affiliate Secured Loans, as follows:

- (a) a grid promissory note dated October 15, 2020 evidencing a loan from WHO Industries to the Applicant in the principal amount of \$8,250,000 (the “**WHO Industries Loan**”). Attached hereto and marked as **Exhibit “N”** is a copy of the WHO Industries Loan promissory note;
- (b) a grid promissory note dated October 15, 2020 evidencing a loan from 456 Manitoba to the Applicant in the principal amount of \$2,750,000 (the “**456 Manitoba Loan**”). Attached hereto and marked as **Exhibit “O”** is a copy of the 456 Manitoba Loan promissory note;

- (c) a loan agreement dated May 20, 2025 between Highgate Capital and the Applicant under which advances in the aggregate principal amount of \$14,012,862 are outstanding (the “**Highgate Capital Loan**”). Attached hereto and marked as **Exhibit “P”** is a copy of the Highgate Capital Loan agreement; and
- (d) a loan agreement dated May 20, 2025 between R.I.S. Media Ltd. and the Applicant under which advances in the aggregate principal amount of \$6,443,871 are outstanding (the “**R.I.S. Media Loan**”). Attached hereto and marked as **Exhibit “Q”** is a copy of the R.I.S. Media Loan agreement.

81. The WHO Industries Loan and the 456 Manitoba Loan do not bear interest. The Highgate Capital Loan and the R.I.S. Media Loan bear interest at a rate of 10% per annum, payable quarterly on the last day of each fiscal quarter of the Applicant. The applicable loan agreements provide that the Applicant and the applicable lender can agree that interest payments will not be paid in cash and will instead be accrued and capitalized. Interest on the Highgate Capital Loan and the R.I.S. Media Loan has been capitalized (and not paid in cash) for each of the last four fiscal quarters.

82. The following table sets forth the outstanding obligations (including principal and accrued interest obligations) on the Affiliate Secured Loans as of April 28, 2026:

Affiliate Secured Loan	Outstanding Obligations
WHO Industries Loan	\$8,250,000
456 Manitoba Loan	\$2,750,000
Highgate Capital Loan	\$14,012,862
R.I.S. Media Loan	\$6,443,871
Accrued Interest	\$1,600,083
Total	\$33,056,816

C. Intercreditor Agreements

83. Each of WHO Industries and 456 Manitoba has entered into a priority agreement with the Senior Lender (the “**Senior Lender Priority Agreements**”) pursuant to which such Affiliated Lender agreed that the Senior Lender’s security interests in the Applicant’s collateral have priority

over the security interests of the Affiliated Lender in the Applicant's collateral. Attached hereto and marked as **Exhibit "R"** are copies of the Senior Lender Priority Agreements.

84. In addition, the Affiliate Lenders (or certain of them) have entered into the following intercreditor agreements governing their respective rights and priorities in the collateral granted by the Applicant to secure the Affiliate Secured Loans:

- (a) an intercreditor agreement dated October 15, 2020 among WHO Industries, 456 Manitoba and the Applicant (the "**October 15 Intercreditor Agreement**"). Attached hereto and marked as **Exhibit "S"** is a copy of the October 15 Intercreditor Agreement;
- (b) an intercreditor agreement dated May 20, 2025 among the Affiliate Lenders and the Applicant (the "**May 20 Intercreditor Agreement**"). Attached hereto and marked as **Exhibit "T"** is a copy of the May 20 Intercreditor Agreement; and
- (c) an intercreditor and agency agreement dated May 20, 2025 among Highgate Capital, R.I.S. Media and Warehouse One (the "**May 20 Intercreditor and Agency Agreement**"). Attached

hereto and marked as **Exhibit “U”** is a copy of the May 20
Intercreditor and Agency Agreement;

(collectively, the “**Intercreditor Agreements**”).

PART IV – SECURITY

A. Senior Credit Facility Security

85. To secure the obligations under the Senior Credit Agreement, the Applicant has granted the Senior Lender, among other security, a security interest in all of its present and after-acquired undertaking and personal property pursuant to a security agreement. As discussed above, all right and interest in such security was assumed from CIBC by Highgate Capital pursuant to the Senior Credit Facility Assignment.

86. As part of the Senior Credit Facility Assignment, Highgate Capital acquired CIBC’s right, title and interest in the security interests granted by the Applicant to secure the obligations under the Senior Credit Facility and the related security registrations, filings and notices (the “**Senior Credit Facility Security Registrations**”).

87. I understand that Highgate Capital has filed, or is in the process of filing, updates to the Senior Credit Facility Security Registrations to reflect Highgate Capital as the secured party under such registrations.

B. Affiliate Secured Loans Security

88. To secure the obligations under the Affiliate Secured Loans, the Applicant has granted to WHO Industries, 456 Manitoba and Highgate Capital (as collateral agent for itself and R.I.S. Media) a security interest in all of its present and after-acquired undertaking and property pursuant to two general security agreements dated October 15, 2020 (in the case of WHO Industries and 456 Manitoba) (the **"WHO Industries GSA"** and the **"456 Manitoba GSA"**, respectively) and a general security agreement dated May 20, 2025 (in the case of Highgate Capital) (the **"Highgate Capital GSA"**).

89. Attached hereto and marked as **"Exhibit "V"** is a copy of the WHO Industries GSA.

90. Attached hereto and marked as **"Exhibit "W"** is a copy of the 456 Manitoba GSA.

91. Attached hereto and marked as **"Exhibit "X"** is a copy of the Highgate Capital GSA.

C. Priority of Security

92. As described above, the Intercreditor Agreements generally provide for the following priorities as amongst the Senior Lender and the Affiliate Lenders with respect to their security interests in the collateral of the Applicant:

- (a) the security interests securing the Senior Credit Facility rank in priority to the security interests securing the Affiliated Loans;
- (b) the security interests securing the Highgate Capital Loan and the R.I.S. Media Loan rank *pari passu* and in priority to the security interests securing the WHO Industries Loan and the 456 Manitoba Loan; and
- (c) the security interests securing the WHO Industries Loan and the 456 Manitoba Loan rank *pari passu*.

93. I am advised by A&M and do verily believe that the Proposed Monitor has arranged for the preparation of legal opinions with respect to the security interests granted by the Applicant under the laws of Manitoba and British Columbia (as the Senior Credit Agreement and the loan agreements governing the Affiliate Secured Loans are governed by the laws of British

Columbia). If the Initial Order is granted, the Proposed Monitor intends to report on the conclusions reached in those security opinions in its report to the Court issued in connection with the Comeback Hearing.

D. Personal Property Registrations

94. The following table sets forth the Personal Property Registry (MB) registrations against Warehouse One as of April 21, 2026 (in order of most recent to oldest).

Registration No.	Date	Secured Party	Security
202601652902	2026-01-30	WHO Industries	All of the presently owned or held and after acquired or held personal property of the Debtor of whatsoever nature or kind and wheresoever situate, all Proceeds and renewals thereof and therefrom, accretions thereto and substitutions therefor.
202601649103	2026-01-30	456 Manitoba	All of the presently owned or held and after acquired or held personal property of the Debtor of whatsoever nature or kind and wheresoever situate, all Proceeds and renewals thereof and therefrom, accretions thereto and substitutions therefor.
202517425100	2025-09-29	Highgate Capital	All of debtor's present and after acquired personal property.

202308745203	2023-05-31	Dell Financial Services Canada Limited	All dell and non Dell computer equipment and peripherals wherever located heretofore or hereafter leased to debtor by secured party pursuant to an equipment lease 200-5862800-002 together with all substitutions, additions, accessions and replacements thereto and therefor now and hereafter installed in, affixed to, or used in conjunction with such equipment and proceeds thereof together with all rental or instalment payments, insurance proceeds, other proceeds and payments due or to become due and arising from or relating to such equipment proceeds: all proceeds (as defined in the personal property security act) of any of the above collateral in any form (including, without limitation, goods, documents of title, chattel paper, investment property, securities, instruments, money and intangibles (as each such term is defined in the personal property security act) derived directly or indirectly from any dealing with any of the above collateral or any proceeds thereof.
202017219504	2020-10-16	456 Manitoba	All of the presently owned or held and after acquired or held personal property of the Debtor of whatsoever nature or kind and wheresoever situate, all Proceeds and renewals thereof and therefrom, accretions thereto and substitutions therefor.
201007087204	2010-05-05	CIBC	All of the debtor's present and after acquired personal property

200225011801	2002-11-27	Moneris Solutions Corporation	(a) All accounts, claims and choses in action, present or future, that the debtor has with or against Moneris Solutions Corporation (Moneris), Royal Bank of Canada (RBC) or Bank of Montreal (BMO); (b) all rights present or future, of the debtor to receive credits or payments from Moneris, RBC, or BMO under one or more agreements between the debtor and one or more of Moneris, RBC and BMO respecting the provision of credit or debit card issuer, acquirer or processing services or related services; and (c) all proceeds foregoing, including proceeds of proceeds

95. Attached hereto and marked as “**Exhibit “Y”**” is a copy of the Personal Property Registry (MB) search dated April 21, 2026.

PART V – URGENT NEED FOR RELIEF UNDER THE CCAA

A. The Applicant is Insolvent

96. The Applicant is insolvent and is in urgent need of relief under the CCAA. As a result of its constrained financial position, the Applicant has been unable to pay its obligations to trade creditors on a timely basis. As at April 28, 2026, the Applicant has approximately \$6.9 million in outstanding obligations for goods or services previously provided to the Applicant and an

additional approximately \$100,000 in outstanding rents owing to landlords in relation to certain percentage rent obligations. In the absence of the Stay of Proceedings, the Applicant's creditors will be in a position to commence enforcement actions that have the potential to disrupt operations and impair the value of the Applicant's business.

97. In order to maximize recovery for stakeholders and to carry out an orderly liquidation, the Applicant may need to pay certain pre-filing obligations including amounts owing to employees, to critical suppliers and to honour gift cards up to and including May 13, 2026. Without the ability to pay such pre-filing obligations, with the consent of the Monitor, I am concerned that employees may refuse to continue and certain critical suppliers may refuse to continue supplying goods and services necessary to carry out the liquidation.

98. The Applicant is now facing a near-term liquidity crisis. It does not have sufficient funding to satisfy its near-term financial obligations, including rent and payroll as they come due in the ordinary course. The Applicant is unable to pay rent in full in advance for the month of May 2026 in accordance with the terms of its leases. The Applicant requires the relief under the proposed Initial Order, including the authority to pay rent on a twice-monthly basis, to

mitigate its liquidity issues and ensure continued access to its retail locations in order to conduct an orderly and value-maximizing liquidation.

99. The Affiliate Lenders have provided significant funding to the Applicant, including approximately \$20.5 million advanced since January 2025, which has funded the Applicant's losses and working capital requirements allowing the business to continue to operate during this period. Unfortunately, business performance has continued to deteriorate, and operational improvements have not fully materialized. In the circumstances, the Affiliate Lenders are not prepared to provide further funding to preserve the Applicant's business as a going concern.

B. The DIP Loan and DIP Lender's Charge

100. To ensure the Applicant has access to funding needed during the CCAA proceedings, Highgate Capital, an affiliate of the Applicant, has agreed to make the DIP Loan available to the Applicant on the terms set forth in the DIP Agreement. Attached hereto and marked as **Exhibit "Z"** is a copy of the DIP Agreement.

101. Pursuant to the DIP Agreement, Highgate Capital has agreed to provide the Applicant with up to \$3,000,000 in interim funding during the CCAA proceedings, including up to \$1,000,000 during the Initial Stay Period,

subject to the granting of the DIP Lender's Charge secure payment of the obligations under the DIP Agreement.

102. I understand that the key terms of the DIP Agreement will be summarized in the Pre-Filing Report of the Proposed Monitor (the "**Pre-Filing Report**") to be filed in connection with the Applicant's application for the Interim Order.

103. The Applicant's cash flow forecast for the two-week period ending May 16, 2026 (the "**Cash Flow Forecast**") will be attached as an exhibit to the Pre-Filing Report. I have reviewed the Cash Flow Forecast and understand and agree that, depending on sales performance, the timing of certain payments, and other contingencies, the Applicant may require short-term interim funding of up to \$1,000,000 during the Initial Stay Period.

104. The Applicant intends to commence an orderly liquidation process for all of its retail stores shortly following, and subject to, the granting of the ARIO. Further, the Applicant will be requesting the Court consider a KERP at the Comeback Hearing to ensure continuity and stability throughout the CCAA process.

105. Following the initial commencement period of the liquidation process, it is not expected that the Applicant will require further interim funding, since

the proceeds of the liquidation process will fund post-filing obligations as they become due. However, the Applicant believes that approval of the DIP Loan with maximum availability of \$3,000,000, with \$1,000,000 of availability during the Initial Stay Period, is appropriate in the circumstances and necessary to provide certainty to stakeholders that the Applicant has access to sufficient liquidity to undertake the CCAA proceedings and the liquidation process in an orderly manner.

C. Administration Charge

106. The proposed Initial Order grants an Administration Charge over the Applicant's Property to secure the payment of the fees and disbursements incurred by the Applicant's counsel and the Monitor and its counsel in connection with the CCAA proceedings, to a maximum amount of \$500,000.

107. The beneficiaries of the proposed Administration Charge have been involved in the preparation for these CCAA proceedings and have extensive knowledge regarding the Applicant, its business and financial circumstances. The Applicant requires the continued involvement of these professionals in connection with the CCAA Proceedings and the completion of the liquidation process in an orderly and efficient manner.

D. Directors' Charge

108. The Applicant has not previously and does not currently maintain a directors' and officers' insurance policy ("**D&O Insurance**"). I contacted Warehouse One's insurance broker, at AON, on April 30, 2026, and he informed me that due to the Applicant's strained financial position, D&O Insurance is unlikely to be available, and if available, would be cost prohibitive. I understand that D&O Insurers place great emphasis on a company's financial position in their underwriting review for D&O Insurance.

109. Further, I am aware that the commencement of the CCAA proceedings could give rise to certain statutory obligations for which I may be personally liable as the sole director and officer of the Applicant. In order to continue as the sole director and officer of the Applicant through CCAA process, I require protection for personal liability from such obligations.

110. The Applicant has worked with the Monitor to calculate the appropriate size of the Directors' Charge, and I am informed by the Proposed Monitor, that such calculations will be described in additional detail in the Pre-Filing Report.

E. Priority of Charges

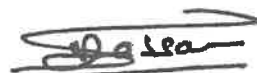
111. The proposed Initial Order provides that the Priority Charges will rank in priority to any Encumbrance (as defined in the Initial Order) of any person, notwithstanding the order of perfection or attachment, provided that the Priority Charges will not rank in priority to any Encumbrance (a) in favour of any Person that was not served with notice of the CCAA application; or (b) arising pursuant to section 11.8(8) of the CCAA. The Applicant intends to provide broad notice of the CCAA proceedings following the granting of the Initial Order and will seek priority of the Priority Charges over all Encumbrances (other than Encumbrances, if any, arising under section 11.8(8) of the CCAA) at the Comeback Hearing.

PART VI – CONCLUSION

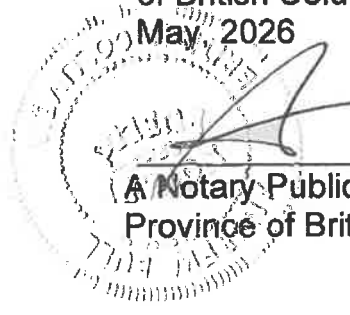
112. I am confident that granting the proposed Initial Order sought by the Applicant is in the best interests of the Applicant and its stakeholders. Without the relief requested, including the Stay of Proceedings, as discussed above, the Applicant will be unable to meet its near-term financial obligations and continue to operate its business in the normal course. An abrupt shutdown of the Applicant's business would significantly impair the realizable value of its assets and negatively impact a variety of stakeholders. The

initiation of the CCAA proceedings will give the Applicant the stability and access to interim funding, if required, to pursue an orderly liquidation of its business and assets and, with the assistance of the Monitor, evaluate potential options to maximize the remaining value of the Applicant.

AFFIRMED BEFORE ME at the)
 City of Vancouver, in the Province)
 of British Columbia, this 1st day of)
 May 2026)



 SHAMSH KASSAM

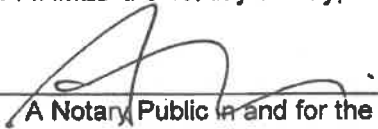


 A Notary Public in and for the
 Province of British Columbia

ANDREW BULL
NOTARY PUBLIC
STERN PARTNERS INC.
 2650 - 733 Seymour Street
 Vancouver, BC V6B 0S6
 Tel: 604-646-3601
 Email: abull@sternpartners.com

This is Exhibit "A" referred to in the
Affidavit of SHAMSH KASSAM

AFFIRMED the 1st day of May, 2026,


A Notary Public in and for the
Province of British Columbia



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Vancouver, BC V6B 0S6
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File Summary

Registry No : 4610652
Entity Name : WAREHOUSE ONE CLOTHING LTD.

As of : 26-Apr-2026

Entity Name : WAREHOUSE ONE CLOTHING LTD.
Registry No : 4610652
Business No : 891410714MC0003
Current Status : Active

Entity Type : BUSINESS CORPORATION
Entity Sub Type : FEDERAL- SHARE CORPORATION

Incorp/Amalg Date : 06-Apr-2001
Home Jurisdiction : CANADA
Date Registered in Manitoba : 09-Sep-2002
Annual Return/Renewal Date : 31-May-2026
Year of Last A/R - Renewal : 2025
Nature of Business : RETAIL
NAICS Code : 4599

Registered Office Address :
Effective date, if changing address : 23-Jun-2025
Address : 2650-733 SEYMOUR STREET
City/Province : VANCOUVER, BC
Country/Postal Code : CANADA, V6B 0S6

Mailing Address :
Name : PARIAN LOGISTICS INC.
Address : 1530 GAMBLE PLACE
City/Province : WINNIPEG, MB
Country/Postal Code : CANADA, R3T 1N8

Director Information :
Name : KASSAM, SHAMSH
Address : SUITE 2650, 733 SEYMOUR STREET
City/Province : VANCOUVER, BC
Country/Postal Code : CANADA, V6B 0S6
Name : SILVER, ROBERT I.
Address : 555 LOGAN AVENUE
City/Province : WINNIPEG, MB
Country/Postal Code : CANADA, R3A 0S4

Officer Information :
Name : KASSAM, SHAMSH
Address : SUITE 2650, 733 SEYMOUR STREET
City/Province : VANCOUVER, BC
Country/Postal Code : CANADA, V6B 0S6

Position Held as Officer : OFFICER, CEO
Name : REID, PAUL
Address : 555 LOGAN AVENUE
City/Province : WINNIPEG, MB
Country/Postal Code : CANADA, R3A 0S4
Position Held as Officer : PRESIDENT

Power(s) of Attorney :
Name : BERG, BONNIE
Address : PARIAN LOGISTICS INC., 1530 GAMBLE PLACE
City/Province : WINNIPEG, MB
Country/Postal Code : CANADA, R3T 1N6

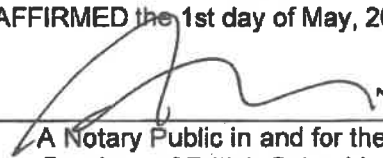
Event History :

<u>Event</u>	<u>Date :</u>	<u>Filing Year :</u>
FILINGS RECORDED IN THE PREVIOUS SYSTEM ARE NOT INCLUDED		
CORRECTION	11-May-2018	
ANNUAL RETURN (Filed on the Web)	24-May-2018	2018
ANNUAL RETURN (Filed on the Web)	24-May-2019	2019
COMPLIANCE STATUS - DEFAULT	22-Jun-2020	
POWER OF ATTORNEY	01-Sep-2020	
CHANGE OF MAILING ADDRESS	14-Sep-2020	
CHANGE OF REGISTERED OFFICE	14-Sep-2020	
CHANGE OF REGISTERED OFFICE	25-Sep-2020	
ANNUAL RETURN (Filed on the Web)	25-Sep-2020	2020
CHANGE OF REGISTERED OFFICE (Filed on the Web)	21-Jan-2021	
ANNUAL RETURN (Filed on the Web)	03-May-2021	2021
CHANGE OF MAILING ADDRESS (Filed on the Web)	18-Apr-2022	
ANNUAL RETURN (Filed on the Web)	05-May-2022	2022
CHANGE OF DIRECTORS/OFFICERS (Filed on the Web)	17-Nov-2022	
POWER OF ATTORNEY (Filed on the Web)	05-Apr-2023	
ANNUAL RETURN (Filed on the Web)	01-May-2023	2023
CHANGE OF DIRECTORS/OFFICERS (Filed on the Web)	29-May-2023	
ANNUAL RETURN (Filed on the Web)	01-May-2024	2024
POWER OF ATTORNEY (Filed on the Web)	03-Apr-2025	
ANNUAL RETURN (Filed on the Web)	02-May-2025	2025
CHANGE OF REGISTERED OFFICE (Filed on the Web)	06-Aug-2025	
CHANGE OF DIRECTORS/OFFICERS (Filed on the Web)	06-Aug-2025	

The accuracy of this information is not guaranteed. In particular, it is possible that certain filings have been received which have not yet been updated onto the system. You should consult original documents or obtain appropriate certificates when you need to be certain of information.

This is Exhibit "B" referred to in the
Affidavit of SHAMSH KASSAM

AFFIRMED the 1st day of May, 2026,



A Notary Public in and for the
Province of British Columbia



ANDREW BULL
NOTARY PUBLIC
STERN PARTNERS INC.
2650 - 733 Seymour Street
Vancouver, BC V6B 0S6
Tel: 604-646-3601
Email: abull@sternpartners.com



File Summary

Registry No : 10235734
Entity Name : BOOTLEGGER

As of : 21-Apr-2026

Entity Name : BOOTLEGGER
Registry No : 10235734
Business No : 891410714MC0005
Current Status : Active

Entity Type : BUSINESS NAME
Entity Sub Type : OTHER PROP

Registration Date : 17-Jun-2025
Home Jurisdiction : MANITOBA
Annual Return/Renewal Date : 17-Jun-2028
Year of Last A/R - Renewal :
Nature of Business : RETAIL CLOTHING AND ACCESSORIES
NAICS Code : 458

Places of Business :
Address : 1530 GAMBLE PLACE
City/Province : WINNIPEG, MB
Country/Postal Code : CANADA, R3T 1N6

Mailing Address :
Name :
Address : 1530 GAMBLE PLACE
City/Province : WINNIPEG, MB
Country/Postal Code : CANADA, R3T 1N6
Attention : CORPORATE SERVICES

Registered by :
Registry No : 4610652
Name : WAREHOUSE ONE CLOTHING LTD.
Address : 1530 GAMBLE PLACE
City/Province : WINNIPEG, MB
Country/Postal Code : CANADA, R3T 1N8

Event History :**Event**

REGISTRATION (Filed on the Web)
HUB: ASSIGN BN15 FOR BN

Date :

17-Jun-2025
17-Jun-2025

Filing Year :

The accuracy of this information is not guaranteed. In particular, it is possible that certain filings have been received which have not yet been updated onto the system. You should consult original documents or obtain appropriate certificates when you need to be certain of information.

Companies Online

Search for an Entity

[Search Tips](#)

Registry Number :

Entity Name :

Bootlegger

☒ Starts with

☐ Contains

maximum of 100 search results

[Look Up](#)

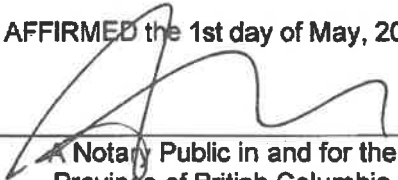
[Reset](#)

- To view a File Summary, highlight the name of the entity you wish to view and click on File Summary.
- To Order a Certificate of Status, highlight the name of the entity and click on Order a Certificate of Status.
- View File Summary and Order a Certificate of Status are not available for entities that do not have an Registry Number.

Name	Registry Number	Status	Compliance Status	Entity Type	Jurisd	Current Name	Expires
BOOTLEGGER	10235734	Active	COMPLIANT	OTHER PROP	MB	BOOTLEGGER	
Bootlegger Clothing (2017) Inc.	10019425	Inactive (Cancelled)	NOT APPLICABLE	FD SHARE CORP		Bootlegger Clothing Inc.	
Bootlegger Clothing Inc.	10019425	Inactive (Cancelled)	NOT APPLICABLE	FD SHARE CORP		Bootlegger Clothing Inc.	
BOOTLEGGER CLOTHING INC.	7189363	Inactive (Canc. Certificate)	NOT APPLICABLE	FD SHARE CORP		BOOTLEGGER CLOTHING INC.	
BOOTLEGGERS OLD TIME BAR & GRILL	3163270	Inactive (Expired)	NOT APPLICABLE	PARTNERSHIP	MB	BOOTLEGGERS OLD TIME BAR & GRILL	

This is Exhibit "C" referred to in the
Affidavit of SHAMSH KASSAM

AFFIRMED the 1st day of May, 2026,


A Notary Public in and for the
Province of British Columbia



ANDREW BULL
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2650 - 733 Seymour Street
Vancouver, BC V6B 0S6
Tel: 604-646-3601
Email: abull@sternpartners.com



**Government
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⚠ Beware of scams and other suspicious activities. See [Corporations Canada's alerts](#).

ⓘ This information is available to the public in accordance with legislation (see [Public disclosure of corporate information](#)).

[Return to search results](#)

[🔍 Start a new search](#)

Overview

Corporate name:

Who Industries Inc.

Status:

Active

Corporation number:

604718-1

Business number (BN):

895002434RC0001

Governing legislation:

Canada Business Corporations Act - 2002-12-18

[Find existing extra-provincial registrations of this corporation on Canada's Business registries](#)



► [Order copies of corporate documents and certificates](#)

Registered office address ⓘ

**SUITE 1800 - 510 WEST GEORGIA STREET
VANCOUVER BC V6B 0M3**

Canada

[Update registered office address](#) 

Directors

Minimum: 1

Maximum: 10

[Update directors](#) 

RONALD N. STERN

2650 - 733 Seymour Street

Vancouver BC V6B 0S6

Canada

Individuals with significant control

Last updated or confirmed (YYYY-MM-DD): 2026-02-20 

[Update Individuals with significant control](#) 

Current individuals with significant control: 2

Robert I. Silver

Address for service

30th Floor

360 Main St.

Winnipeg MB R3C 4G1

Canada

Type of interest or control:

Owns, controls or directs 25% or more of shares

This individual holds the shares:

Indirectly

This individual is an individual with significant control over the corporation:

Individually

This individual holds:

At least 25% and up to 50% of the shares

Start date (YYYY-MM-DD):

2002-12-18

Ronald N. Stern

Address for service ⓘ

2650 – 733 Seymour Street

Vancouver BC V6B 0S6

Canada

Type of interest or control:

Owns, controls or directs 25% or more of shares

This individual holds the shares:

Indirectly

This individual is an individual with significant control over the corporation:

Individually

This individual holds:

More than 50% and up to 75% of the shares

Start date (YYYY-MM-DD):

2002-12-18

► **Previous individuals with significant control: 4**

Annual filings ⓘ

Anniversary date (MM-DD): ⓘ

12-18

Date of last annual meeting:

2025-06-30

Annual filing period (MM-DD):

12-18 to 02-16

Type of corporation:

Non-distributing corporation with 50 or fewer shareholders

Status of annual filings:

[File an annual return](#) 🔒

- 2026 - Not due
- 2025 - Filed
- 2024 - Filed

Corporate history

Corporate name history

6047181 CANADA INC. 2002-12-18 to
2005-01-18

Who Industries Inc. 2005-01-18 to
Present

Certificates and filings

Certificate of 2002- Previous jurisdiction: British Columbia
Continuance 12-18

Certificate of 2005- Amendment details: Corporate name
Amendment 01-18

ⓘ **Amendment details** are only available for amendments effected after 2010-03-20. Some certificates issued prior to 2000 may not be listed. For more information, [contact Corporations Canada](#).

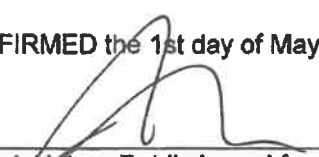
[Report an issue](#)

Date Modified:

2026-04-07

This is Exhibit "D" referred to in the
Affidavit of SHAMSH KASSAM

AFFIRMED the 1st day of May, 2026,


A Notary Public in and for the
Province of British Columbia

ANDREW BULL
NOTARY PUBLIC
STERN PARTNERS INC.
2650 - 733 Seymour Street
Vancouver, BC V6B 0S6
Tel: 604-646-3601
Email: abull@sternpartners.com



[Print](#)[Close](#)[View Charges](#)[Return to Search](#)

File Summary

Registry No : 4565038
Entity Name : 4565038 MANITOBA LTD.

As of : 26-Apr-2026

Entity Name : 4565038 MANITOBA LTD.
Registry No : 4565038
Business No : 862363058MC0001
Current Status : Active

Entity Type : BUSINESS CORPORATION
Entity Sub Type : MB SHARE CORPORATION

Incorp/Amalg Date : 27-May-2002
Home Jurisdiction : MANITOBA
Annual Return/Renewal Date : 30-Jun-2026
Year of Last A/R - Renewal : 2025
Nature of Business : INVESTMENT AND/OR HOLDING COMPANY
NAICS Code : 551113

Registered Office Address :
Effective date, if changing address : 01-Nov-2007
Address : 102 - 1015 WILKES AVENUE
City/Province : WINNIPEG, MB
Country/Postal Code : CANADA, R3P 2R8

Mailing Address :
Name : ADE & LEE LAW GROUP LLP
Address : 102 - 1015 WILKES AVENUE
City/Province : WINNIPEG, MB
Country/Postal Code : CANADA, R3P 2R8

Director Information :
Name : MARYK, DONNA
Address : 3050 HENDERSON HWY
City/Province : EAST ST. PAUL, MB
Country/Postal Code : CANADA, R2E 0H9

Officer Information :
Name : MARYK, DONNA
Address : 3050 HENDERSON HWY
City/Province : EAST ST. PAUL, MB
Country/Postal Code : CANADA, R2E 0H9
Position Held as Officer : PRESIDENT, SECRETARY

Shareholders Information (holders of 10% or more of Issued Voting Shares) :

Name : MARYK, DONNA
Class Name : COMMON

Shares Held : 10.00
Name : MARYK, MICHELLE
Class Name : COMMON
Shares Held : 10.00
Name : MARYK, SAMANTHA
Class Name : COMMON
Shares Held : 10.00

Share Structure :

Class	Authorized Number
COMMON	UNLIMITED
PREFER	UNLIMITED

Shares are distributed to the public : No

Event History :

Event

Date : **Filing Year :**

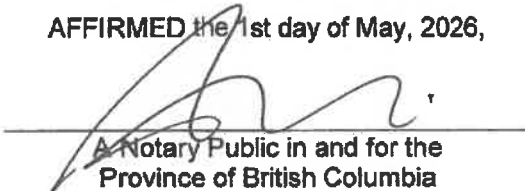
FILINGS RECORDED IN THE PREVIOUS SYSTEM ARE NOT INCLUDED

ANNUAL RETURN (Filed on the Web)	07-Jun-2018	2018
ANNUAL RETURN (Filed on the Web)	16-Jul-2019	2019
ANNUAL RETURN (Filed on the Web)	12-Jun-2020	2020
ANNUAL RETURN (Filed on the Web)	30-Jun-2021	2021
ANNUAL RETURN (Filed on the Web)	14-Jun-2022	2022
ANNUAL RETURN (Filed on the Web)	20-Jun-2023	2023
ANNUAL RETURN (Filed on the Web)	28-Jun-2024	2024
ANNUAL RETURN (Filed on the Web)	10-Jun-2025	2025

The accuracy of this information is not guaranteed. In particular, it is possible that certain filings have been received which have not yet been updated onto the system. You should consult original documents or obtain appropriate certificates when you need to be certain of information.

This is Exhibit "E" referred to in the
Affidavit of SHAMSH KASSAM

AFFIRMED the 1st day of May, 2026,


A Notary Public in and for the
Province of British Columbia



ANDREW BULL
NOTARY PUBLIC
STERN PARTNERS INC.
2650 - 733 Seymour Street
Vancouver, BC V6B 0S6
Tel: 604-646-3601
Email: abull@sternpartners.com



File Summary

Registry No : 10148601
Entity Name : R.I.S. MEDIA LTD.

As of : 27-Apr-2026

Entity Name : R.I.S. MEDIA LTD.
Registry No : 10148601
Business No : 868258211MC0002
Current Status : Active (New Amalgamated)

Entity Type : BUSINESS CORPORATION
Entity Sub Type : MB SHARE CORPORATION

Incorp/Amalg Date : 01-Dec-2022
Home Jurisdiction : MANITOBA
Annual Return/Renewal Date : 31-Jan-2027
Year of Last A/R - Renewal : 2025
Nature of Business : INVESTMENT AND/OR HOLDING COMPANY
NAICS Code : 551113

Registered Office Address :

Effective date, if changing address : 01-Dec-2022
Address : MLT AIKINS LLP, 30TH FLOOR - 360 MAIN STREET
City/Province : WINNIPEG, MB
Country/Postal Code : CANADA, R3C 4G1

Mailing Address :

Name :
Address : 510 PARK BOULEVARD WEST
City/Province : WINNIPEG, MB
Country/Postal Code : CANADA, R3P 0H4

Director Information :

Name : SILVER, ROBERT I.
Address : 510 PARK BOULEVARD WEST
City/Province : WINNIPEG, MB
Country/Postal Code : CANADA, R3P 0H4

Officer Information :

Name : SILVER, ROBERT I.
Address : 510 PARK BOULEVARD WEST
City/Province : WINNIPEG, MB
Country/Postal Code : CANADA, R3P 0H4
Position Held as Officer : PRESIDENT, SECRETARY & TREASURER

Shareholders Information (holders of 10% or more of Issued Voting Shares) :

Name : SILVER, ROBERT I.
Class Name : Class K Prefer
Shares Held : 1000000.00

Share Structure :

Class	Authorized Number
Class A Prefer	UNLIMITED
Class B Prefer	UNLIMITED
Class C Prefer	UNLIMITED
Class D Prefer	UNLIMITED
Class E Prefer	UNLIMITED
Class F Prefer	UNLIMITED
Class G Prefer	UNLIMITED
Class H Prefer	UNLIMITED
Class I Prefer	UNLIMITED
Class J Participating Prefer	UNLIMITED
Class K Prefer	UNLIMITED
Class L Prefer	UNLIMITED
Class M Participating Prefer	UNLIMITED
Common	UNLIMITED

Shares are distributed to the public : No

Corporations involved to form Amalgamation :

Registry No : 4711671
 Entity Name : R.I.S. MEDIA LTD.
 Registry No : 7001177
 Entity Name : EDWIN GORDON HOLDINGS INC.

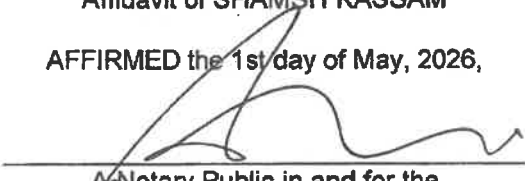
Event History :

Event	Date :	Filing Year :
AMALGAMATION (Filed on the Web)	01-Dec-2022	
HUB: ASSIGN BN15 FOR BN	01-Dec-2022	
CHANGE OF MAILING ADDRESS (Filed on the Web)	10-Oct-2023	
COMPLIANCE STATUS - DEFAULT	20-Feb-2024	
ANNUAL RETURN (Filed on the Web)	13-Mar-2024	2023
COMPLIANCE STATUS - DEFAULT	24-Feb-2025	
ANNUAL RETURN (Filed on the Web)	04-Mar-2025	2024
COMPLIANCE STATUS - DEFAULT	23-Feb-2026	
ANNUAL RETURN (Filed on the Web)	02-Mar-2026	2025

The accuracy of this information is not guaranteed. In particular, it is possible that certain filings have been received which have not yet been updated onto the system. You should consult original documents or obtain appropriate certificates when you need to be certain of information.

This is Exhibit "F" referred to in the
Affidavit of SHAMSH KASSAM

AFFIRMED the 1st day of May, 2026,



A Notary Public in and for the
Province of British Columbia

ANDREW BULL
NOTARY PUBLIC
STERN PARTNERS INC.
2650 - 733 Seymour Street
Vancouver, BC V6B 0S6
Tel: 604-646-3601
Email: abull@sternpartners.com





BC Company Summary

For
HIGHGATE CAPITAL LTD.

Date and Time of Search: April 27, 2026 09:06 AM Pacific Time
Currency Date: March 02, 2026

ACTIVE

Incorporation Number: BC0677532
Name of Company: HIGHGATE CAPITAL LTD.
Business Number: 874012800 BC0001
Recognition Date: Incorporated on September 22, 2003
Last Annual Report Filed: September 22, 2025

In Liquidation: No
Receiver: No

REGISTERED OFFICE INFORMATION

Mailing Address:
SUITE 2650 - 733 SEYMOUR STREET
VANCOUVER BC V6B 0S6
CANADA

Delivery Address:
SUITE 2650 - 733 SEYMOUR STREET
VANCOUVER BC V6B 0S6
CANADA

RECORDS OFFICE INFORMATION

Mailing Address:
SUITE 2650 - 733 SEYMOUR STREET
VANCOUVER BC V6B 0S6
CANADA

Delivery Address:
SUITE 2650 - 733 SEYMOUR STREET
VANCOUVER BC V6B 0S6
CANADA

DIRECTOR INFORMATION

Last Name, First Name, Middle Name:
Kassam, Shamsh
Mailing Address:
SUITE 2650 - 733 SEYMOUR STREET
VANCOUVER BC V6B 0S6
CANADA

Delivery Address:
SUITE 2650 - 733 SEYMOUR STREET
VANCOUVER BC V6B 0S6
CANADA

Last Name, First Name, Middle Name:
STERN, RONALD N.

Mailing Address:
SUITE 2650 - 733 SEYMOUR STREET
VANCOUVER BC V6B 0S6
CANADA

Delivery Address:
SUITE 2650 - 733 SEYMOUR STREET
VANCOUVER BC V6B 0S6
CANADA

Last Name, First Name, Middle Name:
de Gelder, Nell

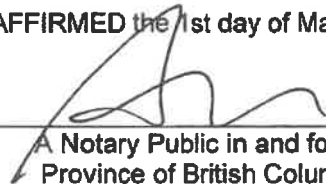
Mailing Address:
SUITE 2650 - 733 SEYMOUR STREET
VANCOUVER BC V6B 0S6
CANADA

Delivery Address:
SUITE 2650 - 733 SEYMOUR STREET
VANCOUVER BC V6B 0S6
CANADA

NO OFFICER INFORMATION FILED AS AT September 22, 2025.

This is Exhibit "G" referred to in the
Affidavit of SHAMSH KASSAM

AFFIRMED the 1st day of May, 2026,



A Notary Public in and for the
Province of British Columbia



ANDREW BULL
NOTARY PUBLIC
STERN PARTNERS INC.
2650 - 733 Seymour Street
Vancouver, BC V6B 0S6
Tel: 604-646-3601
Email: abull@sternpartners.com



File Summary

Registry No : 10014364
Entity Name : Parian Logistics Inc.

As of : 21-Apr-2026

Entity Name : Parian Logistics Inc.
Registry No : 10014364
Business No : 767444482MC0001
Current Status : Active (New Name)

Entity Type : BUSINESS CORPORATION
Entity Sub Type : FEDERAL- SHARE CORPORATION

Incorp/Amalg Date : 01-Mar-2018
Home Jurisdiction : CANADA
Date Registered in Manitoba : 08-Mar-2018
Annual Return/Renewal Date : 30-Apr-2027
Year of Last A/R - Renewal : 2026
Nature of Business : REAL ESTATE HOLDINGS
NAICS Code : 551113

Registered Office Address :
Effective date, if changing address : 23-Jun-2025
Address : 2650 - 733 SEYMOUR STREET
City/Province : VANCOUVER, BC
Country/Postal Code : CANADA, V6B 0S6

Mailing Address :
Name :
Address : PARIAN LOGISTICS INC., 1530 GAMBLE PLACE
City/Province : WINNIPEG, MB
Country/Postal Code : CANADA, R3T 1N6
Attention : CORPORATE SERVICES

Director Information :
Date Became : 01-Mar-2018
Name : KASSAM, SHAMSH
Address : 2650-733 SEYMOUR STREET
City/Province : VANCOUVER, BC
Country/Postal Code : CANADA, V6B 0S6
Date Became : 08-May-2025
Date Ceased : 03-Oct-2025
Name : REID, PAUL
Address : 1530 GAMBLE PLACE
City/Province : WINNIPEG, MB
Country/Postal Code : CANADA, R3T 1N6

Officer Information :
Name : BERG, BONNIE

Address : 1530 GAMBLE PLACE
 City/Province : WINNIPEG, MB
 Country/Postal Code : CANADA, R3T 1N6
 Position Held as Officer : DIRECTOR OF FINANCE
 Name : KASSAM, SHAMSH
 Address : 2650-733 SEYMOUR STREET
 City/Province : VANCOUVER, BC
 Country/Postal Code : CANADA, V6B 0S6
 Position Held as Officer : CHIEF EXECUTIVE OFFICER
 Name : SANCHE, CAROLINE
 Address : 2650-733 SEYMOUR STREET
 City/Province : VANCOUVER, BC
 Country/Postal Code : CANADA, V6B 0S6
 Position Held as Officer : VICE-PRESIDENT

Power(s) of Attorney :

Name : BERG, BONNIE
 Address : PARIAN LOGISTICS INC., 1530 GAMBLE PLACE
 City/Province : WINNIPEG, MB
 Country/Postal Code : CANADA, R3T 1N6

Name History :

Previous Name : Gamble Real Estate Holdings Ltd.
 Date of Change : 07-Jun-2018

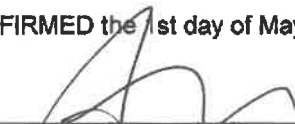
Event History :

<u>Event</u>	<u>Date :</u>	<u>Filing Year :</u>
REGISTRATION	08-Mar-2018	
HUB: ASSIGN BN15 FOR BN	08-Mar-2018	
CHANGE OF DIRECTORS/OFFICERS (Filed on the Web)	14-May-2018	
NAME CHANGE	07-Jun-2018	
ANNUAL RETURN (Filed on the Web)	16-Apr-2019	2019
CHANGE OF DIRECTORS/OFFICERS (Filed on the Web)	13-Aug-2019	
COMPLIANCE STATUS - DEFAULT	19-May-2020	
ANNUAL RETURN (Filed on the Web)	08-Jun-2020	2020
CHANGE OF DIRECTORS/OFFICERS (Filed on the Web)	11-Jun-2020	
CHANGE OF MAILING ADDRESS	21-Sep-2020	
POWER OF ATTORNEY	21-Sep-2020	
CHANGE OF MAILING ADDRESS	24-Feb-2021	
CHANGE OF REGISTERED OFFICE	24-Feb-2021	
ANNUAL RETURN (Filed on the Web)	05-Apr-2021	2021
ANNUAL RETURN (Filed on the Web)	04-Apr-2022	2022
CHANGE OF DIRECTORS/OFFICERS (Filed on the Web)	17-Nov-2022	
POWER OF ATTORNEY (Filed on the Web)	05-Apr-2023	
ANNUAL RETURN (Filed on the Web)	13-Apr-2023	2023
CHANGE OF DIRECTORS/OFFICERS (Filed on the Web)	30-May-2023	
ANNUAL RETURN (Filed on the Web)	03-Apr-2024	2024
POWER OF ATTORNEY (Filed on the Web)	02-Apr-2025	
ANNUAL RETURN (Filed on the Web)	09-Apr-2025	2025
CHANGE OF DIRECTORS/OFFICERS (Filed on the Web)	06-Aug-2025	
CHANGE OF REGISTERED OFFICE (Filed on the Web)	06-Aug-2025	
CHANGE OF DIRECTORS/OFFICERS (Filed on the Web)	06-Aug-2025	
ANNUAL RETURN (Filed on the Web)	02-Apr-2026	2026

The accuracy of this information is not guaranteed. In particular, it is possible that certain filings have been received which have not yet been updated onto the system. You should consult original documents or obtain appropriate certificates when you need to be certain of information.

This is Exhibit "H" referred to in the
Affidavit of SHAMSH KASSAM

AFFIRMED the 1st day of May, 2026,


A Notary Public in and for the
Province of British Columbia



ANDREW BULL
NOTARY PUBLIC
STERN PARTNERS INC.
2650 - 733 Seymour Street
Vancouver, BC V6B 0S6
Tel: 604-646-3601
Email: abull@sternpartners.com

REGISTER OF DIRECTORS

Name of Company: **WAREHOUSE ONE CLOTHING LTD.**

<i>Full Name</i>	<i>Address</i>	<i>Date Appointed</i>	<i>Date Ceased</i>
Maxwell Maryk	102 - 1015 Wilkes Avenue Winnipeg, Manitoba R3P 2R8	July 22, 2002	March 13, 2004
Michael Stevens	276 Wescana Street Headingley, Manitoba R4K 1B6	July 22, 2002	April 8, 2004
J. Keith Vancoughnett	Suite 650, PO Box 11583 650 West Georgia Street Vancouver, British Columbia V6B 4N8	July 22, 2002	December 5, 2002
Shamsh Kassam	2650 - 733 Seymour Street Vancouver, British Columbia V6B 0S6	December 5, 2002	
Michael McMullen	P.O. Box 797 28 Kingswood Drive LaSalle, Manitoba R0G 1B0	August 11, 2003	November 17, 2006
R. Scott Merrill	59 Consulate Road Winnipeg, Manitoba R2V 3L1	April 8, 2004	September 30, 2018
Robert I. Silver	30th Floor, 360 Main Street Winnipeg, Manitoba R3C 4G1	November 17, 2006	April 27, 2026
Maxwell Maryk	102 - 1015 Wilkes Avenue Winnipeg, Manitoba R3P 2R8	April 30, 2008	December 31, 2024
Gerry Bachynski	1039 Skyvalley Crescent Oakville, Ontario L6M 3L2	October 1, 2018	November 7, 2022

Full Name	Address	Date Appointed	Date Ceased
David Nerada	1530 Gamble Place Winnipeg, Manitoba R3T 1N6	November 7, 2022	February 28, 2025

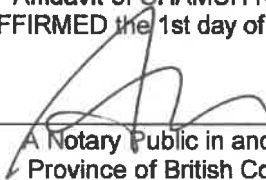
REGISTER OF OFFICERS

Name of Company: **WAREHOUSE ONE CLOTHING LTD.**

<i>Full Name</i>	<i>Address</i>	<i>Office</i>	<i>Date Appointed</i>	<i>Date Ceased</i>
J. Keith Vancoughnett	Suite 650, PO Box 11583 650 West Georgia Street Vancouver, British Columbia V6B 4N8	Chief Executive Officer	July 22, 2002	December 5, 2002
Maxwell Maryk	102 - 1015 Wilkes Avenue Winnipeg, Manitoba R3P 2R8	President	July 22, 2002	October 7, 2002
Maxwell Maryk	102 - 1015 Wilkes Avenue Winnipeg, Manitoba R3P 2R8	Secretary	July 22, 2002	October 7, 2002
Michael McMullen	P.O. Box 797 28 Kingswood Drive LaSalle, Manitoba R0G 1B0	President	October 7, 2002	November 14, 2006
Michael Stevens	276 Wescana Street Headingley, Manitoba R4K 1B6	Secretary	October 7, 2002	April 8, 2004
Shamsh Kassam	2650 - 733 Seymour Street Vancouver, British Columbia V6B 0S6	Chief Executive Officer	December 5, 2002	April 27, 2026
R. Scott Merrell	59 Consulate Road Winnipeg, Manitoba R2V 3L1	Secretary	April 8, 2004	September 30, 2018
Shamsh Kassam	2650 - 733 Seymour Street Vancouver, British Columbia V6B 0S6	President	November 17, 2006	January 1, 2011
Neil Armstrong	1530 Gamble Place Winnipeg, Manitoba R3T 1N6	Vice President	November 23, 2006	January 1, 2011

Full Name	Address	Office	Date Appointed	Date Ceased
Neil Armstrong	1530 Gamble Place Winnipeg, Manitoba R3T 1N6	President	January 1, 2011	March 31, 2024
Rhonda-Lee Meakin	1680 Notre Dame Avenue Winnipeg, Manitoba R3H 1H6	Vice President of Merchandising	January 14, 2013	January 2, 2019
Stephanie Graham	1530 Gamble Place Winnipeg, Manitoba R3T 1N6	Director of Finance	July 12, 2015	August 6, 2019
Corilyn Czezowski		Assistant Controller	July 12, 2017	August 13, 2018
Quinn Lawrence	1530 Gamble Place Winnipeg, Manitoba R3T 1N6	Assistant Controller	August 13, 2018	August 6, 2019
Quinn Lawrence	1530 Gamble Place Winnipeg, Manitoba R3T 1N6	Controller	August 6, 2019	April 8, 2022
Kari Hendrickson	55 Water Bend Road Winnipeg, Manitoba R3Y 0J9	Vice President of Finance	May 29, 2023	March 22, 2024
Paul Reid	1530 Gamble Place Winnipeg, Manitoba R3T 1N6	President	April 1, 2024	October 3, 2025
Bonnie Berg	1530 Gamble Place Winnipeg, Manitoba R3T 1N6	Director of Finance	June 3, 2024	April 27, 2026
Shamsh Kassam	2650 - 733 Seymour Street Vancouver, British Columbia V6B 0S6	Vice President	April 27, 2026	

This is Exhibit "I" referred to in the
Affidavit of SHAMSH KASSAM
AFFIRMED the 1st day of May, 2026,


A Notary Public in and for the
Province of British Columbia

ANDREW BULL
NOTARY PUBLIC
STERN PARTNERS INC.
2650 - 733 Seymour Street
Vancouver, BC V6B 0S6
Tel: 604-646-3601
Email: abull@sternpartners.com



Registry Home

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Name Search

Enter Information and select division

Surname/Company: Given Name:
Lawyer Name: Firm Name:
Registration Start Date: January Registration End Date: April

☒ All Divisions☐ KB Family☐ KB Criminal☐ KB Bankruptcy☐ KB Wills☐ CA Civil☐ KB Civil☐ KB Small Claims☐ KB Probate☐ CA Family☐ CA Crimin

Search Results

3 matches found

File #	Reg Date	Short Title
C103-01-33198	28-May-2003	2512866 MANITOBA LTD VS WAREHOUSE ONE CLOTHING LTD
C106-01-45996	09-Feb-2006	LAHAM-PAGANELLI, CHRISTINA VS WAREHOUSE ONE CLOTHING LTD.
SC04-01-00075	12-Aug-2004	B.A.EVANS & ASSOCIATES INC. VS WAREHOUSE ONE CLOTHING LTD.

Winnipeg
Saskatoon

Hon

Number S

ne

View Daily Court

Search List

View Available

Judgment

Post Judgment Interest

aux d'intérêt et de
postérieur

refuse

File Details

(C103-01-33198 2512866 MANITOBA LTD vs WAREHOUSE ONE CLOTHING LTD)

Documents Filed (C103-01-33198)

Doc #	Reg Date	Court Location	Document	Notes
1	28-May-2003	Winnipeg-KB	STATEMENT OF CLAIM	
2	28-May-2003	Winnipeg-KB	NOTICE OF MOTION (JUDGE)	OF PLAINTIFF, INTERIM INJUNCTION
3	28-May-2003	Winnipeg-KB	AFFIDAVIT	OF RAY PATTISON 20MAY2003
4	28-May-2003	Winnipeg-KB	AFFIDAVIT	OF LAZAR BELOS 20MAY2003
5	28-May-2003	Winnipeg-KB	MOTION BRIEF	OF PLAINTIFF
6	04-Jun-2003	Winnipeg-KB	DISPOSITION SHEET	KENNEDY J 4JUN2003 ADJ TO 7JUL2003 @ 9:30
7	24-Jun-2003	Winnipeg-KB	AFFIDAVIT	OF LORNE SUNLEY 03JUN2003
8	24-Jun-2003	Winnipeg-KB	AFFIDAVIT	OF MIKE STEVENS 23JUN2003
9	07-Jul-2003	Winnipeg-KB	DISPOSITION SHEET	KENNEDY J, 07JUL2003, INJUNCTION GRANTED
10	11-Jul-2003	Winnipeg-KB	ORDER	KENNEDY J, 07JUL2003
11	25-Jul-2003	Winnipeg-KB	NOTICE OF MOTION (JUDGE)	OF DEFENDANT, WAREHOUSE ONE CLOTHING LTD. TO VARY ORDER OF KENNEDY, J. 07JUL2003
12	25-Jul-2003	Winnipeg-KB	AFFIDAVIT	OF CHRISTINA TAYLOR 25JUL2003
13	29-Jul-2003	Winnipeg-KB	NOTICE OF MOTION (JUDGE)	OF DEFENDANT, WAREHOUSE ONE CLOTHING LTD. TO VARY ORDER OF KENNEDY, J. 07JUL2003
14	30-Jul-2003	Winnipeg-KB	DISPOSITION SHEET	SUCHE J - CONSENT REFER MATTER BACK TO KENNEDY J W/OUT DATE; REQUEST TO WAIVE FILE BRIEF REQ'T IS DENIED & COUNSEL TO CONTACT KENNEDY J RE REQ'T
15	06-Aug-2003	Winnipeg-KB	NOTICE OF MOTION (ASSOCIATE JUDGE)	OF DEFENDANTS PRICEWATERHOUSECOOPERS INC. FOR WAREHOUSE ONE CLOTHING LTD - MOTION TO STRIKE - NOT ON LIST - FILED LATE
16	06-Aug-2003	Winnipeg-KB	MOTION BRIEF	OF PRICEWATERHOUSECOOPERS INC.
17	04-Nov-2003	Winnipeg-KB	STATEMENT OF DEFENCE	OF WAREHOUSE ONE CLOTHING LTD.
18	18-Nov-2003	Winnipeg-KB	DISPOSITION SHEET	MASTER RING 17NOV2003 - STRIKE ST OF CLAIM, COSTS ADJ TO NEW DATE
19	20-Nov-2003	Winnipeg-KB	CORRESPONDENCE - FROM	FILLMORE RILEY 19NOV2003
20	26-Nov-2003	Winnipeg-KB	AFFIDAVIT OF SERVICE	MOTION, MOTION BRIEF OF DEFENDANT

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Judgments

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				PRICEWATERHOUSECOOPERS INC. AS TRUSTEE IN BANKRUPTCY FOR WAREHOUSE ONE AND WAREHOUSE ONE LTD. TO COUNSEL FOR PETITIONER 07AUG2003 LEAVING WITH RECEPTIONIST
21	06-Jan-2004	Winnipeg-KB	AFFIDAVIT	OF ROBERT H. HOOK 06JAN2004
22	07-Jan-2004	Winnipeg-KB	MOTION BRIEF	OF DEFENDANT WAREHOUSE ONE CLOTHING LTD.
23	08-Jan-2004	Winnipeg-KB	DISPOSITION SHEET	KENNEDY J, 08JAN2004, VARY ORDER 07JUL2003 TO ALLOW ACCESS TO PROGRAM BY APPLIC; FURTHER CLARIFY/ BY TELECONF IF NECESSARY
24	30-Jan-2004	Winnipeg-KB	ORDER	MASTER RING 17NOV2003, DEFENDANTS PRICEWATERHOUSECOOPERS INC. AS TRUSTEE IN BANKRUPTCY FOR WAREHOUSE ONE LTD. AND WAREHOUSE ONE LTD. IS STRUCK FROM STATEMENT OF CLAIM WITHOUT FORMAL AMENDMENT
25	11-Feb-2004	Winnipeg-KB	REQUISITION	UPDATED ON MOTION
26	12-Feb-2004	Winnipeg-KB	DISPOSITION SHEET	MASTER RING 11FEB2004 COSTS \$3500.00
27	12-Mar-2004	Winnipeg-KB	ORDER	MASTER RING, 11FEB2004

Parties (CI03-01-33198)

Party Type	Party Name	Lawyer
DEFENDANT 001	WAREHOUSE ONE CLOTHING LTD,	HOOK, ROBERT H.
PLAINTIFF 001	2512866 MANITOBA LTD,	DALTON, KENNETH J.

Court Hearings (CI03-01-33198)

Court Date	Court Time	Status	Hearing Type	Notes
08-Jan-2004	09:00	PENDING	CIVIL CONTESTED MOTIONS	OF DEFENDANT, WAREHOUSE ONE CLOTHING LTD. TO VARY ORDER OF KENNEDY, J. 07JUL2003
30-Jul-2003	10:00	PENDING	CIVIL UNCONTESTED MOTIONS (10:00)	OF DEFENDANT, WAREHOUSE ONE CLOTHING LTD. TO VARY ORDER OF KENNEDY, J. 07JUL2003
30-Jul-2003	10:00	PENDING	CIVIL UNCONTESTED MOTIONS (10:00)	OF DEFENDANT WAREHOUSE ONE CLOTHING LTD.-VARY ORDER OF KENNEDY, J.-07JUL2003
07-Jul-2003	09:30	PENDING	CIVIL CONTESTED MOTIONS	OF PLAINTIFF, INTERIM INJUNCTION
04-Jun-2003	10:00	PENDING	CIVIL UNCONTESTED MOTIONS (10:00)	OF THE PLTFF INTERIM AND INTERLOCUTORY INJUNCTION

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File Details

(CI06-01-45996 LAHAM-PAGANELLI, CHRISTINA vs WAREHOUSE ONE CLOTHING LTD.)

Documents Filed (CI06-01-45996)

Doc #	Reg Date	Court Location	Document	Notes
1	09-Feb-2006	Winnipeg-KB	STATEMENT OF CLAIM	
2	02-Mar-2006	Winnipeg-KB	STATEMENT OF DEFENCE	
3	13-Mar-2006	Winnipeg-KB	REQUEST FOR PARTICULARS	
4	24-Mar-2006	Winnipeg-KB	PARTICULARS	DEFS
5	20-Feb-2007	Winnipeg-KB	NOTICE OF DISCONTINUANCE	ST/CL

Parties (CI06-01-45996)

Party Type	Party Name	Lawyer
DEFENDANT 001	WAREHOUSE ONE CLOTHING LTD,	
PLAINTIFF 001	LAHAM-PAGANELLI, CHRISTINA VIRGINIA	FROHLINGER, THOMAS

Court Hearings (CI06-01-45996)

Court Hearings not found

Related Files (CI06-01-45996)

Related Files not found

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Adjournment and

Requisition

Order of Dispute

Order of Dispute

File Details

(SC04-01-00075 B.A.EVANS & ASSOCIATES INC. vs WAREHOUSE ONE CLOTHING LTD.)

Documents Filed (SC04-01-00075)

Doc #	Reg Date	Court Location	Document	Notes
1	12-Aug-2004	Winnipeg-KB	SMALL CLAIM	CONTRACT (1/2 DAY SET) 1ST OET DISPUTED, EXHIBITS
2	20-Oct-2004	Winnipeg-KB	NOTICE OF INTENTION TO APPEAR	DISPUTE
3	22-Oct-2004	Winnipeg-KB	ADJOURNMENT	SINE DIE
4	15-Nov-2004	Winnipeg-KB	ORDER EXTENDING TIME FOR SERVICE	1ST. EXTENSION
5	23-Dec-2004	Winnipeg-KB	REQUISITION - SUBPOENA	X1
6	06-Jan-2005	Winnipeg-KB	ADJOURNMENT	21MARCH2005 @ 9AM
7	11-Jan-2005	Winnipeg-KB	REQUISITION - SUBPOENA	X1
8	17-Mar-2005	Winnipeg-KB	NOTICE OF INTENTION TO APPEAR	WAREHOUSE ONE DISPUTE
9	22-Mar-2005	Winnipeg-KB	ADJOURNMENT	09JUNE2005@1:30 (1/2 DAY)
10	09-Jun-2005	Winnipeg-KB	ADJOURNMENT	SINE DIE, BY CONSENT

Parties (SC04-01-00075)

Party Type	Party Name	Lawyer
DEFENDANT 001	WAREHOUSE ONE CLOTHING LTD.,	
PLAINTIFF 001	B.A. EVANS & ASSOCIATES INC.,	

Court Hearings (SC04-01-00075)

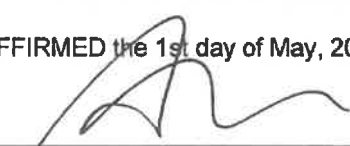
Court Hearings not found

Related Files (SC04-01-00075)

Related Files not found

This is Exhibit "J" referred to in the
Affidavit of SHAMSH KASSAM

AFFIRMED the 1st day of May, 2026,



A Notary Public in and for the
Province of British Columbia



ANDREW BULL
NOTARY PUBLIC
STERN PARTNERS INC.
2650 - 733 Seymour Street
Vancouver, BC V6B 0S6
Tel: 604-646-3601
Email: abull@sternpartners.com



Innovation, Sciences et
Développement économique Canada
Office de la propriété intellectuelle du Canada

Innovation, Science and
Economic Development Canada
Canadian Intellectual Property Office

Aiyaz A. Alibhai
MILLER THOMSON LLP
700 West Georgia Street
Suite 2200
Vancouver
BC
V7Y1K8
CANADA

Date	28 août/Aug 2025
Votre référence - Your reference	
Numéro de dossier - File number	433200

Confirmation d'une modification aux renseignements du propriétaire

Les renseignements du propriétaire ont été modifiés, tel qu'il
est indiqué ci-dessous :

Confirmation of Amendment Owner Information

Information about the owner has been amended, as shown
below:

Warehouse One Clothing Ltd.
c/o 2650-733 Seymour St
Vancouver
BRITISH COLUMBIA V6B 0S6

Marque(s) de commerce / Trademark(s) :

TMA261,525	433200	BOOTLEGGER
TMA291,238	501935	WAREHOUSE ONE
TMA313,331	537589	R.W. BRODY & SONS & DESIGN
TMA313,332	537590	R.W. BRODY & SONS
TMA370,626	617092	BRODY & DESIGN
TMA435,623	717871	RIZER
TMA438,917	647509	OAKLAND & DESIGN
TMA441,452	738258	OAKLAND
TMA665,739	1261296	KISMET
TMA694,413	1308247	W & Design
TMA694,414	1308244	W & Design
TMA694,415	1308239	WAREHOUSE ONE THE JEAN STORE (Stylized)
TMA704,379	1335425	BOOTLEGGER JEANELOGIST
TMA810,070	1477332	DISTILLERY APPAREL
TMA823,984	1482493	TEMPERANCE
TMA842,401	1517502	Pocket Stitching Design (ladies option 3)
TMA842,424	1517622	Pocket Stitching Design (mens option 6)
TMA842,451	1517910	Pocket Stitching Design (mens option 4)
TMA842,458	1517500	Pocket Stitching Design (ladies option 1)
TMA851,665	1482494	BOOTLEGGER SPEAKEASY
TMA902,796	1669214	COMMITTED TO JEANS
TMA925,110	1669215	W Design
TMA925,111	1669216	WAREHOUSE ONE THE JEAN STORE & Design
TMA950,318	1517504	Pocket Stitching Design (ladies option)



Innovation, Sciences et
Développement économique Canada
Office de la propriété intellectuelle du Canada

Innovation, Science and
Economic Development Canada
Canadian Intellectual Property Office

page: 2

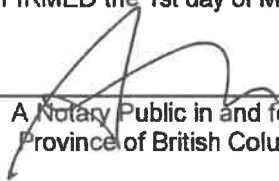
TMA978,415	1791449	Life in Denim
TMA984,348	1791274	Bootlegger Weekend & Stylized Wordmark
TMA1,081,611	1904806	True North Denim

Registraire des marques de commerce
Registrar of Trademarks

Contact: Section des cessions et renouvellements | Assignment and Renewal Section
Direction générale des marques de commerce et des dessins industriels | Trademarks and Industrial Designs Branch
Office de la propriété intellectuelle du Canada | Canadian Intellectual Property Office
50, Rue Victoria, Gatineau, (Québec) K1A 0C9 | 50 Victoria Street, Gatineau QC K1A 0C9
Téléphone | Telephone 1-866-997-1936
Télécopieur | Facsimile 1-819-953-2476
Téléimprimeur | Teletypewriter 1-866-442-2476
Gouvernement du Canada | Government of Canada

This is Exhibit "K" referred to in the
Affidavit of SHAMSH KASSAM

AFFIRMED the 1st day of May, 2026,


A Notary Public in and for the
Province of British Columbia



4,

Warehouse One Clothing Ltd.
Financial Statements
February 22, 2025
(in Canadian dollars)



Independent auditor's report

To the Shareholders of Warehouse One Clothing Ltd.

Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Warehouse One Clothing Ltd. (the Company) as at February 22, 2025 and the results of its operations and its cash flows for the period from February 25, 2024 to February 22, 2025 in accordance with Canadian Accounting Standards for Private Enterprises (ASPE).

What we have audited

The Company's financial statements comprise:

- the balance sheet as at February 22, 2025;
- the statement of operations and (deficit) retained earnings for the period from February 25, 2024 to February 22, 2025;
- the statement of cash flows for the period from February 25, 2024 to February 22, 2025; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Comparative information

The financial statements of the Company for the period from February 26, 2023 to February 24, 2024 were audited by another auditor who expressed an unmodified opinion on those financial statements on June 28, 2024.

PricewaterhouseCoopers LLP
PwC Place, 250 Howe Street, Suite 1400, Vancouver, British Columbia, Canada V6C 3S7
T.: +1 604 806 7000, F.: +1 604 806 7806, Fax to mail: ca_vancouver_main_fax@pwc.com

PwC refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASPE, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers LLP

Chartered Professional Accountants

Vancouver, British Columbia
July 15, 2025

Warehouse One Clothing Ltd.**Balance Sheet**

(in Canadian dollars)

	Note	February 22, 2025 \$	February 24, 2024 \$
Assets			
Current assets			
Cash and cash equivalents		41,674	-
Accounts receivable	10	580,718	865,888
Income taxes recoverable		-	988,076
Loans receivable	10	3,960,000	3,960,000
Inventories		12,067,379	11,648,204
Prepaid expenses	10	686,150	1,115,125
		<u>17,335,921</u>	<u>18,577,293</u>
Property, plant and equipment			
	3	6,534,105	6,706,012
		<u>23,870,026</u>	<u>25,283,305</u>
Liabilities			
Current liabilities			
Bank indebtedness	4	5,360,502	4,489,911
Accounts payable and accrued liabilities	5, 10	9,942,216	5,704,008
		<u>15,302,718</u>	<u>10,193,919</u>
Deferred lease inducement			
		363,807	430,668
Shareholder loans			
	10	11,000,000	11,000,000
		<u>26,666,525</u>	<u>21,624,587</u>
Shareholders' (Deficiency) Equity			
Share capital	6	100	100
(Deficit) retained earnings		(2,796,599)	3,658,618
		<u>(2,796,499)</u>	<u>3,658,718</u>
		<u>23,870,026</u>	<u>25,283,305</u>
Lease commitments			
	8		
Subsequent events			
	11		

The accompanying notes are an integral part of these financial statements.

Warehouse One Clothing Ltd.**Statement of Operations and (Deficit) Retained Earnings**

(In Canadian dollars)

	Note	Period from February 25, 2024 to February 22, 2025	Period from February 26, 2023 to February 24, 2024
		\$	\$
Revenue			
Sales		53,392,595	58,312,441
Cost of sales		21,989,091	25,272,684
Gross profit		31,403,504	33,039,757
Expenses			
Operating expenses	10	26,964,314	28,953,581
Administrative expenses		8,573,681	7,749,392
		35,537,995	36,702,973
Loss before the undernoted		(4,134,491)	(3,663,216)
Other income (expense)			
Amortization		(2,065,115)	(1,207,724)
Bad debt		(87,548)	-
Interest and finance fees, net		(424,077)	(287,858)
Other		232,990	137,712
		(2,343,750)	(1,357,870)
Loss before income taxes		(6,478,241)	(5,021,086)
Current income taxes recovery	7	(23,024)	(1,212,960)
Net loss for the period		(6,455,217)	(3,808,126)
Retained earnings - Beginning of period		3,658,618	7,466,744
Retained earnings (deficit) - End of period		(2,796,599)	3,658,618

The accompanying notes are an integral part of these financial statements.

Warehouse One Clothing Ltd.**Statement of Cash Flows**

(in Canadian dollars)

	Period from February 25, 2024 to February 22, 2025 \$	Period from February 26, 2023 to February 24, 2024 \$
Cash provided by (used in)		
Operating activities		
Net loss for the period	(6,465,217)	(3,808,126)
Items not affecting cash		
Amortization	2,065,115	1,207,724
Loss on disposal of property and equipment	9,893	18,720
Amortization of deferred lease inducement	(66,861)	(87,610)
	<u>(4,447,070)</u>	<u>(2,669,292)</u>
Changes in non-cash working capital items		
Accounts receivable	285,170	483,920
Income taxes recoverable	988,076	1,319,844
Inventories	(419,175)	2,548,414
Prepaid expenses	428,975	(815,043)
Accounts payable and accrued liabilities	<u>4,238,208</u>	<u>(405,943)</u>
	<u>1,074,184</u>	<u>461,900</u>
Investing activities		
Purchase of property and equipment	(1,903,101)	(3,574,665)
Deferred lease inducement received	-	133,040
	<u>(1,903,101)</u>	<u>(3,441,625)</u>
Financing activities		
Increase in bank indebtedness	<u>870,591</u>	<u>2,979,725</u>
Increase in cash and cash equivalents during the period	41,674	-
Cash and cash equivalents - Beginning of period	-	-
Cash and cash equivalents - End of period	<u>41,674</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements.

Warehouse One Clothing Ltd.
Notes to Financial Statements
February 22, 2025

(in Canadian dollars)

1. Organization and nature of operations

Warehouse One Clothing Ltd. (the "Company") was incorporated under the Canada Business Corporations Act and its principal business activity is retail sales of casual clothing.

2. Significant accounting policies

These financial statements are prepared in accordance with Canadian accounting standards for private enterprises. The Company's significant accounting policies are as follows:

Fiscal Year

The Company's fiscal year-end is the last Saturday in February. The current period is the period from February 25, 2024 to February 22, 2025 and the comparative figures are for the period from February 26, 2023 to February 24, 2024.

Inventories

Inventories are stated at the lower of cost, determined on a weighted average basis, and net realizable value.

The cost of inventories expensed in cost of sales during the period ended February 22, 2025 was \$21,989,091 (2024 - \$25,272,684).

Income taxes

The Company accounts for income taxes using the taxes payable method. The Company reports, as an expense of the period, only the cost of current income taxes. Current income taxes, to the extent unpaid or recoverable, are recognized as an asset or a liability.

Revenue recognition

Sales made under agreements allowing for rights of return are recognized at the time of sale to these customers. Estimated returns and allowances are recorded as a reduction of revenue at the time of revenue recognition. Estimates are based on historical experience and other relevant factors.

Property, plant and equipment

Property, plant and equipment are stated at cost. Amortization is provided based on estimated useful lives using the following annual rates:

Land	not amortized
Buildings	15 years straight-line
Leasehold improvements	5 years straight-line
Furniture, fixtures and equipment	5 years straight-line
Construction-in-progress	5 years straight-line
Computer hardware and software	3-5 years straight-line
Signs	5 years straight-line

Construction-in-progress is stated at cost and no amortization is taken until the assets are placed in use. Property and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. No assets have been deemed to be impaired.

Foreign currency translation

Monetary items denominated in a foreign currency and non-monetary items carried at market are adjusted at the balance sheet date to reflect the exchange rate in effect at that date. Exchange gains and losses are included in the determination of net loss for the period.

Warehouse One Clothing Ltd.**Notes to Financial Statements****February 22, 2025**

(in Canadian dollars)

Financial Instruments

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently measured at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Company has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs. These costs are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Company determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Company expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial impairment charge.

Government assistance

Government assistance related to current expenses is included in the determination of net loss for the period as a reduction of the expense when the related expenditures are incurred. A liability to repay government assistance, if any, is recorded in the period in which the condition arises that causes the assistance to become repayable.

Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for private enterprises requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Significant items subject to such estimates and assumptions include the carrying amounts of inventories and property, plant and equipment. Actual results could differ from those estimates.

Leases

The Company leases its store locations and office space. Landlord inducements are deferred and amortized as reductions to rent expense on a straight-line basis over the same period.

3. Property, plant and equipment

	February 22, 2025		February 24, 2024
	Cost	Accumulated amortization	Net
	\$	\$	\$
Land	60,000	-	60,000
Buildings	250,000	188,889	61,111
Leasehold improvements	17,378,085	15,914,906	1,463,179
Furniture, fixtures and equipment	4,115,471	4,109,250	6,221
Construction-in-progress	2,013,966	-	2,013,966
Computer hardware and software	8,283,269	5,374,231	2,909,038
Signs	1,905,547	1,884,957	20,590
	34,006,338	27,472,233	6,534,105

Warehouse One Clothing Ltd.**Notes to Financial Statements****February 22, 2025**

(in Canadian dollars)

4. Credit facility

The Company has a \$7,500,000 (2024 - \$7,500,000) revolving demand operating facility with a financial institution available by way of operating loans, letters of credit or letter of guarantees available to finance general operating requirements. The operating loan bears interest at prime rate plus 0.375 percent. The Company's borrowing rate as at February 22, 2025 was 5.58% (2024 - 7.58%). As at February 22, 2025, the Company has utilized \$5,360,502 (2024 - \$4,489,911) of the revolving demand operating facility. The revolving demand operating facility is secured by a general security agreement providing a first fixed charge covering all of the Company's assets and an assignment of inventories. The Company is required to comply with annual restrictive covenants under the lending agreement. For the fifty-two weeks ended February 22, 2025, the covenant requirements were either met by the Company or waived by the lender.

5. Accounts payable and accrued liabilities

Included in accounts payable and accrued liabilities as at February 22, 2025 are government remittances payable of \$270,181 (2024 - \$294,059) relating to federal and provincial sales taxes, payroll taxes, health taxes and workers' safety insurance.

6. Capital stock

	2025	2024
	\$	\$
Issued:		
100 common voting shares	100	100

7. Income taxes

The Company's income tax recovery varies from the amount that would otherwise result from the application of the statutory income tax rates as set out below:

Tax rate reconciliation

	Period from February 25, 2024 to February 22, 2025	Period from February 26, 2023 to February 24, 2024
	\$	\$
Operations before income taxes	(6,478,241)	(5,021,086)
Expected income tax recovery at the combined tax rate of 25.9% (2024 - 25.8%)	(1,674,331)	(1,295,440)
Increase in income tax recovery resulting from		
Non-taxable income or non-deductible expense	4,747	5,850
Capital cost allowance in excess of amortization and losses carried forward	533,738	301,514
Unrecognized losses carried forward	1,103,007	-
Other	9,815	(224,884)
Effective income tax recovery	(23,024)	(1,212,960)

Warehouse One Clothing Ltd.**Notes to Financial Statements****February 22, 2025**

(in Canadian dollars)

8. Lease commitments**Commitments under operating leases**

The Company has the following operating lease commitments for rental of retail and warehouse facilities and equipment:

	\$
2026	6,986,832
2027	5,236,591
2028	3,528,281
2029	1,980,477
2030	1,188,630
Thereafter	1,086,896
	<u>20,007,707</u>

9. Financial risks**Financial risk management**

The Company's financial instruments expose it to a variety of financial risks.

Liquidity risk

The Company's objective is to have sufficient liquidity to meet its liabilities when due. On a regular basis, the Company monitors its cash balances and cash flows generated from operations to meet its requirements. As at February 22, 2025 the most significant financial liabilities were bank indebtedness, accounts payable and accrued liabilities and shareholder loans payable. The Company prepares budgets and cash forecasts to ensure it has sufficient funds to fulfill its obligations. Based on management's estimate of operating cash flows, strategic initiatives being implemented during fiscal 2025 and the available revolving demand operating facility, the Company expects that it will continue to be able to meet its obligations for the next 12 months as they come due.

Credit risk

The Company conducts a significant portion of its purchases in foreign currencies. The Company enters into various types of foreign exchange contracts in managing its foreign exchange risk. The Company does not hold or issue financial instruments for trading purposes.

As at February 22, 2025, the Company held foreign currency options to purchase US dollars in the amount of \$7,461,115 (2024 - \$4,000,000) which mature between February 27, 2025 and July 30, 2025. The change in the fair value of these foreign currency contracts as at February 22, 2025 resulted in an unrealized loss of \$(41,741) (2024 - \$12,508 unrealized gain). These derivatives have not been designated as hedges for accounting purposes and are recorded at fair value.

Other risks

The Company believes it is not exposed to significant interest rate, market or credit risk arising from its financial instruments.

Warehouse One Clothing Ltd.
Notes to Financial Statements
February 22, 2025

(in Canadian dollars)

10. Related party transactions

During the fifty-two weeks ended February 22, 2025, the Company incurred rent and service fee expenses of \$4,562,311 (2024 - \$4,429,974) with an entity under common control. In addition, at February 22, 2025, the Company had amounts payable of \$1,083,135 (2024 - \$262,816) included in accounts payable and accrued liabilities, amounts receivable of \$34,339 (2024 - \$189,696) included in accounts receivable and prepaid expenses of \$nil (2024 - \$520,833) with companies under common control.

The Company had shareholder loans payable of \$11,000,000 (2024 - \$11,000,000) at February 22, 2025. The loans are non-interest bearing, due on demand and are secured by general security agreements over the assets of the Company subordinated to the revolving demand operating facility (note 4). There are no principal repayments required within the next fiscal year and as a result, the shareholder loans have been classified as long-term on the balance sheet.

The Company had a loan receivable of \$3,960,000 (2024 - \$3,960,000) at February 22, 2025 from a company under common control that is non-interest bearing and due on demand.

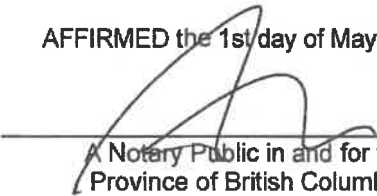
The above balances and transactions are in the normal course of business and are measured at their exchange amount, which is the amount of consideration established and agreed to by the related parties.

11. Subsequent events

On April 22, 2025, the Company completed the acquisition of Bootlegger Clothing Inc., a company under common control. Additionally, on June 4, 2025, the Company renegotiated its revolving credit facility, increasing the maximum borrowing limit to \$11,000,000.

This is Exhibit "L" referred to in the
Affidavit of SHAMSH KASSAM

AFFIRMED the 1st day of May, 2026,


A Notary Public in and for the
Province of British Columbia



ANDREW BULL
NOTARY PUBLIC
STERN PARTNERS INC.
2650 - 733 Seymour Street
Vancouver, BC V6B 0S6
Tel: 604-646-3601
Email: abull@sternpartners.com

Warehouse One Clothing Inc.
Balance Sheet
As at February 28, 2026
In CAD \$ 000s

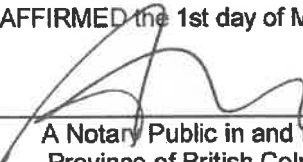
	Actual FY2026
Assets	
Cash	53
Restricted Cash	3,296
Accounts receivable	261
Inventory	12,640
Inventory in transit	4,202
Prepays	1,195
Note Receivable from 9383158 Canada Inc.	3,960
Total current assets	25,606
Capital assets	32,350
Less accumulated depreciation	(27,114)
Net capital assets	5,236
Total assets	30,843
Liabilities and shareholder's equity	
Bank indebtedness	3,726
Trade accounts payable	6,974
Other accounts payable & accrued liabilities	2,970
Accrued payroll liabilities	2,253
Total current liabilities	15,923
Deferred revenue	897
Deferred inducements	331
Due to shareholders	31,457
Total long-term liabilities	32,684
Total liabilities	48,607
Shareholder's equity	—
Common shares	0
Retained earnings (deficit)	(2,797)
YTD earnings	(14,968)
Shareholder's equity	(17,764)
Total liabilities and shareholder's equity	30,843

Warehouse One Clothing Inc.
Income Statement
For the fiscal year ended February 28, 2026
In CAD \$ 000s

	Actual FY2026
Total Net Sales	74,133
Gross Profit	
Cost of Goods Sold	(33,724)
Net Delivery	(477)
Net Print Shop	(2)
Inventory Adjustment	(81)
Total Gross Profit	39,850
Store Expenses	
Salaries & Benefits	19,996
Area Supervision	1,286
Other Selling	1,143
Occupancy	13,575
Local Taxes	1,286
Marketing	2,437
Visual Display	10
Transportation	1,710
Credit And Payment Handling	768
Other Revenue	0
Total Store Expenses	42,211
Store Contribution	(2,361)
Overhead Costs	9,951
Distribution	2,129
Total Expenses	54,291
EBITDA	(14,441)
Depreciation And Amortization	2,348
Non-Recurring Expenses	(3,368)
Interest	1,546
Net Income/ (Loss)	(14,968)

This is Exhibit "M" referred to in the
Affidavit of SHAMSH KASSAM

AFFIRMED the 1st day of May, 2026,


A Notary Public in and for the
Province of British Columbia

ANDREW BULL
NOTARY PUBLIC
STERN PARTNERS INC.
2650 - 733 Seymour Street
Vancouver, BC V6B 0S6
Tel: 604-646-3601
Email: abull@sternpartners.com

AGREEMENT FOR THE PURCHASE OF DEBT AND SECURITY

Dated: April 28, 2026

BACKGROUND

A. Reference is made to the credit facility letter agreement dated April 16, 2010 (as amended, modified and supplemented from time to time and in effect at the date hereof, the **"WH1 Credit Agreement"**), made between Warehouse One Clothing Ltd. (the **"Borrower"**), as borrower, and Canadian Imperial Bank of Commerce (**"CIBC"** and sometimes referred to herein as the **"Lender"**), as lender, pursuant to which CIBC has made available to the Borrower:

- (1) a demand revolving operating line of credit (the **"LOC"**) in the principal amount of up to \$10,000,000 under which advances in an aggregate amount \$7,100,493.14, plus accrued and unpaid interest of \$27,053.76 (collectively, the **"LOC Advances"**) are outstanding as at the date of this Agreement (the **"Closing Date"**);
- (2) a \$3,250,000 demand credit for documentary letters of credit (the **"LC Facility"**) under which the letters of credit described in **Schedule 1** hereto (collectively, the **"Outstanding LCs"**) having an aggregate face amount (or the equivalent amount in Canadian Dollars) of \$2,592,000 are outstanding at the Closing Date; and
- (3) a demand credit for foreign exchange contracts (the **"F/X Facility"**) for the entry into forward foreign exchange contracts (**"F/X Contracts"**) with a maximum aggregate contingency exposure (as determined by the Lender) of USD\$100,000 and under which F/X Facility no F/X Contracts are currently issued and no obligations are currently outstanding,

(collectively, the **"WH1 Credit Facilities"**).

B. Pursuant to the WH1 Credit Agreement:

- (1) the Borrower has executed and delivered to the Lender the loan and security documents contemplated therein (collectively, with the Credit Agreement, the **"WH1 Loan Documents"**), including, without limitation, the agreements, instruments and documents identified in **Schedule 2** hereto and an investment property pledge agreement dated as of October 17, 2025 (the **"WH1 Pledged Account Agreement"**) made by the Borrower to assign and pledge in favour of CIBC the cash or positive account credit balances from time to time maintained by the Borrower in CIBC bank account number 00010-1997319 (the **"WH1 Pledged Account"**) and pursuant to which the Borrower has placed on deposit in such Pledged Account cash or other liquid investment property in an aggregate amount of \$3,250,000 (the **"WH1 Pledged Cash"**); and
- (2) as security for the obligations arising thereunder, the Borrower has created and granted in favour of CIBC the mortgages, charges, assignments, pledges, security interests, Liens and other encumbrances granted or created under the respective WH1 Loan Documents (collectively, the **"WH1 Security Interests"**), which WH1 Security Interests include, without limitation, all mortgages, charges, assignments, pledges, security interests, Liens and other encumbrances evidenced or perfected by any one or more of the security registrations, filings and notices described in **Schedule 3** hereto (collectively, the **"WH1 Security Registrations"**).

- C. With the consent of CIBC, 6879900 Canada Inc. ("**6879900**"), an affiliate of the Purchaser (as defined below) hereunder, has assumed all obligations of the Borrower under and in connection with the Outstanding LCs, including, without limitation, the indemnification obligations and all interest, fees and any and all other amounts now and from time to time hereafter accrued, accruing or otherwise owing by the Borrower under or in connection therewith (collectively, the "**Assumed Obligations**") pursuant to an Agreement for the Substitution of Applicants dated as of April 22, 2026 made between CIBC and 6879900 (the "**Substitution Agreement**");
- D. The Assumed Obligations have been evidenced by and documented under a new credit facility letter agreement (the "**6879900 LC Facility Agreement**") dated as of April 22, 2026 made between CIBC and 6879900, under which CIBC and 6879900, among other things, have acknowledged and agreed that the Outstanding LCs shall be treated as having been issued under and will be governed by the 6879900 LC Facility Agreement, with 6879900 as applicant in respect thereof;
- E. In consideration of the assumption by 6879900 of the Assumed Obligations, and for other good and valuable consideration, the Borrower has directed CIBC to withdraw from the WH1 Pledged Account the sum of \$2,625,000 (the "**6879900 Pledged Cash**") and to transfer such amount to CIBC account number 000101790714 (being an account maintained by 6879900 with CIBC) (the "**6879900 Pledged Account**");
- F. Pursuant to an investment property pledge agreement dated as of April 22, 2026 (the "**6879900 Pledged Account Agreement**"), 6879900 has pledged and assigned to CIBC all positive credit balances maintained by 6879900 in the 6879900 Pledged Account from time to time, up to the amount of the 6879900 Pledged Cash, as security for the obligations of 6879900 arising under and in connection with the 6879900 LC Facility Agreement, including, without limitation, the indemnification obligations in respect of and all interest, fees and any and all other amounts accrued, accruing or otherwise owing by 6879900 in connection with the Outstanding LCs (collectively, the "**6879900 LC Obligations**")
- G. In consideration of 6879900 entering into the 6879900 LC Facility Agreement and the Substitution Agreement, assuming and acknowledging and agreeing to be responsible for and bound by the 6879900 LC Obligations and entering into the 6879900 Pledged Account Agreement, CIBC has agreed to release and discharge the Borrower from its indebtedness, liabilities and obligations in respect of the Outstanding LCs;
- H. Highgate Capital Ltd. (the "**Purchaser**") and CIBC wish to enter into a transaction (the "**Debt Purchase Transaction**") pursuant to which the Purchaser will purchase and assume from CIBC and CIBC will sell and assign to the Purchaser all present and future right, title and interest of CIBC in and to and all of CIBC's obligations and liabilities arising under or in connection with:
- (1) the WH1 Credit Agreement and the WH1 Credit Facilities, including, without limitation, the LOC and the LOC Advances, the F/X Facility and all interest, fees, including standby fees, and any and all other amounts now and from time to time hereafter accrued, accruing or otherwise owing under or in connection with any of the foregoing or any of the other WH1 Loan Documents;
 - (2) the WH1 Loan Documents, the WH1 Security Interests and the WH1 Security Registrations and all rights, claims, benefits and remedies of CIBC arising thereunder or in connection therewith, including all rights, claims and interests in and to any and all property, assets and undertaking of the Borrower pursuant thereto; and

- (3) all present and future rights, title, claims, interests and benefits of CIBC in, to or under the items referred to in (1) and (2) above, including, but not limited to, all contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related thereto,

but specifically excluding:

- (4) the rights, title, interest and benefit of CIBC in and to the Outstanding LCs and all liabilities of WH1 in connection therewith, the 6879900 Pledged Cash, the 6879900 Pledged Account Agreement, the charges and security interests created thereunder and any other security interests otherwise held by CIBC as security specifically and exclusively for the 6879900 LC Facility Agreement and the obligations arising under or in connection therewith,

(all such items described in (1), (2) and (3) above, but excluding the items described in (4) above, are hereinafter referred to as "**Purchased Interest**").

- I. CIBC and the Purchaser have agreed to enter into and complete the Debt Purchase Transaction on the terms and conditions set out in this Agreement.

NOW THEREFORE, in consideration of the payments and the mutual representations, warranties, covenants and agreements of the parties made herein, including the payment to be made by the Purchaser to CIBC pursuant to section 2 below, and of other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties to this Agreement, the parties agree as follows:

1. In this Agreement:

- a. Capitalized terms used but not otherwise defined herein shall have the meanings given to those terms in the WH1 Credit Agreement and, in addition to the terms defined above or elsewhere in the body of this Agreement, the following terms shall have the meanings indicated below:

"Bank Act Security" means the instruments and documents delivered by the Borrower to the Lender pursuant to S. 427 of the *Bank Act* (Canada) which are described in Part Two of Schedule 2 hereto;

"IP Security Registrations" means the WH1 Security Registrations described in Section 2 of Schedule 3;

- b. Any reference to "\$" or "Dollars", unless otherwise expressly indicated (as, for example, by a reference to "US\$" or US Dollars") shall be a reference to the specified amount in the lawful currency of Canada.

2. In consideration of the assignment and transfer by CIBC to the Purchaser of, and the assumption by the Purchaser of CIBC's obligations under and in respect of, the Purchased Interest in accordance with this Agreement, the Purchaser shall pay to CIBC the sum of **\$7,127,561.90** (the "**Purchase Price**"), which Purchase Price CIBC hereby irrevocably authorizes and directs the Purchaser to pay to CIBC by way of wire transfer or electronic direct deposit to the CIBC bank account the particulars of which are set out in **Schedule 4** to this Agreement (the "**CIBC Account**"), provided that if CIBC receives the Purchase Price in the CIBC Account at a time subsequent to 5:00 p.m. (Vancouver time) on the Closing Date, but not later than 5:00 p.m. (Vancouver time) on the Business Day immediately following Closing Date, the Purchaser shall

owe to CIBC an additional *per diem* of in the amount advised by CIBC on the date of payment, which shall be added to and shall form part of the Purchase Price. If CIBC does not receive the Purchase Price, inclusive of any applicable additional amount(s) *per diem*, as aforesaid by 5:00 p.m. (Vancouver time) on the Business Day immediately following the Closing Date, the Purchase Price shall no longer be valid and the Purchaser shall require an updated purchase price in respect of the Purchased Interest, in which case, CIBC agrees that it will promptly enter into a revised version of this Agreement, in substantially the form hereof, but reflecting the new purchase price for the Purchased Interest. For the purposes of the payment of the Purchase Price by way of intra-bank electronic direct deposit, the Borrower hereby irrevocably authorizes CIBC to withdraw funds in the amount of the Purchase Price from the Borrower's CIBC account #000102262002 and to deposit such funds directly to the CIBC Account.

3. Subject to the terms and conditions hereof, effective immediately upon CIBC having received for value in the CIBC Account, by way of wire transfer or electronic direct deposit, prior to 5:00 p.m. (Vancouver time) on the Business Day immediately following the Closing Date, immediately available funds in the amount of not less than the Purchase Price, inclusive of any applicable additional amount(s) *per diem*:
 - a. CIBC hereby irrevocably and absolutely sells, transfers and assigns to the Purchaser, without recourse to CIBC (except to the extent provided in paragraphs (d) and (h) below), all of the right, title, interest and benefit of CIBC in and to the Purchased Interest, to have, hold and receive the same unto the Purchaser with full power and authority to demand and enforce payment thereof and the Purchaser shall be and is hereby vested with all of the rights, powers, privileges and duties of CIBC under or in connection with the Purchased Interest;
 - b. The Purchaser hereby accepts and assumes all obligations and liabilities of CIBC under and agrees to be responsible for and bound by all covenants, obligations and liabilities of CIBC under and in respect of the Purchased Interest, all provided that such acceptance and assumption by the Purchaser and such agreement of the Purchaser to be so responsible and bound, shall relate, extend and apply to the Purchased Interest only to the extent such covenants, obligations and liabilities arise or accrue on or after the Closing Date;
 - c. Except as otherwise set out in paragraphs (d) and (h) below, CIBC is hereby discharged from and shall have no further rights, powers, privileges, duties, liabilities or obligations under or in connection with the Purchased Interest, including, in particular, but without limitation, the WH1 Security Interests and the WH1 Security Registrations;
 - d. The Purchaser shall have no liability or responsibility for any actions taken or any omissions of or made by CIBC in connection with the WH1 Credit Agreement, the WH1 Security Interests or any other part of the Purchased Interest prior to the Closing Date, which liability and responsibility shall remain with CIBC;
 - e. CIBC shall have no liability or responsibility for any actions taken or omissions of or made by the Purchaser in connection with the WH1 Credit Agreement the WH1 Security Interests or any other part of the Purchased Interest after the Closing Date, which liability and responsibility shall be the liability and responsibility of the Purchaser, provided that any indemnity or like provision for the benefit of the Lender in the WH1 Credit Agreement or any WH1 Loan Document relating to the Purchased Interest, shall continue to enure to the benefit of CIBC as and to the extent the same relates to any actions taken or omitted to be taken by CIBC prior to the Closing Date and while it was party to and the lender under the WH1 Credit Agreement or such WH1 Loan Documents;

f. The Purchaser shall be a party to the WH1 Credit Agreement and the other WH1 Loan Documents in the place and stead of CIBC and, to the extent provided in this Agreement, (i) the Purchaser shall have the rights and obligations of the Lender thereunder, and (ii) CIBC shall relinquish its rights and be released from its obligations thereunder;

g. CIBC hereby:

- (i) terminates, releases and discharges the Bank Act Security and CIBC shall, as soon as reasonably practicable, execute and deliver to the Purchaser such forms of notice of release and discharge as may be necessary or desirable to file with the authorized Section 427 Bank Act Registrar in order to give full force and effect to the release of the Bank Act Security given herein.
- (ii) releases and discharges the Borrower from all of its indebtedness, liabilities and obligations in respect of the Outstanding LCs, including, without limitation, any and all obligations to indemnify CIBC for any amounts from time to time drawn under any of the Outstanding LCs and any and all interest, fees and other amounts now and from time to time hereafter accrued, accruing or otherwise owing in respect of the Outstanding LCs;

h. CIBC will, promptly:

- (i) from time to time execute and deliver all such further instruments and documents and do all acts and things as the purchaser may reasonably require to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement. Any such acts done by CIBC will be at the expense of the Borrower.
- (ii) deliver to the Purchaser any and all certificates, powers of attorney or any other instruments or powers of transfer evidencing or executed in respect of any equity interests in the Borrower together with any and all other possessory collateral forming part of the Purchased Interest then in the possession of CIBC;
- (iii) execute and deliver to the Purchaser, as it may reasonably request from time to time, and at the sole expense of the Borrower, such financing change statements, financing statement amendments, notices of release or transfer and/or any other notices as may reasonably be requested by the Purchaser to give full force and effect to the purchase, assignments and transfers of the Purchased Interest made in this Agreement, including, without limitation:
 - (A) such notices, transfers and assignments as may be necessary or advisable to reflect the transfer of the Purchased Interest and the IP Security registrations with the Canadian Intellectual Property Office;
 - (B) registrable forms of release and discharge of the Bank Act Security; and
 - (C) notice to any insurer of the transfer by CIBC to the Purchaser of CIBC's interest as loss payee and/or additional named insured under any policies of insurance held in respect of the Borrower and any of its assets and that any notice of the interest of CIBC may be deleted in favour of a similar notice in respect of the Purchaser;

- i. CIBC hereby authorizes and directs the Purchaser, or any of its respective counsel or agents to prepare, make and effect the registration of any and all such financing change statements, financing statement amendments, notices of assignment, transfer or release with the Canadian Intellectual Property Office, the Personal Property Registry for British Columbia or any other applicable public registry in Canada or any province or territory thereof to reflect the assignment and transfer by CIBC to the Purchaser of the WH1 Security Registrations, including, in particular, but without limitation, the IP Security Registrations.
 - j. CIBC irrevocably authorizes and directs the Borrower, as and from the Closing Date, to make all payments in respect of the Purchased Interest (including payments of principal, interest, fees and other amounts) directly to the Purchaser.
 - k. The Borrower hereby acknowledges receipt of notice and a copy of this Agreement and acknowledges, confirms and agrees with all the terms and conditions hereof and, in particular, but without limitation, that:
 - (i) the Purchaser shall be a party to the respective WH1 Loan Documents in the place and stead of the Lender;
 - (ii) all payments in respect of the Purchased Interest (including payments of principal, interest, fees and other amounts) accruing, owing and/or coming due shall be made by the Borrower directly to the Purchaser; and
 - (iii) there shall not by virtue of this Agreement or any of the acknowledgements, covenants and agreements of the parties made herein be or be deemed to have been any refinancing, repayment, extinguishment or novation of any indebtedness, obligation, covenant, agreement or other liability of the Borrower comprising or constituting any part of the Purchased Interest at the Closing Date, all of which indebtedness, obligations, covenants, agreements and liabilities shall continue in full force and effect for the benefit of the Purchaser and are hereby acknowledged, ratified and confirmed by the Borrower in all respects.
4. CIBC (i) represents and warrants that it is legally authorized and has the necessary power and authority to enter into and perform its obligations under this Agreement and that it has not assigned or encumbered any of its rights, title or interest in the Purchased Interest, (ii) makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with the WH1 Credit Agreement, any other WH1 Loan Document or any other instrument, document or agreement executed in conjunction therewith (collectively, the "Ancillary Documents") or the execution, legality, validity, enforceability, genuineness, sufficiency or value of the WH1 Loan Documents, or all or any other part of the Purchased Interest or any of the Ancillary Documents furnished pursuant thereto, other than that it is the legal and beneficial owner of and has the necessary power and authority to transfer the Purchased Interest and that the Purchased Interest is free and clear of any adverse claim and (iii) makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Borrower or the performance or observance by the Borrower of any of its obligations under the Loan Documents or any of the Ancillary Documents furnished pursuant thereto.
5. The Purchaser (i) represents and warrants that it is legally authorized to enter into and perform its obligations under this Agreement; (ii) confirms that it has received a copy of the WH1 Credit

Agreement and the other WH1 Loan Documents, together with the copies of the most recent financial statements of the Borrower, and such other documents and information as it has deemed appropriate to make its own credit analysis; and (iii) agrees that it will, independently and without reliance upon CIBC and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the WH1 Credit Agreement and the other WH1 Loan Documents.

6. The Borrower, by providing its acknowledgment, confirmation and agreement as to the terms and conditions hereof as provided below, hereby agrees to (i) indemnify and save CIBC harmless from, and (ii) pay on demand to CIBC all reasonable fees, costs and expenses, (including all reasonable legal fees) incurred by CIBC in connection with the review, negotiation, completion, execution and delivery of this Agreement and the consummation of the transactions contemplated hereon. Without limiting the foregoing, the Borrower hereby irrevocably authorizes CIBC to withdraw funds in the amount of \$4,424.00 from the Borrower's CIBC account #000102262002 and to utilize such funds to pay to Blake Cassels and Graydon LLP in satisfaction of their fees, disbursements and applicable taxes in connection with their work on this Agreement and the Debt Purchase Transaction in the same amount.
7. This Assignment and Transfer Agreement shall be governed by, and construed in accordance with, the laws of the Province of British Columbia and the federal laws of Canada applicable therein.
8. This Agreement may be executed in counterparts and delivered by facsimile or email transmission and by the parties in separate counterparts, each of which when so executed and delivered shall be deemed an original and all of which, taken together, shall constitute one and the same instrument. For the purposes of this Agreement, the words "execution," "signed," "signature," and words of like import shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any Applicable Law, including the *Electronic Transaction Act* (British Columbia), Parts 2 and 3 of the *Personal Information Protection and Electronic Documents Act* (Canada) and other similar federal or provincial laws based on the *Uniform Electronic Commerce Act* of the Uniform Law Conference of Canada or its *Uniform Electronic Evidence Act*, as the case may be.

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized signatories as of the date first above written.

CANADIAN IMPERIAL BANK OF COMMERCE, as Lender

By: 

Name: Sam Jamal
Title: Authorized Signatory

By: _____

Name:
Title:

HIGHGATE CAPITAL LTD., as Purchaser

By: _____

Name:
Title:

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized signatories as of the date first above written.

CANADIAN IMPERIAL BANK OF COMMERCE, as Lender

By: _____
Name:
Title:

By: _____
Name:
Title:

HIGHGATE CAPITAL LTD., as Purchaser

By:  _____
Name: Shamsh Kassam
Title: Director

Acknowledged, consented to, accepted and agreed by the Borrower

WAREHOUSE ONE CLOTHING LTD., as Borrower

By:



Name: Shamsh Kassam
Title: Director

SCHEDULE 1

Outstanding LCs

Instrument Number	Beneficiary Name	Face Amount	Maturity Date
SBGV174786	Western Glove Works	600,000	24-Mar-27
SBGV175445	Bestseller Wholesale Canada Inc.	400,000	11-Jun-26
SBGV175347	Getracan Inc.	200,000	12-Jun-26
SBGV175493	R.D. International Style Collections Ltd.	200,000	31-Jan-27
SBGV176613	Triple 5 Inc.	100,000	30-Apr-26
SBGV177531	Selected Denim Group Inc.	275,000	30-Jun-26
SBGV178320	Warp Weft World Inc.	210,000	16-Jun-26
SBGV178857	Kontoor Brands Inc.	100,000	18-Jun-26
SBGV182551	Benisti Import-Export Inc.	165,000	31-Dec-26
SBGV182552	Point Zero Girls Club Inc.	85,000	31-Dec-26
SBGV183970	Centric Canada Apparel & Accessories ULC	160,000	31-Jul-26

Total - CAD Denominated Letters of Credit 2,495,000

Instrument Number	Beneficiary Name	Face Amount	Canadian Dollar Equivalent Amount	Maturity Date
SBGV175683	GLY Inc.	US\$70,000	\$97,000	30-Mar-26
Total - USD Denominated Letters of Credit		US\$70,000	\$97,000	

Total Face Value of Letters of Credit Issued (Canadian Dollar Equivalent) \$2,592,000

SCHEDULE 2

Loan Documents

Part One

1. the WH1 Credit Agreement
2. Amendment No. 1 to the WH1 Credit Agreement dated December 22, 2010
3. Amendment No. 2 to the WH1 Credit Agreement dated July 22, 2015
4. Amendment No. 3 to the WH1 Credit Agreement dated May 25, 2020
5. Amendment No. 4 to the WH1 Credit Agreement dated October 13, 2020
6. Amendment No. 5 to the WH1 Credit Agreement dated June 7, 2021
7. Amendment No. 6 to the WH1 Credit Agreement dated March 28, 2024
8. Amendment No. 7 to the WH1 Credit Agreement dated December 30, 2024
9. Amendment No. 8 to the WH1 Credit Agreement dated May 6, 2025
10. Amendment No. 9 to the WH1 Credit Agreement dated June 4, 2025
11. Application for an Irrevocable Standby Letter of Credit made by the Borrower dated July 17, 2025
12. Application for an Irrevocable Standby Letter of Credit made by the Borrower dated January 22, 2026 in respect of Beneficiary Point Zero Girls Club Inc.

Part Two

13. Notice of Intention to give security under Section 427 of the Bank Act (Canada) from the Borrower dated April 30, 2010
14. Application for Credit and Promise to Give Special Security under the Bank Act dated May 17, 2010 made by the Borrower in favour of CIBC
15. Special Security in respect of specified property or classes of property described in Section 427 of the Bank Act (Canada) dated May 17, 2010 made by the Borrower in favour of CIBC
16. Contract relative to Special Security under the Bank Act (Canada) dated May 17, 2010 made by the Borrower in favour of CIBC
17. Notice of Intention to give security under Section 427 of the Bank Act (Canada) from the Borrower dated February 26, 2013;
18. Application for Credit and Promise to Give Special Security under the Bank Act (Canada) dated March 8, 2013 made by the Borrower in favour of CIBC
19. Letter of Authorization for Section 427 under the Bank Act (Canada) dated February 26, 2013 made by the Borrower in favour of CIBC;
20. Notice of Intention to give security under Section 427 of the Bank Act (Canada) from the Borrower dated January 18, 2016;

21. Application for Credit and Promise to Give Special Security under the Bank Act (Canada) from the Borrower dated February 11, 2016;
22. Letter of Authorization for Section 427 under the Bank Act (Canada) from the Borrower dated January 18, 2016
23. Notice of Intention to give security under Section 427 of the Bank Act (Canada) from the Borrower dated March 31, 2022;
24. Notice of Intention to give security under Section 427 of the Bank Act (Canada) from the Borrower dated May 30, 2025;
25. Letter of Authorization for Section 427 under the Bank Act dated May 30, 2025 made by the Borrower in favour of CIBC
26. Special Security in respect of specified property or classes of property described in Section 427 of the Bank Act made by the Borrower in favour of CIBC (undated)
27. Contract relative to Special Security under the Bank Act (Canada) made by the Borrower in favour of CIBC (undated)
28. Application for Credit and Promise to Give Special Security under the Bank Act (Canada) made by the Borrower in favour of CIBC (undated)

Part Three

29. Guarantee of the obligations of the Borrower made by Warehouse One Atlantic Limited Partnership dated April 30, 2010
30. Guarantee of the obligations of the Borrower made by Warehouse One Atlantic Ltd. dated April 30, 2010;
31. Investment Property Pledge Agreement made by the Borrower in favour of CIBC dated October 17, 2025
32. Investment Property Pledge Agreement made by the Borrower in favour of CIBC dated May 6, 2025
33. Assignment and postponement of Claim made by 4565038 Manitoba Ltd. in favour of CIBC dated October 15, 2020
34. Assignment and postponement of Claim made by 6879900 Canada Inc. in favour of CIBC dated May 30, 2025
35. Undated assignment and postponement of Claim made by 4565038 Manitoba Ltd., by its attorney, Max Maryk, in favour of CIBC
36. Assignment and postponement of Claim made by Who Industries Inc. in favour of CIBC dated May 30, 2025
37. Security agreement made by Warehouse One Atlantic Limited Partnership in favour of CIBC dated October 15, 2020
38. Security agreement made by the Borrower in favour of CIBC dated April 30, 2010
39. Security agreement made by Warehouse One Atlantic Ltd. in favour of CIBC dated April 30, 2010;
40. Priority agreement and postponement of security made by WHO Industries Inc. in favour of CIBC dated June 19, 2025

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41. Priority agreement and postponement of security made by 4565038 Manitoba Ltd. in favour of CIBC dated June 19, 2025;
42. Priority agreement made by WHO Industries Inc. in favour of CIBC dated April 22, 2010

SCHEDULE 3

Security Registrations

1. Personal Property Registrations

Debtor	Jurisdictions	Registration Numbers
Warehouse One Clothing Ltd. Warehouse One Atlantic Ltd. Warehouse One Atlantic Limited Partnership	British Columbia	541878F 165013R (Renewal) 113375M (Renewal) 460587I (Renewal)
Warehouse One Clothing Ltd. Warehouse One Atlantic Ltd. Warehouse One Atlantic Limited Partnership	Alberta	10050528895 15022620229 (Renewal) 20031120526 (Renewal)
Warehouse One Clothing Ltd. Warehouse One Atlantic Ltd. Warehouse One Atlantic Limited Partnership	Saskatchewan	302703140
Warehouse One Clothing Ltd. Warehouse One Atlantic Ltd. Warehouse One Atlantic Limited Partnership	Manitoba	201007087204
Warehouse One Clothing Ltd. Warehouse One Atlantic Ltd. Warehouse One Atlantic Limited Partnership	Ontario	20100505 1944 1531 1660 20150226 1945 1531 7310 (Renewal) 20200311 1143 1219 3426 (Renewal)
Warehouse One Clothing Ltd. Warehouse One Atlantic Ltd. Warehouse One Atlantic Limited Partnership	Nova Scotia	16604852 23938384 (Renewal) 32542706 (Renewal) 41187923 (Renewal)
Warehouse One Clothing Ltd. Warehouse One Atlantic Ltd. Warehouse One Atlantic Limited Partnership <i>**Note – Secured Party is CIBC – National Commercial Sales & Service Centre**</i>	Northwest Territories	778753 1188823 (Renewal) 1644402 (Renewal)
Warehouse One Clothing Ltd. Warehouse One Atlantic Ltd. Warehouse One Atlantic Limited Partnership	Yukon	6550263 8211877 (Renewal) 9209313 (Renewal)

2. Intellectual Property Registrations

None

3. Bank Act (Canada) Security Registration

Province	Registration Number	Registration Date	Expiry Date
Manitoba	11353087	June 11, 2025	December 31, 2030

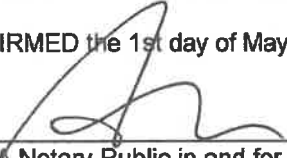
SCHEDULE

CIBC Account

Currency:	CAD
Bank Name:	CIBC Main Branch Commerce Court, 199 Bay St. Toronto ON CA M5L 1G9
SWIFT Code:	CIBCCATT
Bank ID:	0010
Transit No.:	00002
Account No.:	09-55515
Beneficiary Acct. Name:	CORPORATE CLIENT SUPPORT CENTRE SUSPENSE ACCOUNT
Beneficiary Address:	40 Dundas St. West 5 th Floor Toronto ON M5L 1A2
Reference:	Warehouse One Clothing Ltd.
Attention:	CPS CAD Loan Operations

This is Exhibit "N" referred to in the
Affidavit of SHAMSH KASSAM

AFFIRMED the 1st day of May, 2026,


A Notary Public in and for the
Province of British Columbia

ANDREW BULL
NOTARY PUBLIC
STERN PARTNERS INC.
2650 - 733 Seymour Street
Vancouver, BC V6B 0S6
Tel: 604-646-3601
Email: abull@sternpartners.com



GRID PROMISSORY NOTE

DATE OF ISSUE: October 15, 2020.

FOR VALUE RECEIVED, **WAREHOUSE ONE CLOTHING LTD.**, a corporation incorporated pursuant to the federal laws of Canada and having its registered and records offices at 1800 – 510 West Georgia Street, Vancouver, British Columbia V6B 0M3 (the "Debtor"), hereby promises to pay to, or to the order of, **WHO INDUSTRIES INC.**, a corporation incorporated pursuant to the federal laws of Canada and having its registered and records offices at 1800 – 510 West Georgia Street, Vancouver, British Columbia V6B 0M3 (the "Holder"), the amount of the unpaid balance from time to time owing by the Debtor to the Holder as recorded by the Holder from time to time on the grid set out in Schedule A attached to this Note, in the lawful currency of Canada (the "Principal Amount"), without interest, within ten days of receipt of a demand for repayment by the Holder.

1. Advances

The Debtor hereby authorizes and directs the Holder to record on Schedule A all advances, repayments and prepayments of any Principal Amount, and the unpaid balance of the Principal Amount from time to time. The Debtor hereby agrees that, in the absence of manifest error, the record kept by the Holder on Schedule A to this Note will be conclusive evidence of the matters recorded, provided that the failure of the Holder to record or correctly record any amount or date will not affect the obligations of the Debtor to pay the outstanding Principal Amount of the advances actually made, as to which the Holder's own records will be *prima facie* evidence thereof.

2. Repayment

The Debtor acknowledges and agrees that the entire amount of any unpaid balance of the Principal Amount will become immediately payable on demand upon ten days' written notice by the Holder to the Debtor requesting payment in accordance with the terms of this Note.

3. Prepayment Privileges

The Debtor may from time to time pay the whole or any part of the Principal Amount without notice or penalty.

4. Issuance of Replacement Note

If this Note becomes mutilated, lost, destroyed or stolen, the Debtor will, upon receipt of a declaration of loss from the Holder in a form satisfactory to the Debtor, acting reasonably, issue and deliver to the Holder a new promissory note of like date and tenor as the one mutilated, lost, destroyed or stolen, in exchange for and in place of and upon cancellation of such mutilated, lost, destroyed or stolen promissory note.

5. Holder's Non-Waiver of Rights

Failure of the Holder to enforce any of its rights or remedies under this Note, including the granting of an extension of time for payment of all or any part of an amount owing hereunder, will not constitute a waiver of the rights of the Holder to enforce such rights and remedies thereafter.

6. Debtor's Waiver

The Debtor hereby waives any grace period, presentment for payment, notice of dishonour and non-payment, protest and notice of protest, and any and all other notices and demands in connection with the delivery, acceptance, performance, default or enforcement of this Note.

7. Governing Law

This Note (and any transactions, documents, instruments or other agreements contemplated in this Note) will be construed and governed exclusively by the laws in force in British Columbia and the laws of Canada applicable therein, and the courts of British Columbia (and Supreme Court of Canada, if necessary) will have exclusive jurisdiction to hear and determine all disputes arising hereunder. The undersigned irrevocably attorns to the jurisdiction of said courts and consents to the commencement of proceedings in such courts. This provision will not be construed to affect the rights of the Holder to enforce a judgment or award outside of British Columbia, including the right to record and enforce a judgment or award in any other jurisdiction.

IN WITNESS WHEREOF, the undersigned has duly executed this Note as of the date first written above.

WAREHOUSE ONE CLOTHING LTD.

Per: 

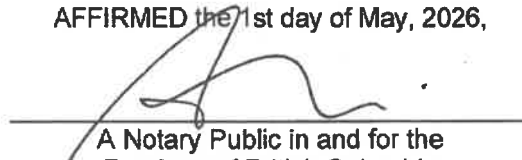
Authorized Signatory

**SCHEDULE A
GRID**

[illegible]

This is Exhibit "O" referred to in the
Affidavit of SHAMSH KASSAM

AFFIRMED the 1st day of May, 2026,



A Notary Public in and for the
Province of British Columbia



ANDREW BULL
NOTARY PUBLIC
STERN PARTNERS INC.

2650 - 733 Seymour Street
Vancouver, BC V6B 0S6
Tel: 604-646-3601
Email: abull@sternpartners.com

GRID PROMISSORY NOTE

DATE OF ISSUE: October 15, 2020

FOR VALUE RECEIVED, WAREHOUSE ONE CLOTHING LTD., a corporation incorporated pursuant to the federal laws of Canada and having its registered and records offices at 1800 – 510 West Georgia Street, Vancouver, British Columbia V6B 0M3 (the "**Debtor**"), hereby promises to pay to, or to the order of, **4565038 MANITOBA LTD.**, a company existing under the laws of Manitoba with an address at 3050 Henderson Hwy, East St Paul, Manitoba, R2E 0H9 Canada (the "**Holder**"), the amount of the unpaid balance from time to time owing by the Debtor to the Holder as recorded by the Holder from time to time on the grid set out in Schedule A attached to this Note, in the lawful currency of Canada (the "**Principal Amount**"), without interest, within ten days of receipt of a demand for repayment by the Holder.

1. Advances

The Debtor hereby authorizes and directs the Holder to record on Schedule A all advances, repayments and prepayments of any Principal Amount, and the unpaid balance of the Principal Amount from time to time. The Debtor hereby agrees that, in the absence of manifest error, the record kept by the Holder on Schedule A to this Note will be conclusive evidence of the matters recorded, provided that the failure of the Holder to record or correctly record any amount or date will not affect the obligations of the Debtor to pay the outstanding Principal Amount of the advances actually made, as to which the Holder's own records will be *prima facie* evidence thereof.

2. Repayment

The Debtor acknowledges and agrees that the entire amount of any unpaid balance of the Principal Amount will become immediately payable on demand upon ten days' written notice by the Holder to the Debtor requesting payment in accordance with the terms of this Note.

3. Prepayment Privileges

The Debtor may from time to time pay the whole or any part of the Principal Amount without notice or penalty.

4. Issuance of Replacement Note

If this Note becomes mutilated, lost, destroyed or stolen, the Debtor will, upon receipt of a declaration of loss from the Holder in a form satisfactory to the Debtor, acting reasonably, issue and deliver to the Holder a new promissory note of like date and tenor as the one mutilated, lost, destroyed or stolen, in exchange for and in place of and upon cancellation of such mutilated, lost, destroyed or stolen promissory note.

5. Holder's Non-Waiver of Rights

Failure of the Holder to enforce any of its rights or remedies under this Note, including the granting of an extension of time for payment of all or any part of an amount owing hereunder, will not constitute a waiver of the rights of the Holder to enforce such rights and remedies thereafter.

6. Debtor's Waiver

The Debtor hereby waives any grace period, presentment for payment, notice of dishonour and non-payment, protest and notice of protest, and any and all other notices and demands in connection with the delivery, acceptance, performance, default or enforcement of this Note.

7. Governing Law

This Note (and any transactions, documents, instruments or other agreements contemplated in this Note) will be construed and governed exclusively by the laws in force in British Columbia and the laws of Canada applicable therein, and the courts of British Columbia (and Supreme Court of Canada, if necessary) will have exclusive jurisdiction to hear and determine all disputes arising hereunder. The undersigned irrevocably attorns to the jurisdiction of said courts and consents to the commencement of proceedings in such courts. This provision will not be construed to affect the rights of the Holder to enforce a judgment or award outside of British Columbia, including the right to record and enforce a judgment or award in any other jurisdiction.

IN WITNESS WHEREOF, the undersigned has duly executed this Note as of the date first written above.

WAREHOUSE ONE CLOTHING LTD.

Per: 

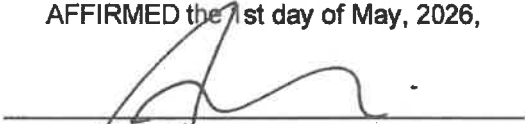
Authorized Signatory

SCHEDULE A GRID

[illegible]

This is Exhibit "P" referred to in the
Affidavit of SHAMSH KASSAM

AFFIRMED the 1st day of May, 2026,



A Notary Public in and for the
Province of British Columbia



ANDREW BULL
NOTARY PUBLIC
STERN PARTNERS INC.
2650 - 733 Seymour Street
Vancouver, BC V6B 0S6
Tel: 604-646-3601
Email: abull@sternpartners.com

LOAN AGREEMENT

THIS LOAN AGREEMENT, dated as of May 20, 2025, is entered into by and between WAREHOUSE ONE CLOTHING LTD. (the "**Borrower**"), as borrower, and HIGHGATE CAPITAL LTD. (the "**Lender**"), as lender.

WHEREAS:

- A. The Lender has previously made available to the Borrower (i) on May 7, 2025, an advance in the amount of \$4,250,000 and (ii) on May 12, 2025, an advance in the amount of \$2,000,000, and on the date hereof, an advance in the amount of \$1,000,000 (collectively, the "**Existing Advances**" and each, an "**Existing Advance**");
- B. The Borrower also maintains senior secured credit facilities with Canadian Imperial Bank of Commerce pursuant to the CIBC Credit Agreement; and
- C. The parties wish to enter into this loan agreement (this "**Agreement**") to, among other things, document and set out more fully the terms and conditions applicable to the Existing Advances, constitute each Existing Advance a "**Loan**" for the purposes of this Agreement and to further establish and set out the terms and conditions upon which the Lender may make further Loans available to the Borrower from time to time.

1. Defined Terms

Terms not defined in the body of this Agreement have the meanings assigned to them in Schedule "A".

2. The Credit Facility

The Lender hereby agrees to make available to the Borrower, in its discretion, an uncommitted demand revolving credit facility (the "**Credit Facility**") pursuant to which the Lender may from time to time during the period from the Effective Date to the Maturity Date, make available to the Borrower one or more advances for the purposes of assisting the Borrower in financing its general corporate purposes. Subject to the terms and conditions set out herein, including, without limitation, the discretion of the Lender with respect to the making of advances hereunder as contemplated in Section 3 below, the parties wish to enter into this Agreement to establish the terms and conditions which shall apply to and govern any such advances made available by the Lender under the Credit Facility.

3. Availability of Loans and the Existing Advances

- 3.1 Subject to the terms and conditions set out in this Agreement, the Credit Facility will be made available by the Lender to the Borrower by way of individual lump sum advances (each such advance, a "**Loan**" and all such advances outstanding at any one time, collectively, the "**Loans**"), which Loans are to be made available by the Lender solely on a discretionary basis, at the option of the Lender, following satisfaction of the conditions

precedent set out in Section 11 below. For clarity, the Borrower acknowledges and agrees that the Credit Facility is an uncommitted facility and that the availability of any Loan or Loans requested by the Borrower hereunder shall be entirely at the discretion of the Lender. This Agreement shall in no way be construed as a commitment from the Lender to provide financing or to make any one or more Loans available to the Borrower, but rather as the agreement which establishes the terms and conditions which are to govern any Loans which the Lender, in its discretion, may from time to time elect to make available to the Borrower following satisfaction of the applicable conditions precedent set out below.

- 3.2 Without limiting any of the other terms and conditions of this Agreement, including, in particular, the discretion of the Lender in electing whether to make available any given Loan requested by the Borrower, the Borrower agrees that each Existing Advance shall, for the purposes of this Agreement, constitute a "Loan" in the principal amount of such advance and shall be governed by and be subject to the terms and conditions of this Agreement.
- 3.3 Each Loan which the Lender elects to make available hereunder will be advanced by way of wire transfer to the account from time to time specified by the Borrower in writing for such purpose or in such other manner as may from time to time be agreed between the Lender and the Borrower.
- 3.4 For clarity, the Credit Facility shall be a revolving facility, such that, subject to the terms and conditions hereof, including the discretion of the Lender as set out above, amounts borrowed by the Borrower by way of Loans which are subsequently repaid may be re-borrowed.

4. Documentation

The Loans and the Borrower's liabilities and obligations to the Lender in connection therewith shall be evidenced, governed and secured by this Agreement and by the following additional documents, in each case to be completed, executed and delivered by the Borrower in a form and in substance acceptable to the Lender:

- 4.1 If required by the Lender, as contemplated in Section 8 below, a Loan Repayment Note from the Borrower in respect of each Loan, dated the applicable Date of Advance and evidencing, among other things, the principal amount of the Loan evidenced thereby;
- 4.2 a general security agreement from the Borrower in favour of the Lender creating a security interest in all of the present and after acquired personal property of the Borrower, which security interest shall be perfected as a first priority security interest (subject only to Permitted Encumbrances) in all jurisdictions in which the Borrower maintains any tangible personal property and as the Lender may otherwise require; and
- 4.3 such further and other documents and instruments as the Lender in its discretion may from time to time require in order to confirm and perfect, and maintain the perfection

and priority of, and to enforce the security interests in favour of the Lender, all as contemplated herein.

5. Interest

Subject to Section 5.1 below, and so long as any amounts remain owing hereunder, the Borrower will, in respect of each Loan, pay to the Lender on each Interest Payment Date, commencing on the Interest Payment Date first following the Date of Advance for such Loan, the amount (the "Quarterly Interest Amount") which is equal to interest on the daily balance of the principal outstanding under such Loan from time to time at the rate of 10% per annum (the "Applicable Rate"), calculated and compounded quarterly, in arrears, and paid as hereinafter provided that:

5.1 Notwithstanding the foregoing, if:

- (a) by notice delivered to the Lender not less than one (1) Banking Day prior to any given Interest Payment Date, the Borrower requests that the Lender waive the requirement that the Borrower pay in cash all or a specified portion of the Quarterly Interest Amount due on the pending Interest Payment Date, and instead allow all or such portion of such Quarterly Interest Amount to accrue, and the Lender agrees to such request; or
- (b) the Borrower is restricted or prohibited by CIBC, as senior lender to the Borrower, from paying in cash all or a portion of the Quarterly Interest Amount due on any given Interest Payment Date,

then the Borrower shall not be required to pay such Quarterly Interest Amount (or portion thereof) in cash, and such amount shall instead be accrued.

5.2 all or such portion of any Quarterly Interest Amount which is accrued rather than paid in cash in accordance with paragraph 5.1 above (each, a "Quarterly Accrued Interest Amount"; all or any portion of a Quarterly Interest Amount paid in cash being referred to herein as a "Quarterly Cash Interest Amount") shall accrue and be capitalized (that is, added to the outstanding principal amount of the applicable Loan), such that such amount shall itself bear interest at the Applicable Rate (calculated and compounded quarterly as contemplated herein) as and from such Interest Payment Date and until payment thereof has been indefeasibly received by the Lender, in cash.

5.3 The interest payable by the Borrower in respect of each Loan advanced hereunder will be calculated in accordance with the following provisions:

- (a) The Quarterly Interest Amount payable on the Interest Payment Date first following the Date of Advance of such Loan shall be calculated with reference to the number of days elapsed during the period commencing on and including the Date of Advance through to, but excluding, the first Interest Payment Date immediately following such date. Subject to the following sentence, the Quarterly Interest Amount payable in respect of such Loan on each Interest Payment Date

thereafter (a "Following Interest Payment Date") shall be calculated with reference to the number of days elapsed during the period of time commencing on the prior Interest Payment Date and ending on the day preceding such Following Interest Payment Date. The final Interest Payment Date shall be the earlier of the Maturity Date or the date demand is made hereunder, with the Quarterly Interest Amount payable on such date to be calculated with reference to the number of days elapsed during the period of time commencing on the immediately preceding Interest Payment Date and ending on, but excluding, the Maturity Date or the date of demand, as applicable, all provided that interest shall continue to accrue on the amounts outstanding hereunder at the Applicable Rate, both after as well as before maturity, demand, default and judgment and whether or not any bankruptcy case or proceeding has been commenced, until all principal and interest owing hereunder has been indefeasibly paid to and received by the Lender in cash;

- (b) Interest will accrue on the daily balance of the principal amount (including all Quarterly Accrued Interest Amounts) and all from time to time outstanding under each such Loan and will be calculated on the basis of a 365 day or a 366 day year, as the case may be; and
- (c) Any interest which is not paid when due hereunder will be accrued and shall, from such date, bear interest at the Applicable Rate, calculated and compounded quarterly in accordance with the foregoing provisions.

5.4 All amounts, including without limitation any Quarterly Cash Interest Amounts, paid by the Borrower to the Lender in respect of any Loan from time to time as contemplated hereunder shall, unless otherwise agreed in writing by the Borrower and the Lender, be applied as follows:

- (a) firstly, towards payment of that portion of the Quarterly Interest Amount which is payable in respect of the portion of the principal outstanding under such Loan as is attributable to prior Quarterly Accrued Interest Amounts;
- (b) secondly, towards repayment of the portion of the outstanding principal amount under such Loan as is attributable to prior Quarterly Accrued Interest Amounts;
- (c) thirdly, towards payment of the remaining portion of the Quarterly Interest Amount; and
- (d) fourthly, towards repayment of the balance of the principal outstanding under such Loan.

6. Repayment and Manner of Payment

6.1 All Loans, together with all interest accrued thereon to the date of payment, shall come due and be paid by the Borrower on demand, provided that, unless and until demand is made:

- (a) The Borrower shall pay interest on the amount from time to time outstanding under each Loan as and in the manner specified in Section 5 above;
- (b) All outstanding principal and interest accrued under each Loan shall, in any event, be paid to and received by the Lender on or before the Maturity Date; and
- (c) the Borrower may at any time and from time to time prepay the principal balance outstanding under any Loan, in whole or in part, without notice, bonus or penalty, provided the Borrower concurrently pays to the Lender all interest accrued on such Loan to the date such prepayment is made and that the amounts so paid are applied in accordance with Section 5.4 above or in such other manner as the Lender, in its discretion, may elect.

6.2 All amounts payable by the Borrower to the Lender under this Agreement shall be paid on or before 12:00 noon (Vancouver time) on the date such payment is due, either by way of direct deposit or wire transfer of immediately available funds, to such account as the Lender may direct in writing not less than two Business Days prior to the date on which such payment is due or such other method of payment to which the Lender may agree in writing from time to time. Payments received after the time specified above shall be deemed to have been made on the next following Business Day.

7. Account of Record

The Lender will open and maintain books of account evidencing all Borrower Indebtedness. The Lender will enter in the foregoing accounts details of all amounts from time to time advanced by the Lender by way of any Loan to, or otherwise owing to the Lender by the Borrower and amounts paid or repaid by the Borrower to the Lender, including interest, Quarterly Accrued Interest Amounts and the balance of the Borrower Indebtedness outstanding after giving effect to such advances, payments or repayments or otherwise. The entries made by the Lender in the books of account maintained by it pursuant to this section shall be conclusive evidence (absent manifest error) of the existence and amounts of the obligations recorded therein and shall be admissible in any action or proceeding arising therefrom; provided that the failure of the Lender to maintain any such account or any error therein shall not in any manner affect the obligation of the Borrower to repay the Loans in accordance with the terms of this Agreement. After a request by the Borrower, the Lender will promptly advise the Borrower of such entries made in the Lender's books of account.

8. Promissory Notes

Without limiting in any way the conclusiveness of the Lender's books of account and records evidencing all Loans and the Borrower Indebtedness from time to time, the Lender may also require that any Loan made by it hereunder be evidenced by a Loan Repayment Note (as hereinafter defined). In such event, the Borrower shall prepare, execute and deliver to the Lender a promissory note payable to Lender in the principal amount of the applicable Loan advanced by the Lender hereunder and substantially in the form attached hereto as Schedule "B" (each such note issued pursuant hereto, including any promissory note issued, at the option of the Lender, in respect of all or any part of the Existing Debt is referred to herein as a "Loan Repayment Note" and all such notes, collectively, as the "Loan Repayment Notes"). In the event of a conflict between books of account and records maintained by the Lender and the Loan Repayment Notes issued pursuant hereto, the records maintained by the Lender shall govern.

9. CIBC Subordination

9.1 As contemplated in Section 4 above, the Borrower Indebtedness shall be secured by a general security agreement granted by the Borrower in favour of the Lender creating security interests pursuant to the *Personal Property Security Act* (British Columbia) or any similar law in any jurisdiction or jurisdictions in which the Borrower maintains its principal place of business or conducts business or as may reasonably be required by the Lender, in all of the present and after acquired personal property of the Borrower. The Borrower will also forthwith and from time to time execute and deliver such further and other documents and instruments and do all acts and things as the Lender in its discretion requires in order to confirm and perfect, and maintain perfection of, and to enforce such security interests in favour of the Lender; provided that if the creation and grant of such security interest would result in an event of default under any agreement to which the Borrower is a party, the Borrower will not be required to create and grant such security interest until the Borrower has obtained the consent thereto from the other party to such agreement, but the Borrower will take all reasonable commercial action (other than the payment of money to the other party to such agreement) that may be necessary to obtain such consent.

9.2 The Lender acknowledges and agrees that it is the intention of the parties that the Borrower Indebtedness and the security from time to time held by the Lender therefor shall at all times be and rank subordinate to the CIBC Indebtedness and that, at the request and sole cost of the Borrower, the Lender will enter into, execute and deliver in favour of CIBC such subordination and postponement agreements in respect of the Borrower Indebtedness and the Lender Security as and on such terms and conditions as CIBC may reasonably require.

10. Representations & Warranties of the Borrower

The Borrower represents and warrants to the Lender, and acknowledges that, in determining whether to make any Loan available to the Borrower hereunder, the Lender is relying upon such representations and warranties:

- (a) the Borrower is a corporation duly formed, validly existing and in good standing under the *Canada Business Corporations Act* and has all necessary power and authority to own and lease its properties and carry on its business as presently carried on and is duly licensed, registered or qualified in all jurisdictions where the character of its property owned or leased or the nature of the activities conducted by it makes such licensing, registration or qualification necessary or desirable;
- (b) the Borrower has full power and authority to enter into this Agreement and the other Loan Documents and to observe and perform all of its obligations hereunder and thereunder;
- (c) all necessary action has been taken to authorize the execution and delivery by the Borrower of this Agreement and the other Loan Documents and the observance and performance by it of its obligations hereunder and thereunder;
- (d) this Agreement constitutes, and each of other Loan Documents will upon execution constitute, a valid and legally binding obligation of the Borrower enforceable against the Borrower in accordance with its terms subject to applicable bankruptcy, insolvency and other laws of general application limiting the enforceability of creditors' rights;
- (e) neither the execution and delivery by the Borrower of this Agreement or any other Loan Document nor the compliance by the Borrower with the terms and conditions hereof or thereof (i) has resulted or will result in a violation of the constating documents of the Borrower or any resolutions passed by the Borrower or any applicable law, rule, regulation, order, judgment, injunction, award or decree, (ii) has resulted or will result in a breach of, or constitute a default under, any agreement or instrument to which the Borrower is a party or by which the Borrower or any of its property is bound, (iii) requires any approval or consent of, notice to, or filing with, any governmental authority or agency having jurisdiction or any other Person, or (iv) has resulted or will result in or require the creation or imposition of any Lien upon or with respect to any property of the Borrower other than any Lien created by the Security Documents;
- (f) the Borrower is in compliance in all material respects with all laws, regulations, orders, writs, judgments, injunctions or awards of any competent government, commission, board, agency, court, arbitrator or instrumentality, and all other requirements applicable to its business, and has either obtained or applied for all authorizations, consents, approvals, orders, licenses, exemptions from, and has either accomplished or applied for all filings or registrations or qualifications with, any court or governmental department, public body or authority, commission, board, bureau, agency, or instrumentality, that are necessary for the transaction of its business;
- (g) there are no actions, suits or proceedings pending or, to the knowledge of the Borrower, threatened against or affecting the Borrower or any of its undertaking or assets, at law, in equity or before any arbitrator or before or by any governmental department, body, commission, board, bureau, agency or instrumentality having jurisdiction which, if determined adversely to the Borrower, might result in a Material Adverse Change;

- (h) the Borrower has good and marketable title to all of its assets and properties, free and clear of all Liens other than Permitted Liens; and
- (i) no Event of Default, as defined in Section 13 has occurred and no event has occurred which constitutes or which, with the giving of notice, lapse of time or otherwise, would constitute, an Event of Default.

The representations and warranties set out in this Section survive the execution and delivery of this Agreement and shall survive and be deemed to be repeated, with current effect, on each Date of Advance, and, notwithstanding any investigations or examinations that may be made by the Lender, such representations and warranties are and will continue to be true and correct both at the date hereof and on and as of each Date of Advance and until such time as all outstanding Borrower Indebtedness has been paid in full.

11. Conditions For Advances

It shall be condition precedent to the effectiveness of this Agreement and to the availability of each Loan hereunder that:

- (a) the Lender shall have received the following in form and substance satisfactory to the Lender:
 - (i) If required by the Lender, a Loan Repayment Note in the amount of the applicable Loan;
 - (ii) a copy of a resolution of the directors of the Borrower authorizing the borrowings under, and execution and delivery of, this Loan Agreement;
 - (iii) the Interlender Agreement; and
 - (iv) such other documentation as the Lender might reasonably require;
- (b) the Borrower will have duly executed and delivered each of the Loan Documents, each of which shall be in full force and effect;
- (c) the Security Documents (or where required, a financing statement in respect thereof) will have been filed, registered or recorded in all offices of public record necessary or desirable to preserve or protect the Liens created thereby;
- (d) the representations and warranties set out in Section 10 and in the Loan Documents will be true and correct in all material respects as of the date of such advance, and all covenants and agreements in this Agreement and any other Loan Document which are required to be satisfied as of such Date of Advance will have been satisfied; and
- (e) no event will have occurred which would constitute an Event of Default or which would constitute an Event of Default with the giving of notice or lapse of time or both, and the advance of any Loan will not result in the occurrence of any such event.

12. Covenants

So long as any Borrower Indebtedness is outstanding, the Borrower covenants and agrees with the Lender that, unless the Lender otherwise consents in writing, it will:

- (a) provide the Lender with such information (financial or otherwise) as the Lender may from time to time request;
- (b) not grant, nor permit to exist, any Lien on any assets of the Borrower other than Permitted Liens;
- (c) not assume, create, incur or permit to exist, any Indebtedness other than Permitted Indebtedness.
- (d) comply with all material applicable federal, provincial and municipal laws, requirements or standards;
- (e) upon becoming aware that the same may be threatened or pending, and in any case immediately after the commencement thereof, provide the Lender notice in writing of all litigation or administrative or arbitration proceedings before or of any court, tribunal, arbitrator or governmental or municipal or other authority or dispute with any governmental or municipal or other authority;
- (f) as soon as practicable, and in any event within three days after the occurrence thereof, notify the Lender in writing of the occurrence of any Event of Default or any event which, with the giving of notice or lapse of time or otherwise, might constitute an Event of Default and at the same time inform the Lender of any action taken or proposed to be taken by the Borrower in connection therewith;
- (g) reimburse or compensate the Lender, upon demand, for all costs incurred, losses suffered or payments made by the Lender which are applied or allocated by the Lender to the transactions contemplated in this Agreement (all as determined by the Lender in its sole and absolute discretion); and
- (h) not sell, assign, transfer, lease or otherwise dispose of all or substantially all of its property in a single transaction or in a series of related transactions or any of its property other than any sale, assignment, transfer or lease made by the Borrower in the ordinary course of its business for the purpose of carrying on or extending the same.

13. Events of Default

If any one of the following events (collectively, “Events of Default” and each, an “Event of Default”) occurs:

- (a) the Borrower fails to pay any of the Borrower Indebtedness or any other sum to the Lender when due, including upon demand;

- (b) the Borrower fails to comply with any other conditions, covenants or obligations contained in any Loan Document;
- (c) any representation or warranty made by the Borrower to the Lender in any Loan Document is untrue or inaccurate in any material respect;
- (d) any Material Adverse Change occurs;
- (e) any Loan Document is terminated, breached or ceases to be effective;
- (f) any bankruptcy, reorganization, arrangement, insolvency, dissolution, credit protection or similar proceeding is instituted by or against the Borrower under the laws of any jurisdiction;
- (g) the Borrower makes an assignment for the benefit of its creditors, is declared bankrupt or commits an act of bankruptcy, becomes insolvent, makes a proposal or otherwise takes advantage of provisions for relief by insolvent debtors under the *Companies' Creditors Arrangement Act* (Canada) or the *Bankruptcy and Insolvency Act* (Canada) or similar legislation in any jurisdiction;
- (h) a receiver, receiver and manager, receiver manager or trustee of or for the Borrower or all or any part of the Collateral is appointed;
- (i) any execution, sequestration, extent or other process of any court becomes enforceable against the Borrower or any distress or analogous process is levied upon the property and assets of the Borrower or any part thereof;
- (j) without the prior written consent of the Lender, the Borrower creates or permits to exist any Lien on or claim against any of its property and assets which ranks or could in any event rank in priority to or *pari passu* with any of the Lender Security, other than Permitted Liens;
- (k) the holder of any Lien on or claim against any of the property or assets of the Borrower which is subject to the Lender Security does anything to enforce or realize on such charge, encumbrance, lien, claim or security interest;
- (l) the Borrower ceases to carry on business;
- (m) the Borrower permits any sum which has been admitted as due by it or is not disputed to be due and which forms or is capable of being made a charge upon any of the Collateral to remain unpaid for 30 days after proceedings have been taken to enforce the same as such charge; or
- (n) the Lender in good faith believes and has commercially reasonable grounds to believe that the prospect of payment or performance of any of the Borrower Indebtedness is or is about to be impaired or that any of the Collateral is or is about to be placed in jeopardy,

THEN, notwithstanding any other provision of this Agreement, the Lender may (i) declare the Borrower Indebtedness and any understanding or commitment by the Lender to make additional advances hereunder to the Borrower to be terminated; and (ii) declare the outstanding balance of the Borrower Indebtedness to be immediately due and payable, all without notice of default, presentment or demand for payment, protest or notice of nonpayment or dishonor, or other notices or demands of any kind of character, all of which are hereby expressly waived, to the extent permitted by applicable law.

14. Miscellaneous

- (a) The Borrower will pay to the Lender, on demand, all expenses incurred by the Lender in connection with the enforcement of this Agreement or any other Loan Document.
- (b) This Agreement will be governed by and construed in accordance with the laws of British Columbia and the federal laws of Canada applicable therein, without prejudice to or limitation of any other rights or remedies available under the laws of any jurisdiction where property or assets of the Borrower may be found.
- (c) Except as may be specifically provided herein, this Agreement supersedes all prior agreements and oral negotiations with respect to the subject matter of this Agreement.
- (d) This Agreement is not assignable by the Borrower.
- (e) No delay or omission by the Lender to exercise any right under this Agreement or any other Loan Document, will impair such right, nor will it be construed as a waiver thereof. No waiver of any breach or default will be deemed a waiver of any subsequent breach or default. Any waiver, consent or approval under this Agreement must be in writing to be effective.
- (f) Section headings in this Agreement are for reference only and will not affect the interpretation of any provision of this Agreement.

[the remainder of this page has been intentionally left blank]

IN WITNESS WHEREOF, the parties have executed this agreement as of the date first above written.

LENDER:

HIGHGATE CAPITAL LTD.

By: 
Name: Shamsh Kassam
Title: Director

BORROWER:

WAREHOUSE ONE CLOTHING LTD.

By: 
Name: Shamsh Kassam
Title: Director

SCHEDULE "A"

DEFINED TERMS

In this Agreement:

"Borrower Indebtedness" means all Indebtedness and liabilities of the Borrower to the Lender arising under or pursuant to the Loan Documents, from time to time, including for certainty, the indebtedness of the Borrower to the Lender under the Existing Advances;

"CIBC" means Canadian Imperial Bank of Commerce;

"CIBC Credit Agreement" means the credit agreement dated as of April 16, 2010 made among the Borrower, as borrower, and CIBC, as lender, as such credit agreement has been amended from time to time prior to the date of this Agreement and as it may be further modified, amended, supplemented, restated, amended and restated or replaced from time to time;

"CIBC Indebtedness" means all Indebtedness and liabilities of the Borrower to CIBC arising under or in connection with the CIBC Credit Agreement and the other loan and security documents from time to time entered into by the Borrower in connection therewith;

"Collateral" means the property described in the Security Documents and subject to the Lender Security;

"Effective Date" means the date hereof;

"Indebtedness" of any Person means indebtedness and liabilities of such Person:

- (a) for money borrowed by such Person (including interest and other charges on or in respect thereof);
- (b) in respect of the advance or extension of credit to such Person in the nature of or similar to a loan or line of credit (including by way of the acceptance of bills of exchange or the issuance of foreign exchange contracts or interest rate or currency swaps, but excluding by way of letters of credit) (including interest and other charges on or in respect thereof);
- (c) obligations of such Person arising pursuant or in relation to letters of credit and letters of guarantee supporting obligations which would otherwise constitute Indebtedness within the meaning of this definition or indemnities issued in connection therewith;
- (d) obligations of such Person under guarantees, indemnities or other legally binding contingent obligations to pay the indebtedness or other obligations (for the purposes of this clause, the **"Primary Obligations"**) of any other Person if such Primary Obligations would otherwise constitute Indebtedness within the meaning

of this definition (if such other Person was X), including endorsements by such Person of bills of exchange (other than for collection or deposit in the ordinary course of business); and

- (e) under a note or other debt instrument (including an agreement for sale, conditional sales contract or similar instrument) given by such Person in payment of the purchase price of any property;

"Interest Payment Date" means the last day of each fiscal quarter for the Borrower;

"Interlender Agreement" means the interlender agreement to be made between the Lender and Silver LenderCo providing for (a) the permitted payments to be made in respect of the Borrower Indebtedness and the Silver Lenderco Indebtedness, (b) the *pari passu* ranking of the Silver LenderCo Indebtedness and the Borrower Indebtedness, (c) the appointment of the Lender as agent to hold the Lender Security and other Loan Documents as agent for Silver Lenderco and the Lender, (d) the postponement of the Shareholder Loans in favour of the Borrower Indebtedness and the Silver Lenderco Indebtedness and the subordination of the Shareholder Security to the Lender Security;

"Lender Security" means the Liens created under the Security Agreement and the other Loan Documents;

"Lien" means any assignment, mortgage, debenture, pledge, hypothecation, deposit arrangement, security interest, lien (statutory or otherwise), charge, encumbrance or title retention agreement and any other agreement or arrangement having substantially the same economic effect as any of the foregoing;

"Loan Documents" means, collectively, this Agreement, the Loan Repayment Notes (if any), the Security Agreement, the Interlender Agreement and any other agreements, instruments or documents entered into in connection with any Indebtedness or obligations of the Borrower hereunder or thereunder, as such documents, instruments or agreements may be amended, modified or supplemented from time to time;

"Maturity Date" means the date that is the tenth (10th) anniversary of the Effective Date;

"Material Adverse Change" means (a) any event or series of events that the Lender determines is likely to have a material and adverse effect on (i) the Borrower's assets, operations, financial condition or prospects, or (ii) the Borrower's ability to perform its obligations under any Loan Document; or (b) any material adverse change in the Borrower's financial condition;

"Permitted Indebtedness" means:

- (a) Indebtedness existing as of the date of this Agreement;
- (b) the CIBC Indebtedness;
- (c) Indebtedness under the Silver Lenderco Loan Agreement;

- (d) Indebtedness under the Shareholder Loans; and
- (e) trade payables and other Indebtedness (other than Indebtedness incurred for or in respect of borrowed funds) incurred in the ordinary course of business of the Borrower;

"Permitted Liens" means:

- (a) Liens existing prior to the date of this Agreement;
- (b) the Lender Security;
- (c) Liens in favour of CIBC pursuant to the CIBC Security Documents;
- (d) Liens voluntarily created in the ordinary course of business; and
- (e) any other Lien from time to time consented to in writing by the Lender;

"Person" means any individual, corporation, body corporate, partnership, joint venture, limited liability company, association, trust or unincorporated organization or any trustee, executor, administrator or other legal representative;

"Security Documents" means the general security agreement granted by the Borrower to the Lender pursuant to Section 7 hereof, and any and all other documents at any time and from time to time granted to the Lender by the Borrower or Silver Lenderco which create one or more Liens as security for all or any part of the Borrower Indebtedness or the Silver Lenderco Indebtedness;

"Shareholder Loans" means all indebtedness and liabilities of the Borrower to: (a) WHO Industries Inc., including under the convertible demand promissory note issued by the Borrower in favour of WHO Industries Inc. dated October 15, 2022 in the principal amount of \$8,250,000; and (b) 4565038 Manitoba Ltd., including under the convertible demand promissory note issued by the Borrower in favour of 4565038 Manitoba Ltd. Dated October 15, 2020 in the principal amount of \$2,750,000;

"Silver Lenderco" means R.I.S. Media Ltd.;

"Silver Lenderco Loan Agreement" means the loan agreement also date the date hereof made between the Borrower, as borrower, and the Silver Lenderco, as lender, as it may be amended, supplemented, restated or replaced from time to time;

"Silver Lenderco Indebtedness" means all Indebtedness and liabilities of the Borrower to Silver Lenderco arising under or in connection with the Silver Lenderco Loan Agreement and the loan and security documents contemplated thereby including for certainty, any pre-existing indebtedness of the Borrower to Silver Lenderco deemed to constitute Indebtedness under the Silver Lenderco Loan Agreement;

"Silver Lenderco Loans" means the advances made to the Borrower by Silver Lenderco pursuant to the Silver Lenderco Loan Agreement;

SCHEDULE "B"

This promissory note is issued pursuant and is made subject to the terms and conditions set out in the Loan Agreement (as defined herein)

FORM OF PROMISSORY NOTE

PROMISSORY NOTE

CDN\$●

Dated: ●

FOR VALUE RECEIVED, the undersigned WAREHOUSE ONE CLOTHING LTD. (the "Borrower"), a company incorporated under the laws of Canada, HEREBY PROMISES TO PAY to HIGHGATE CAPITAL LTD., a company incorporated under the laws of the *Canada Business Corporations Act* (the "Lender"), ON DEMAND, at its office at ● or at such other place as the Lender may designate, the principal sum of ● CANADIAN DOLLARS (CDN\$●), with interest thereon, to be computed in accordance with the provisions of the loan agreement dated as of ● 2025 between the Borrower and the Lender (as it may be modified, amended, supplemented, amended and restated or replaced from time to time, the "Loan Agreement"). This note ("Note") shall constitute a Loan Repayment Note for the purposes of and as defined in the Loan Agreement and shall have the benefit of all of the provisions of the Loan Agreement and the Security Documents (as defined in the Loan Agreement) all of which terms and conditions are incorporated herein by this reference.

The Borrower promises to pay to the Lender interest on the unpaid principal amount of the Loan from the date of the advance thereof until repayment (whether by acceleration or otherwise) thereof, at such interest rates and payable in such manner and at such times as are specified in the Loan Agreement. Both principal and interest are payable on the date when due and payments thereof shall be made in immediately available funds to the Lender at its office in accordance with the terms of the Loan Agreement.

This Note evidences the Borrower Indebtedness incurred under, and is subject to the terms and conditions of, the Loan Agreement pursuant to which the Borrower Indebtedness evidenced by this Note may become payable at any time. Without limiting the generality of the foregoing, the Loan Agreement provides, *inter alia*, (i) for the making of advances, from time to time, by the Lender to the Borrower in accordance with the terms of the Loan Agreement, and (ii) that all Borrower Indebtedness incurred under the Loan Agreement, including the indebtedness evidenced by this Note, shall be secured by the Security Documents delivered by the Borrower to the Lender thereunder.

This Note shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

All capitalized terms used but not otherwise defined herein shall have the meanings given thereto in the Loan Agreement.

This Note is not a negotiable instrument and may not be assigned by the Lender without the prior written consent of the Borrower.

Extension of time of payment of all or any part of the amount owing hereunder at any time or times or failure of the Lender to enforce any of its rights or remedies hereunder or under any instrument securing this Note or any releases or surrender of property shall not release any party hereof and shall not constitute a waiver of the rights of the holder hereof to enforce such rights and remedies thereafter.

The Borrower hereby waives demand and presentment for payment, notice of dishonour, notice of non-payment, protest and notice of protest of this Note.

IN WITNESS WHEREOF, the undersigned have executed this Note as of the date first written above.

WAREHOUSE ONE CLOTHING LTD.

By: _____
Name:
Title:

This is Exhibit "Q" referred to in the
Affidavit of SHAMSH KASSAM

AFFIRMED the 1st day of May, 2026,



A Notary Public in and for the
Province of British Columbia

ANDREW BULL
NOTARY PUBLIC
STERN PARTNERS INC.
2650 - 733 Seymour Street
Vancouver, BC V6B 0S6
Tel: 604-646-3601
Email: abull@sternpartners.com



LOAN AGREEMENT

THIS LOAN AGREEMENT, dated as of May 20, 2025, is entered into by and between WAREHOUSE ONE CLOTHING LTD., as borrower, (the "**Borrower**") and R.I.S. MEDIA LTD., as lender, (the "**Lender**").

WHEREAS:

- A. The Borrower and Lender wish to enter into this loan agreement (this "**Agreement**") to, among other things, establish and set out the terms and conditions upon which the Lender may make Loans available to the Borrower from time to time; and
- B. The Borrower also maintains senior secured credit facilities with Canadian Imperial Bank of Commerce pursuant to the CIBC Credit Agreement

1. Defined Terms

Terms not defined in the body of this Agreement have the meanings assigned to them in Schedule "A".

2. The Credit Facility

The Lender hereby agrees to make available to the Borrower, in its discretion, an uncommitted demand revolving credit facility (the "**Credit Facility**") pursuant to which the Lender may from time to time during the period from the Effective Date to the Maturity Date, make available to the Borrower one or more advances for the purposes of assisting the Borrower in financing its general corporate purposes. Subject to the terms and conditions set out herein, including, without limitation, the discretion of the Lender with respect to the making of advances hereunder as contemplated in Section 3 below, the parties wish to enter into this Agreement to establish the terms and conditions which shall apply to and govern any such advances made available by the Lender under the Credit Facility.

3. Availability of Loans and the Existing Advances

- 3.1 Subject to the terms and conditions set out in this Agreement, the Credit Facility will be made available by the Lender to the Borrower by way of individual lump sum advances (each such advance, a "**Loan**" and all such advances outstanding at any one time, collectively, the "**Loans**"), which Loans are to be made available by the Lender solely on a discretionary basis, at the option of the Lender, following satisfaction of the conditions precedent set out in Section 11 below. For clarity, the Borrower acknowledges and agrees that the Credit Facility is an uncommitted facility and that the availability of any Loan or Loans requested by the Borrower hereunder shall be entirely at the discretion of the Lender. This Agreement shall in no way be construed as a commitment from the Lender to provide financing or to make any one or more Loans available to the Borrower, but rather as the agreement which establishes the terms and conditions which are to govern any Loans which the Lender, in its discretion, may from time to time elect to make

available to the Borrower following satisfaction of the applicable conditions precedent set out below.

- 3.2 Each Loan which the Lender elects to make available hereunder will be advanced by way of wire transfer to the account from time to time specified by the Borrower in writing for such purpose or in such other manner as may from time to time be agreed between the Lender and the Borrower.
- 3.3 For clarity, the Credit Facility shall be a revolving facility, such that, subject to the terms and conditions hereof, including the discretion of the Lender as set out above, amounts borrowed by the Borrower by way of Loans which are subsequently repaid may be re-borrowed.

4. Documentation

The Loans and the Borrower's liabilities and obligations to the Lender in connection therewith shall be evidenced, governed and secured by this Agreement and by the following additional documents, in each case to be completed, executed and delivered by the Borrower in a form and in substance acceptable to the Lender:

- 4.1 If required by the Lender, as contemplated in Section 8 below, a Loan Repayment Note from the Borrower in respect of each Loan, dated the applicable Date of Advance and evidencing, among other things, the principal amount of the Loan evidenced thereby;
- 4.2 a general security agreement from the Borrower in favour of the Lender creating a security interest in all of the present and after acquired personal property of the Borrower, which security interest shall be perfected as a first priority security interest (subject only to Permitted Encumbrances) in all jurisdictions in which the Borrower maintains any tangible personal property and as the Lender may otherwise require; and
- 4.3 such further and other documents and instruments as the Lender in its discretion may from time to time require in order to confirm and perfect, and maintain the perfection and priority of, and to enforce the security interests in favour of the Lender, all as contemplated herein.

5. Interest

Subject to Section 5.1 below, and so long as any amounts remain owing hereunder, the Borrower will, in respect of each Loan, pay to the Lender on each Interest Payment Date, commencing on the Interest Payment Date first following the Date of Advance for such Loan, the amount (the "Quarterly Interest Amount") which is equal to interest on the daily balance of the principal outstanding under such Loan from time to time at the rate of 10% per annum (the "Applicable Rate"), calculated and compounded quarterly, in arrears, and paid as hereinafter provided that:

5.1 Notwithstanding the foregoing, if:

- (a) by notice delivered to the Lender not less than one (1) Banking Day prior to any given Interest Payment Date, the Borrower requests that the Lender waive the requirement that the Borrower pay in cash all or a specified portion of the Quarterly Interest Amount due on the pending Interest Payment Date, and instead allow all or such portion of such Quarterly Interest Amount to accrue, and the Lender agrees to such request; or
- (b) the Borrower is restricted or prohibited by CIBC, as senior lender to the Borrower, from paying in cash all or a portion of the Quarterly Interest Amount due on any given Interest Payment Date,

then the Borrower shall not be required to pay such Quarterly Interest Amount (or portion thereof) in cash, and such amount shall instead be accrued.

5.2 all or such portion of any Quarterly Interest Amount which is accrued rather than paid in cash in accordance with paragraph 5.1 above (each, a **"Quarterly Accrued Interest Amount"**; all or any portion of a Quarterly Interest Amount paid in cash being referred to herein as a **"Quarterly Cash Interest Amount"**) shall accrue and be capitalized (that is, added to the outstanding principal amount of the applicable Loan), such that such amount shall itself bear interest at the Applicable Rate (calculated and compounded quarterly as contemplated herein) as and from such Interest Payment Date and until payment thereof has been indefeasibly received by the Lender, in cash.

5.3 The interest payable by the Borrower in respect of each Loan advanced hereunder will be calculated in accordance with the following provisions:

- (a) The Quarterly Interest Amount payable on the Interest Payment Date first following the Date of Advance of such Loan shall be calculated with reference to the number of days elapsed during the period commencing on and including the Date of Advance through to, but excluding, the first Interest Payment Date immediately following such date. Subject to the following sentence, the Quarterly Interest Amount payable in respect of such Loan on each Interest Payment Date thereafter (a **"Following Interest Payment Date"**) shall be calculated with reference to the number of days elapsed during the period of time commencing on the prior Interest Payment Date and ending on the day preceding such Following Interest Payment Date. The final Interest Payment Date shall be the earlier of the Maturity Date or the date demand is made hereunder, with the Quarterly Interest Amount payable on such date to be calculated with reference to the number of days elapsed during the period of time commencing on the immediately preceding Interest Payment Date and ending on, but excluding, the Maturity Date or the date of demand, as applicable, all provided that interest shall continue to accrue on the amounts outstanding hereunder at the Applicable Rate, both after as well as before maturity, demand, default and judgment and whether or not any bankruptcy case or proceeding has been commenced, until all principal

and interest owing hereunder has been indefeasibly paid to and received by the Lender in cash;

- (b) Interest will accrue on the daily balance of the principal amount (including all Quarterly Accrued Interest Amounts) and all from time to time outstanding under each such Loan and will be calculated on the basis of a 365 day or a 366 day year, as the case may be; and
- (c) Any interest which is not paid when due hereunder will be accrued and shall, from such date, bear interest at the Applicable Rate, calculated and compounded quarterly in accordance with the foregoing provisions.

5.4 All amounts, including without limitation any Quarterly Cash Interest Amounts, paid by the Borrower to the Lender in respect of any Loan from time to time as contemplated hereunder shall, unless otherwise agreed in writing by the Borrower and the Lender, be applied as follows:

- (a) firstly, towards payment of that portion of the Quarterly Interest Amount which is payable in respect of the portion of the principal outstanding under such Loan as is attributable to prior Quarterly Accrued Interest Amounts;
- (b) secondly, towards repayment of the portion of the outstanding principal amount under such Loan as is attributable to prior Quarterly Accrued Interest Amounts;
- (c) thirdly, towards payment of the remaining portion of the Quarterly Interest Amount; and
- (d) fourthly, towards repayment of the balance of the principal outstanding under such Loan.

6. Repayment and Manner of Payment

6.1 All Loans, together with all interest accrued thereon to the date of payment, shall come due and be paid by the Borrower on demand, provided that, unless and until demand is made:

- (a) The Borrower shall pay interest on the amount from time to time outstanding under each Loan as and in the manner specified in Section 5 above;
- (b) All outstanding principal and interest accrued under each Loan shall, in any event, be paid to and received by the Lender on or before the Maturity Date; and
- (c) the Borrower may at any time and from time to time prepay the principal balance outstanding under any Loan, in whole or in part, without notice, bonus or penalty, provided the Borrower concurrently pays to the Lender all interest accrued on such Loan to the date such prepayment is made and that the amounts so paid are

applied in accordance with Section 5.4 above or in such other manner as the Lender, in its discretion, may elect.

- 6.2 All amounts payable by the Borrower to the Lender under this Agreement shall be paid on or before 12:00 noon (Vancouver time) on the date such payment is due, either by way of direct deposit or wire transfer of immediately available funds, to such account as the Lender may direct in writing not less than two Business Days prior to the date on which such payment is due or such other method of payment to which the Lender may agree in writing from time to time. Payments received after the time specified above shall be deemed to have been made on the next following Business Day.

7. Account of Record

The Lender will open and maintain books of account evidencing all Borrower Indebtedness. The Lender will enter in the foregoing accounts details of all amounts from time to time advanced by the Lender by way of any Loan to, or otherwise owing to the Lender by the Borrower and amounts paid or repaid by the Borrower to the Lender, including interest, Quarterly Accrued Interest Amounts and the balance of the Borrower Indebtedness outstanding after giving effect to such advances, payments or repayments or otherwise. The entries made by the Lender in the books of account maintained by it pursuant to this section shall be conclusive evidence (absent manifest error) of the existence and amounts of the obligations recorded therein and shall be admissible in any action or proceeding arising therefrom; provided that the failure of the Lender to maintain any such account or any error therein shall not in any manner affect the obligation of the Borrower to repay the Loans in accordance with the terms of this Agreement. After a request by the Borrower, the Lender will promptly advise the Borrower of such entries made in the Lender's books of account.

8. Promissory Notes

Without limiting in any way the conclusiveness of the Lender's books of account and records evidencing all Loans and the Borrower Indebtedness from time to time, the Lender may also require that any Loan made by it hereunder be evidenced by a Loan Repayment Note (as hereinafter defined). In such event, the Borrower shall prepare, execute and deliver to the Lender a promissory note payable to Lender in the principal amount of the applicable Loan advanced by the Lender hereunder and substantially in the form attached hereto as **Schedule "B"** (each such note issued pursuant hereto, including any promissory note issued, at the option of the Lender, in respect of all or any part of the Existing Debt is referred to herein as a **"Loan Repayment Note"** and all such notes, collectively, as the **"Loan Repayment Notes"**). In the event of a conflict between books of account and records maintained by the Lender and the Loan Repayment Notes issued pursuant hereto, the records maintained by the Lender shall govern.

9. CIBC Subordination

- 9.1 As contemplated in Section 4 above, the Borrower Indebtedness shall be secured by a general security agreement granted by the Borrower in favour of the Lender creating security interests pursuant to the *Personal Property Security Act* (British Columbia) or any

similar law in any jurisdiction or jurisdictions in which the Borrower maintains its principal place of business or conducts business or as may reasonably required by the Lender, in all of the present and after acquired personal property of the Borrower. The Borrower will also forthwith and from time to time execute and deliver such further and other documents and instruments and do all acts and things as the Lender in its discretion requires in order to confirm and perfect, and maintain perfection of, and to enforce such security interests in favour of the Lender; provided that if the creation and grant of such security interest would result in an event of default under any agreement to which the Borrower is a party, the Borrower will not be required to create and grant such security interest until the Borrower has obtained the consent thereto from the other party to such agreement, but the Borrower will take all reasonable commercial action (other than the payment of money to the other party to such agreement) that may be necessary to obtain such consent.

- 9.2 The Lender acknowledges and agrees that it is the intention of the parties that the Borrower Indebtedness and the security from time to time held by the Lender therefor shall at all times be and rank subordinate to the CIBC Indebtedness and that, at the request and sole cost of the Borrower, the Lender will enter into, execute and deliver in favour of CIBC such subordination and postponement agreements in respect of the Borrower Indebtedness and the Lender Security as and on such terms and conditions as CIBC may reasonably require.

10. Representations & Warranties of the Borrower

The Borrower represents and warrants to the Lender, and acknowledges that, in determining whether to make any Loan available to the Borrower hereunder, the Lender is relying upon such representations and warranties:

- (a) the Borrower is a corporation duly formed, validly existing and in good standing under the *Canada Business Corporations Act* and has all necessary power and authority to own and lease its properties and carry on its business as presently carried on and is duly licensed, registered or qualified in all jurisdictions where the character of its property owned or leased or the nature of the activities conducted by it makes such licensing, registration or qualification necessary or desirable;
- (b) the Borrower has full power and authority to enter into this Agreement and the other Loan Documents and to observe and perform all of its obligations hereunder and thereunder;
- (c) all necessary action has been taken to authorize the execution and delivery by the Borrower of this Agreement and the other Loan Documents and the observance and performance by it of its obligations hereunder and thereunder;
- (d) this Agreement constitutes, and each of other Loan Documents will upon execution constitute, a valid and legally binding obligation of the Borrower enforceable against the

Borrower in accordance with its terms subject to applicable bankruptcy, insolvency and other laws of general application limiting the enforceability of creditors' rights;

- (e) neither the execution and delivery by the Borrower of this Agreement or any other Loan Document nor the compliance by the Borrower with the terms and conditions hereof or thereof (i) has resulted or will result in a violation of the constating documents of the Borrower or any resolutions passed by the Borrower or any applicable law, rule, regulation, order, judgment, injunction, award or decree, (ii) has resulted or will result in a breach of, or constitute a default under, any agreement or instrument to which the Borrower is a party or by which the Borrower or any of its property is bound, (iii) requires any approval or consent of, notice to, or filing with, any governmental authority or agency having jurisdiction or any other Person, or (iv) has resulted or will result in or require the creation or imposition of any Lien upon or with respect to any property of the Borrower other than any Lien created by the Security Documents;
- (f) the Borrower is in compliance in all material respects with all laws, regulations, orders, writs, judgments, injunctions or awards of any competent government, commission, board, agency, court, arbitrator or instrumentality, and all other requirements applicable to its business, and has either obtained or applied for all authorizations, consents, approvals, orders, licenses, exemptions from, and has either accomplished or applied for all filings or registrations or qualifications with, any court or governmental department, public body or authority, commission, board, bureau, agency, or instrumentality, that are necessary for the transaction of its business;
- (g) there are no actions, suits or proceedings pending or, to the knowledge of the Borrower, threatened against or affecting the Borrower or any of its undertaking or assets, at law, in equity or before any arbitrator or before or by any governmental department, body, commission, board, bureau, agency or instrumentality having jurisdiction which, if determined adversely to the Borrower, might result in a Material Adverse Change;
- (h) the Borrower has good and marketable title to all of its assets and properties, free and clear of all Liens other than Permitted Liens; and
- (i) no Event of Default, as defined in Section 13 has occurred and no event has occurred which constitutes or which, with the giving of notice, lapse of time or otherwise, would constitute, an Event of Default.

The representations and warranties set out in this Section survive the execution and delivery of this Agreement and shall survive and be deemed to be repeated, with current effect, on each Date of Advance, and, notwithstanding any investigations or examinations that may be made by the Lender, such representations and warranties are and will continue to be true and correct both at the date hereof and on and as of each Date of Advance and until such time as all outstanding Borrower Indebtedness has been paid in full.

11. Conditions For Advances

It shall be condition precedent to the effectiveness of this Agreement and to the availability of each Loan hereunder that:

- (a) the Lender shall have received the following in form and substance satisfactory to the Lender:
 - (i) if required by the Lender, a Loan Repayment Note in the amount of the applicable Loan;
 - (ii) a copy of a resolution of the directors of the Borrower authorizing the borrowings under, and execution and delivery of, this Loan Agreement;
 - (iii) the Interlender Agreement; and
 - (iv) such other documentation as the Lender might reasonably require;
- (b) the Borrower will have duly executed and delivered each of the Loan Documents, each of which shall be in full force and effect;
- (c) the Security Documents (or where required, a financing statement in respect thereof) will have been filed, registered or recorded in all offices of public record necessary or desirable to preserve or protect the Liens created thereby;
- (d) the representations and warranties set out in Section 10 and in the Loan Documents will be true and correct in all material respects as of the date of such advance, and all covenants and agreements in this Agreement and any other Loan Document which are required to be satisfied as of such Date of Advance will have been satisfied; and
- (e) no event will have occurred which would constitute an Event of Default or which would constitute an Event of Default with the giving of notice or lapse of time or both, and the advance of any Loan will not result in the occurrence of any such event.

12. Covenants

So long as any Borrower Indebtedness is outstanding, the Borrower covenants and agrees with the Lender that, unless the Lender otherwise consents in writing, it will:

- (a) provide the Lender with such information (financial or otherwise) as the Lender may from time to time request;
- (b) not grant, nor permit to exist, any Lien on any assets of the Borrower other than Permitted Liens;
- (c) not assume, create, incur or permit to exist, any Indebtedness other than Permitted Indebtedness.

- (d) comply with all material applicable federal, provincial and municipal laws, requirements or standards;
- (e) upon becoming aware that the same may be threatened or pending, and in any case immediately after the commencement thereof, provide the Lender notice in writing of all litigation or administrative or arbitration proceedings before or of any court, tribunal, arbitrator or governmental or municipal or other authority or dispute with any governmental or municipal or other authority;
- (f) as soon as practicable, and in any event within three days after the occurrence thereof, notify the Lender in writing of the occurrence of any Event of Default or any event which, with the giving of notice or lapse of time or otherwise, might constitute an Event of Default and at the same time inform the Lender of any action taken or proposed to be taken by the Borrower in connection therewith;
- (g) reimburse or compensate the Lender, upon demand, for all costs incurred, losses suffered or payments made by the Lender which are applied or allocated by the Lender to the transactions contemplated in this Agreement (all as determined by the Lender in its sole and absolute discretion); and
- (h) not sell, assign, transfer, lease or otherwise dispose of all or substantially all of its property in a single transaction or in a series of related transactions or any of its property other than any sale, assignment, transfer or lease made by the Borrower in the ordinary course of its business for the purpose of carrying on or extending the same.

13. Events of Default

If any one of the following events (collectively, "Events of Default" and each, an "Event of Default") occurs:

- (a) the Borrower fails to pay any of the Borrower Indebtedness or any other sum to the Lender when due, including upon demand;
- (b) the Borrower fails to comply with any other conditions, covenants or obligations contained in any Loan Document;
- (c) any representation or warranty made by the Borrower to the Lender in any Loan Document is untrue or inaccurate in any material respect;
- (d) any Material Adverse Change occurs;
- (e) any Loan Document is terminated, breached or ceases to be effective;
- (f) any bankruptcy, reorganization, arrangement, insolvency, dissolution, credit protection or similar proceeding is instituted by or against the Borrower under the laws of any jurisdiction;

- (g) the Borrower makes an assignment for the benefit of its creditors, is declared bankrupt or commits an act of bankruptcy, becomes insolvent, makes a proposal or otherwise takes advantage of provisions for relief by insolvent debtors under the *Companies' Creditors Arrangement Act* (Canada) or the *Bankruptcy and Insolvency Act* (Canada) or similar legislation in any jurisdiction;
- (h) a receiver, receiver and manager, receiver manager or trustee of or for the Borrower or all or any part of the Collateral is appointed;
- (i) any execution, sequestration, extent or other process of any court becomes enforceable against the Borrower or any distress or analogous process is levied upon the property and assets of the Borrower or any part thereof;
- (j) without the prior written consent of the Lender, the Borrower creates or permits to exist any Lien on or claim against any of its property and assets which ranks or could in any event rank in priority to or *pari passu* with any of the Lender Security, other than Permitted Liens;
- (k) the holder of any Lien on or claim against any of the property or assets of the Borrower which is subject to the Lender Security does anything to enforce or realize on such charge, encumbrance, lien, claim or security interest;
- (l) the Borrower ceases to carry on business;
- (m) the Borrower permits any sum which has been admitted as due by it or is not disputed to be due and which forms or is capable of being made a charge upon any of the Collateral to remain unpaid for 30 days after proceedings have been taken to enforce the same as such charge; or
- (n) the Lender in good faith believes and has commercially reasonable grounds to believe that the prospect of payment or performance of any of the Borrower Indebtedness is or is about to be impaired or that any of the Collateral is or is about to be placed in jeopardy,

THEN, notwithstanding any other provision of this Agreement, the Lender may (i) declare the Borrower Indebtedness and any understanding or commitment by the Lender to make additional advances hereunder to the Borrower to be terminated; and (ii) declare the outstanding balance of the Borrower Indebtedness to be immediately due and payable, all without notice of default, presentment or demand for payment, protest or notice of nonpayment or dishonor, or other notices or demands of any kind of character, all of which are hereby expressly waived, to the extent permitted by applicable law.

14. Miscellaneous

- (a) The Borrower will pay to the Lender, on demand, all expenses incurred by the Lender in connection with the enforcement of this Agreement or any other Loan Document.

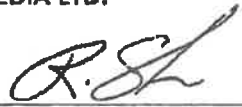
- (b) This Agreement will be governed by and construed in accordance with the laws of British Columbia and the federal laws of Canada applicable therein, without prejudice to or limitation of any other rights or remedies available under the laws of any jurisdiction where property or assets of the Borrower may be found.
- (c) Except as may be specifically provided herein, this Agreement supersedes all prior agreements and oral negotiations with respect to the subject matter of this Agreement.
- (d) This Agreement is not assignable by the Borrower.
- (e) No delay or omission by the Lender to exercise any right under this Agreement or any other Loan Document, will impair such right, nor will it be construed as a waiver thereof. No waiver of any breach or default will be deemed a waiver of any subsequent breach or default. Any waiver, consent or approval under this Agreement must be in writing to be effective.
- (f) Section headings in this Agreement are for reference only and will not affect the interpretation of any provision of this Agreement.

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IN WITNESS WHEREOF, the parties have executed this agreement as of the date first above written.

LENDER:

R.I.S. MEDIA LTD.

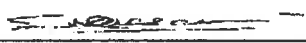
By: 

Name: Robert I. Silver

Title: President

BORROWER:

WAREHOUSE ONE CLOTHING LTD.

By: 

Name: Shamsh Kassam

Title: Director

SCHEDULE "A"

DEFINED TERMS

In this Agreement:

"Borrower Indebtedness" means all Indebtedness and liabilities of the Borrower to the Lender arising under or pursuant to the Loan Documents, from time to time, including for certainty, the indebtedness of the Borrower to the Lender under the Existing Advances;

"CIBC" means Canadian Imperial Bank of Commerce;

"CIBC Credit Agreement" means the credit agreement dated as of April 16, 2010 made among the Borrower, as borrower, and CIBC, as lender, as such credit agreement has been amended from time to time prior to the date of this Agreement and as it may be further modified, amended, supplemented, restated, amended and restated or replaced from time to time;

"CIBC Indebtedness" means all Indebtedness and liabilities of the Borrower to CIBC arising under or in connection with the CIBC Credit Agreement and the other loan and security documents from time to time entered into by the Borrower in connection therewith;

"Collateral" means the property described in the Security Documents and subject to the Lender Security;

"Effective Date" means the date hereof;

"Indebtedness" of any Person means indebtedness and liabilities of such Person:

- (a) for money borrowed by such Person (including interest and other charges on or in respect thereof);
- (b) in respect of the advance or extension of credit to such Person in the nature of or similar to a loan or line of credit (including by way of the acceptance of bills of exchange or the issuance of foreign exchange contracts or interest rate or currency swaps, but excluding by way of letters of credit) (including interest and other charges on or in respect thereof);
- (c) obligations of such Person arising pursuant or in relation to letters of credit and letters of guarantee supporting obligations which would otherwise constitute Indebtedness within the meaning of this definition or indemnities issued in connection therewith;
- (d) obligations of such Person under guarantees, indemnities or other legally binding contingent obligations to pay the indebtedness or other obligations (for the purposes of this clause, the **"Primary Obligations"**) of any other Person if such Primary Obligations would otherwise constitute Indebtedness within the meaning

of this definition (if such other Person was X), including endorsements by such Person of bills of exchange (other than for collection or deposit in the ordinary course of business); and

- (e) under a note or other debt instrument (including an agreement for sale, conditional sales contract or similar instrument) given by such Person in payment of the purchase price of any property;

"Interest Payment Date" means the last day of each fiscal quarter for the Borrower;

"Interlender Agreement" means the interlender agreement to be made between the Lender and Silver LenderCo providing for (a) the permitted payments to be made in respect of the Borrower Indebtedness and the Silver LenderCo Indebtedness, (b) the *pari passu* ranking of the Silver LenderCo Indebtedness and the Borrower Indebtedness, (c) the appointment of the Lender as agent to hold the Lender Security and other Loan Documents as agent for Silver LenderCo and the Lender, (d) the postponement of the Shareholder Loans in favour of the Borrower Indebtedness and the Silver LenderCo Indebtedness and the subordination of the Shareholder Security to the Lender Security;

"Lender Security" means the Liens created under the Security Agreement and the other Loan Documents;

"Lien" means any assignment, mortgage, debenture, pledge, hypothecation, deposit arrangement, security interest, lien (statutory or otherwise), charge, encumbrance or title retention agreement and any other agreement or arrangement having substantially the same economic effect as any of the foregoing;

"Loan Documents" means, collectively, this Agreement, the Loan Repayment Notes (if any), the Security Agreement, the Interlender Agreement and any other agreements, instruments or documents entered into in connection with any Indebtedness or obligations of the Borrower hereunder or thereunder, as such documents, instruments or agreements may be amended, modified or supplemented from time to time;

"Maturity Date" means the date that is the tenth (10th) anniversary of the Effective Date;

"Material Adverse Change" means (a) any event or series of events that the Lender determines is likely to have a material and adverse effect on (i) the Borrower's assets, operations, financial condition or prospects, or (ii) the Borrower's ability to perform its obligations under any Loan Document; or (b) any material adverse change in the Borrower's financial condition;

"Permitted Indebtedness" means:

- (a) Indebtedness existing as of the date of this Agreement;
- (b) the CIBC Indebtedness;
- (c) Indebtedness under the Silver LenderCo Loan Agreement;

- (d) Indebtedness under the Shareholder Loans; and
- (e) trade payables and other Indebtedness (other than Indebtedness incurred for or in respect of borrowed funds) incurred in the ordinary course of business of the Borrower;

"Permitted Liens" means:

- (a) Liens existing prior to the date of this Agreement;
- (b) the Lender Security;
- (c) Liens in favour of CIBC pursuant to the CIBC Security Documents;
- (d) Liens voluntarily created in the ordinary course of business; and
- (e) any other Lien from time to time consented to in writing by the Lender;

"Person" means any individual, corporation, body corporate, partnership, joint venture, limited liability company, association, trust or unincorporated organization or any trustee, executor, administrator or other legal representative;

"Security Documents" means the general security agreement granted by the Borrower to the Lender pursuant to Section 7 hereof, and any and all other documents at any time and from time to time granted to the Lender by the Borrower or Silver Lenderco which create one or more Liens as security for all or any part of the Borrower Indebtedness or the Silver Lenderco Indebtedness;

"Shareholder Loans" means all indebtedness and liabilities of the Borrower to: (a) WHO Industries Inc., including under the convertible demand promissory note issued by the Borrower in favour of WHO Industries Inc. dated October 15, 2020 in the principal amount of \$8,250,000; and (b) 4565038 Manitoba Ltd., including under the convertible demand promissory note issued by the Borrower in favour of 4565038 Manitoba Ltd. Dated October 15, 2020 in the principal amount of \$2,750,000;

"Silver Lenderco" means R.I.S. Media Ltd.;

"Silver Lenderco Loan Agreement" means the loan agreement also dated the date hereof made between the Borrower, as borrower, and the Silver Lenderco, as lender, as it may be amended, supplemented, restated or replaced from time to time;

"Silver Lenderco Indebtedness" means all Indebtedness and liabilities of the Borrower to Silver Lenderco arising under or in connection with the Silver Lenderco Loan Agreement and the loan and security documents contemplated thereby including for certainty, any pre-existing indebtedness of the Borrower to Silver Lenderco deemed to constitute indebtedness under the Silver Lenderco Loan Agreement;

“Silver Lenderco Loans” means the advances made to the Borrower by Silver Lenderco pursuant to the Silver Lenderco Loan Agreement;

SCHEDULE "B"

This promissory note is issued pursuant and is made subject to the terms and conditions set out in the Loan Agreement (as defined herein)

FORM OF PROMISSORY NOTE

PROMISSORY NOTE

CDN\$●

Dated: ●

FOR VALUE RECEIVED, the undersigned WAREHOUSE ONE CLOTHING LTD. (the "**Borrower**"), a company incorporated under the laws of Canada, HEREBY PROMISES TO PAY TO HIGHGATE CAPITAL LTD., a company incorporated under the laws of the *Canada Business Corporations Act* (the "**Lender**"), ON DEMAND, at its office at ● or at such other place as the Lender may designate, the principal sum of ● CANADIAN DOLLARS (CDN\$●), with interest thereon, to be computed in accordance with the provisions of the loan agreement dated as of ● 2025 between the Borrower and the Lender (as it may be modified, amended, supplemented, amended and restated or replaced from time to time, the "**Loan Agreement**"). This note ("**Note**") shall constitute a Loan Repayment Note for the purposes of and as defined in the Loan Agreement and shall have the benefit of all of the provisions of the Loan Agreement and the Security Documents (as defined in the Loan Agreement) all of which terms and conditions are incorporated herein by this reference.

The Borrower promises to pay to the Lender interest on the unpaid principal amount of the Loan from the date of the advance thereof until repayment (whether by acceleration or otherwise) thereof, at such interest rates and payable in such manner and at such times as are specified in the Loan Agreement. Both principal and interest are payable on the date when due and payments thereof shall be made in immediately available funds to the Lender at its office in accordance with the terms of the Loan Agreement.

This Note evidences the Borrower Indebtedness incurred under, and is subject to the terms and conditions of, the Loan Agreement pursuant to which the Borrower Indebtedness evidenced by this Note may become payable at any time. Without limiting the generality of the foregoing, the Loan Agreement provides, *inter alia*, (i) for the making of advances, from time to time, by the Lender to the Borrower in accordance with the terms of the Loan Agreement, and (ii) that all Borrower Indebtedness incurred under the Loan Agreement, including the indebtedness evidenced by this Note, shall be secured by the Security Documents delivered by the Borrower to the Lender thereunder.

This Note shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

All capitalized terms used but not otherwise defined herein shall have the meanings given thereto in the Loan Agreement.

This Note is not a negotiable instrument and may not be assigned by the Lender without the prior written consent of the Borrower.

Extension of time of payment of all or any part of the amount owing hereunder at any time or times or failure of the Lender to enforce any of its rights or remedies hereunder or under any instrument securing this Note or any releases or surrender of property shall not release any party hereof and shall not constitute a waiver of the rights of the holder hereof to enforce such rights and remedies thereafter.

The Borrower hereby waives demand and presentment for payment, notice of dishonour, notice of non-payment, protest and notice of protest of this Note.

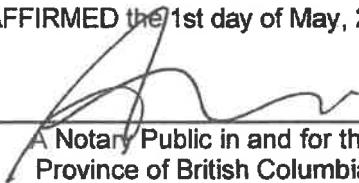
IN WITNESS WHEREOF, the undersigned have executed this Note as of the date first written above.

WAREHOUSE ONE CLOTHING LTD.

By: _____
Name:
Title:

This is Exhibit "R" referred to in the
Affidavit of SHAMSH KASSAM

AFFIRMED the 1st day of May, 2026,


A Notary Public in and for the
Province of British Columbia



ANDREW BULL
NOTARY PUBLIC
STERN PARTNERS INC.
2650 - 733 Seymour Street
Vancouver, BC V6B 0S6
Tel: 604-646-3601
Email: abull@sternpartners.com



Priority Agreement - Creditor postponing to all CIBC security

Creditor postponing to all CIBC security

Get From Outlook

595 Bay Street, 7th Floor
Toronto, Ontario
M5G 2C2
Canada

Agreement between Canadian Imperial Bank of Commerce ("CIBC"),

and Creditor: 4565038 Manitoba Ltd.

and Customer: Warehouse One Clothing Ltd.

The Creditor and CIBC conduct business with the Customer who has given or intends to give security to each of them, and have entered into this Agreement with the Customer for the purpose of establishing the priority of their respective Security. Therefore, for good and valuable consideration, the parties agree as follows:

1. **Priorities.** CIBC's Security has priority over all of the Creditor's Security.
2. **Right to deal.** CIBC may from time to time increase, reduce, discontinue or otherwise vary the Customer's credit facilities, grant extensions of time or other indulgences, take and give up security, accept compositions, grant releases and discharges and otherwise deal with the Customer and others as CIBC considers appropriate without otherwise affecting the rights and obligations of the Creditor or the Customer.
3. **Information about the Collateral.** Creditor will, from time to time, upon reasonable request, provide CIBC in writing with any information requested by CIBC about the Collateral. The Customer consents to Creditor providing CIBC with such information.
4. **Assignment of Security.** The Creditor may not assign any of its Security unless the assignee consents in writing to be bound by this Agreement and agrees to provide CIBC with a copy of that consent.
5. **Termination.** Either Secured Party may terminate this Agreement upon 10 days written notice to the other Secured Party. This Agreement will not govern transactions after the termination date, but such termination shall not affect or reduce any right, interest or priority of a Secured Party acquired or existing as of the date of termination.
6. **Notices.** Any notice under this Agreement must be in writing and may be given by personal delivery or, except during any period when postal service is interrupted, by registered mail.
7. **Further assurances.** Each party will sign all documents and perform all acts as may from time to time be reasonably necessary to give effect to this Agreement.
8. **Entire agreement.** This Agreement is the entire agreement between the parties relating to the priority of Creditor's and CIBC's security in the Collateral of the Customer, and there are no representations, collateral agreements or conditions affecting the parties' rights and obligations regarding same. All amendments to or waivers of this Agreement must be in writing.
9. **Governing law.** This Agreement is governed by the law of Manitoba.
10. **Effective date.** This Agreement is effective as of the date indicated below.
11. **Copy received.** Customer and Creditor acknowledge having received a copy of this Agreement.
12. **Definitions.** In this Agreement:
 - a) "Collateral" means all personal property, present and future, which the Customer owns or has an interest in that is subject to a Security Interest.
 - b) "Secured Party" means the Creditor or CIBC.

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- c) "Security" or "Security Interest" of a Secured Party means all Security Interests in the Collateral (including, among other things, Purchase-Money Security Interests) now or in the future held by that Secured Party for the payment of all or any part of the Customer's present or future debt (whether matured or unmatured, direct or indirect, absolute or contingent, and however incurred) to that Secured Party.

Dated June 19, 2025

Canadian Imperial Bank of Commerce

X

Name: Sean Bell

Title: Authorized Signatory

X

Name:

Title:

Name of Creditor: 4565038 Manitoba Ltd.

X

Name: Donna Maryk

Title: Authorized Signatory

X

Name:

Title:

Address: 3050 Henderson Hwy, East

City: East St. Paul

Province: Manitoba

Postal Code: R2E 0H0

Name of Customer: Warehouse One Clothing Ltd.

X

Name: Sharnah Kaseem

Title: Authorized Signatory

X

Name:

Title:

Address: 1530 GAMBLE PL

City: WINNIPEG

Province: Manitoba

Postal Code: R3T 1N6

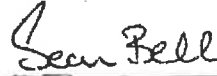
CONFIDENTIAL

Priority Agreement

- c) "Security" or "Security Interest" of a Secured Party means all Security Interests in the Collateral (including, among other things, Purchase-Money Security Interests) now or in the future held by that Secured Party for the payment of all or any part of the Customer's present or future debt (whether matured or unmatured, direct or indirect, absolute or contingent, and however incurred) to that Secured Party.

Dated June 19, 2025

Canadian Imperial Bank of Commerce

x 

Name: Sean Bell

Title: Authorized Signatory

x

Name:

Title:

Name of Creditor: 4565038 Manitoba Ltd.

x

Name:

Title: Authorized Signatory

x

Name:

Title:

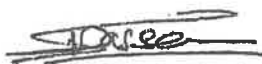
Address: 3050 Henderson Hwy, East

City: East St. Paul

Province: Manitoba

Postal Code: R2E 0H9

Name of Customer: Warehouse One Clothing Ltd.

x 

Name: Shams Kassam

Title: Authorized Signatory

x

Name:

Title:

Address: 1530 GAMBLE PL

City: WINNIPEG

Province: Manitoba

Postal Code: R3T 1N6

CONFIDENTIAL



Priority Agreement - Creditor postponing to all CIBC security

Creditor postponing to all CIBC security

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M5G 2C2
Canada

Agreement between **Canadian Imperial Bank of Commerce ("CIBC")**,

and **Creditor: WHO Industries Inc.**

and **Customer: Warehouse One Clothing Ltd.**

The Creditor and CIBC conduct business with the Customer who has given or intends to give security to each of them, and have entered into this Agreement with the Customer for the purpose of establishing the priority of their respective Security. Therefore, for good and valuable consideration, the parties agree as follows:

1. **Priorities.** CIBC's Security has priority over all of the Creditor's Security.
2. **Right to deal.** CIBC may from time to time increase, reduce, discontinue or otherwise vary the Customer's credit facilities, grant extensions of time or other indulgences, take and give up security, accept compositions, grant releases and discharges and otherwise deal with the Customer and others as CIBC considers appropriate without otherwise affecting the rights and obligations of the Creditor or the Customer.
3. **Information about the Collateral.** Creditor will, from time to time, upon reasonable request, provide CIBC in writing with any information requested by CIBC about the Collateral. The Customer consents to Creditor providing CIBC with such information.
4. **Assignment of Security.** The Creditor may not assign any of its Security unless the assignee consents in writing to be bound by this Agreement and agrees to provide CIBC with a copy of that consent.
5. **Termination.** Either Secured Party may terminate this Agreement upon 10 days written notice to the other Secured Party. This Agreement will not govern transactions after the termination date, but such termination shall not affect or reduce any right, interest or priority of a Secured Party acquired or existing as of the date of termination.
6. **Notices.** Any notice under this Agreement must be in writing and may be given by personal delivery or, except during any period when postal service is interrupted, by registered mail.
7. **Further assurances.** Each party will sign all documents and perform all acts as may from time to time be reasonably necessary to give effect to this Agreement.
8. **Entire agreement.** This Agreement is the entire agreement between the parties relating to the priority of Creditor's and CIBC's security in the Collateral of the Customer, and there are no representations, collateral agreements or conditions affecting the parties' rights and obligations regarding same. All amendments to or waivers of this Agreement must be in writing.
9. **Governing law.** This Agreement is governed by the law of Manitoba.
10. **Effective date.** This Agreement is effective as of the date indicated below.
11. **Copy received.** Customer and Creditor acknowledge having received a copy of this Agreement.
12. **Definitions.** In this Agreement:
 - a) "Collateral" means all personal property, present and future, which the Customer owns or has an interest in that is subject to a Security Interest.
 - b) "Secured Party" means the Creditor or CIBC.

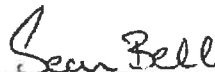
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Priority Agreement

- c) "Security" or "Security Interest" of a Secured Party means all Security Interests in the Collateral (including, among other things, Purchase-Money Security Interests) now or in the future held by that Secured Party for the payment of all or any part of the Customer's present or future debt (whether matured or unmatured, direct or indirect, absolute or contingent, and however incurred) to that Secured Party.

Dated : June 19, 2025

Canadian Imperial Bank of Commerce

x 

Name: Sean Bell

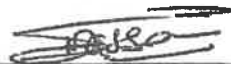
Title: Authorized Signatory

x

Name:

Title:

Name of Creditor: WHO Industries Inc.

x 

Name: Shamsh Kassam

Title: Authorized Signatory

x

Name:

Title:

Address: Suite 2650, 733 Seymour Street

City: Vancouver

Province: British Columbia

Postal Code: V6B 0S6

Name of Customer: Warehouse One Clothing Ltd.

x 

Name: Shamsh Kassam

Title: Authorized Signatory

x

Name:

Title:

Address: 1530 GAMBLE PL

City: WINNIPEG

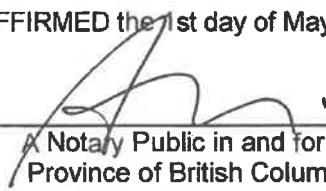
Province: Manitoba

Postal Code: R3T 1N6

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This is Exhibit "S" referred to in the
Affidavit of SHAMSH KASSAM

AFFIRMED the 1st day of May, 2026,


A Notary Public in and for the
Province of British Columbia



ANDREW BULL
NOTARY PUBLIC
STERN PARTNERS INC.
2650 - 733 Seymour Street
Vancouver, BC V6B 0S6
Tel: 604-646-3601
Email: abull@sternpartners.com

INTERCREDITOR AGREEMENT

THIS AGREEMENT is made the 15th day of October, 2020

BETWEEN:

WHO INDUSTRIES INC., a corporation incorporated pursuant to the federal laws of Canada and having its registered and records offices at 1800 – 510 West Georgia Street, Vancouver, British Columbia V6B 0M3

(“WHO”)

AND:

4565038 MANITOBA LTD., a company existing under the laws of Manitoba and having its registered and records offices at [▼]

(“456” and, together with WHO, the “Creditors”)

AND:

WAREHOUSE ONE CLOTHING LTD., a corporation incorporated pursuant to the federal laws of Canada and having its registered and records offices at 1800 – 510 West Georgia Street, Vancouver, British Columbia V6B 0M3

(the “Company”)

WHEREAS the Company is indebted to the Creditors, and the Creditors wish to enter into this Agreement to confirm their respective rights and obligations as creditors of the Company, including the respective priorities of the Creditors in connection with the indebtedness of the Company to the Creditors and the security therefor.

NOW THEREFORE THIS AGREEMENT WITNESSES that, in consideration of mutual covenants contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follow:

1. INTERPRETATION

1.1 Definitions

In this Agreement, the following defined terms will have the following meanings:

- (a) **“456 Promissory Note”** means a convertible demand promissory note issued by the Company and in favour of 456 dated October 15, 2020 in a principal amount equal to \$2,750,000.00 (as it may at any time or from time to time, be amended, supplemented, restated or replaced, in each case in accordance with the terms of this Agreement);

- (b) **"Assets"** means the undertaking and all of the present and future properties and assets, real and personal, moveable and immovable, of whatsoever nature and kind and wheresoever situate, of the Company;
- (c) **"Business Day"** means any day on which banks are generally open for business in Vancouver, British Columbia, other than a Saturday, Sunday or statutory holiday;
- (d) **"Cash Proceeds of Realization"** means the aggregate of (i) all Proceeds of Realization in the form of cash, and (ii) all cash proceeds of the sale or other disposition of non-cash Proceeds of Realization;
- (e) **"CIBC"** means Canadian Imperial Bank of Commerce;
- (f) **"Creditors"** means WHO and 456, and **"Creditor"** means any one of them;
- (g) **"Default"** means the occurrence of any of the defaults or events of default specified in any Promissory Notes or in any Security;
- (h) **"Demand"** means any written notification by a Creditor to the Company of a demand for payment on Default of the Promissory Notes or Security;
- (i) **"Lien"** means any mortgage, hypothec, title retention, pledge, lien, right of set-off, charge, security interest, assignment or other encumbrance of whatsoever nature or kind, whether fixed or floating and howsoever created or arising;
- (j) **"Loan Amount"** means in respect of each Creditor, as at any date, the aggregate of (a) the principal amount outstanding under the Promissory Note issued to such Creditor; (b) all accrued and unpaid interest on such amount to such date including default interest; and (c) all other costs and other charges outstanding under the Promissory Note;
- (k) **"Majority Creditors"** means at any time any Creditor or group of Creditors having among them more than 66 and 2/3% of the aggregate principal outstanding at the relevant time under all of the Promissory Notes;
- (l) **"Obligations"** means, in respect of each Creditor, all debts, obligations and liabilities, present or future, direct or indirect, absolute or contingent, matured or unmatured at any time owing by the Company to such Creditor under such Creditor's Promissory Note and Security;
- (m) **"Person"** means an individual, legal personal representative, corporation, body corporate, firm, partnership, limited liability company, trust, trustee, syndicate, joint venture, unincorporated organization or governmental authority;
- (n) **"Proceeds of Realization"** means all proceeds (including money, choses in action, securities, assets and other property) derived from any sale or disposition of, or other enforcement or realization proceedings with respect to, any of the

Assets (a) after any Demand; (b) upon any dissolution, liquidation, winding-up, reorganization (including any proposal under the *Bankruptcy and Insolvency Act* (Canada) or any reorganization under the *Companies' Creditors Arrangement Act* (Canada)), bankruptcy, insolvency or receivership of the Company or any other arrangement or marshalling of the Assets that is similar thereto; (c) upon the enforcement of, or any action taken with respect to, any of the Security; (d) as insurance or expropriation proceeds or any other payment representing indemnity or compensation for loss of, damage to or interruption in the business; operation or enjoyment of all or any part of the Assets or any proceeds thereof (including money, choses in action, securities, assets and other property); or (e) as a result of the exercise of any right of set off or other similar right or remedy, in each case net of all costs, charges and expenses or liabilities incurred in connection with such sale, disposition, enforcement or realization, including legal fees and all proper costs, charges, expenses and liabilities of any Receiver, and after the Company pays to CIBC all amounts due and owing to, and otherwise required to be paid to, CIBC, all in accordance with the Subordination Agreement;

- (o) **"Promissory Notes"** means the 456 Promissory Note and the WHO Promissory Note, and **"Promissory Note"** means any one of them as the context requires;
- (p) **"Proportionate Share"** means, as of any date, in the case of each Creditor, a fraction, the numerator of which is such Creditor's Loan Amount and the denominator of which is the Total Loan Amount;
- (q) **"Receiver"** means a receiver, a manager, receiver-manager, an agent or other person having similar powers or authority appointed by a Creditor in accordance with Section 4.5, whether by way of a private or court appointment, in respect of the Company or any of the Assets;
- (r) **"Security"** means in respect of each Creditor, the general security agreement granted by the Company to such Creditor as security for all of or any part of the Obligations to such Creditor, as the same may be amended, modified, supplemented, restated or replaced from time to time;
- (s) **"Subordination Agreements"** means the [Subordination Agreements] dated October 15, 2020 granted by each Creditor to CIBC;
- (t) **"Total Loan Amount"** means, as of any date, the aggregate of both of the Creditors' Loan Amounts; and
- (u) **"WHO Promissory Note"** means a convertible demand promissory note issued by the Company and in favour of WHO dated October 15, 2020 in a principal amount equal to \$8,250,000.00 (as it may at any time or from time to time, be amended, supplemented, restated or replaced, in each case in accordance with the terms of this Agreement).

1.2 References

References to "this Agreement", "the Agreement", "hereof", "herein", "hereto" and like references refer to this Intercreditor Agreement and not to any particular Article, Section or other subdivision of this Intercreditor Agreement. Any references to "this Agreement", "the Agreement", "hereof", "herein", "hereto" and like references refer to this Intercreditor Agreement, as amended, modified, supplemented or restated from time to time in accordance with the terms hereof. In this Agreement, the word "includes" or "including" means "includes without limitation" or "including without limitation". Where the context so requires, words importing the singular number will include the plural and *vice versa*. The division of this Agreement into Articles, Sections and the insertion of headings in this Agreement are for convenience of reference only and will not affect the construction or interpretation of this Agreement. Time is of the essence of this Agreement.

1.3 Applicable Law

This Agreement will be governed by and interpreted in accordance with the laws of British Columbia, including the federal laws of Canada applicable therein. All disputes and claims arising out of, or in any way connected with, this Agreement will be referred to the courts of British Columbia and each of the parties hereby attorns to the non-exclusive jurisdiction of the courts of British Columbia.

1.4 Paramountcy

If there is a conflict or inconsistency between the provisions of this Agreement and the provisions of any other agreement which is referred to herein or delivered pursuant hereto, as between the Creditors, the provisions of this Agreement will prevail, provided that nothing in this Agreement is intended to or will impair, as between the Company and either of the Creditors, the obligations of the Company to pay the Obligations when due. For greater certainty, as between each Creditor and the Company, the applicable Promissory Note and Security will prevail to the extent not inconsistent with this Agreement.

2. CONSENTS, ACKNOWLEDGEMENTS AND SHARING INFORMATION

2.1 No Rights Conferred on Company

Nothing in this Agreement will be construed as conferring any rights upon the Company or any third party. The terms and conditions hereof are and will be for the sole and exclusive benefit of the Creditors. The Company, by its execution of this Agreement, hereby agrees to be bound by, and will act in accordance with, the terms, provisions and intent of this Agreement; however, the Company will not take any right, benefit or advantage in the Company being a party to this Agreement, and this Agreement may be amended, modified, supplemented or restated without the consent of the Company (and the Creditors agree to provide a copy of such amendment, modification, supplement or restatement to the Company), provided that any amendments, modifications, supplements or restatements that affect any rights or obligations of the Company will not be binding on the Company unless consented to in writing by the Company.

2.2 Consent

The Company hereby irrevocably consents to each Creditor providing the other Creditors with such information, financial or otherwise, regarding the Company, the Obligations and the Security as may be deemed advisable by the disclosing Creditor from time to time.

2.3 Consent of Creditors

Each Creditor consents to the incurring or assuming by the Company of the Obligations, the granting by the Company of the Security, and confirms that such action does not and will not constitute a default under or otherwise contravene any of the Promissory Notes or any of the Security.

2.4 Sharing Information and Notice of Default and Amendments

Each Creditor will:

- (a) provide to the other Creditor, and will share, all relevant information with respect to the Obligations as may be reasonably requested by such Creditor, both prior to and following any Default;
- (b) provide to the other Creditor prompt written notice of any Default under its Promissory Note or its Security upon becoming aware of same, which notice will specify all existing Defaults which are known to such Creditor;
- (c) contemporaneously with giving any Demand, provide written notice thereof to the other Creditor including copies of the Demand;
- (d) provide to the other Creditor prompt written notice of any action which it proposes to take to enforce its Security or of any notice to the Company of its intention to so enforce, it being understood that any enforcement action requires consent of the Majority Creditors pursuant to Section 4.5; and
- (e) provide to the other Creditor prompt written notice of any agreement to amend, modify, supplement or extend the terms of its Promissory Note or its Security, it being understood that certain amendments and modifications require approval of the Majority Creditors pursuant to Section 4.11.

3. REPRESENTATIONS AND WARRANTIES OF CREDITORS

3.1 Representations and Warranties

To induce each Creditor to extend credit to the Company under the Promissory Note, each Creditor hereby represents and warrants to the other Creditor as follows and acknowledges and confirms that each other Creditor is relying upon such representations and warranties in continuing to extend credit to the Company under the Promissory Notes:

- (a) it is the legal and beneficial owner of its Security and its Security has not been assigned, transferred or otherwise disposed of, in whole or in part;
- (b) it has not commenced any enforcement or realization proceedings under any of its Security;
- (c) except for its Promissory Note, Security and related Obligations, the Company is not indebted to it;]
- (d) it has all requisite capacity, power and authority to enter into and carry out the transactions contemplated by this Agreement;
- (e) all necessary action, corporate or otherwise, has been taken to authorize the execution, delivery and performance of this Agreement by such Creditor and it has duly executed and delivered this Agreement; and
- (f) this Agreement is a legal, valid and binding obligation of such Creditor, enforceable against it by the other Creditor in accordance with its terms subject to limitations with respect to enforcement imposed by law in connection with bankruptcy or similar proceedings affecting creditors' rights generally and to the extent that equitable remedies such as specific performance and injunction are in the discretion of the court from which they are sought.

4. PRIORITY AND ENFORCEMENT OF OBLIGATIONS AND SECURITY

4.1 Security to Rank *Pari Passu*

The Creditors each agree that the interest of each Creditor under its Security will rank *pari passu* each with the other on the basis of the respective Proportionate Share of each Creditor.

4.2 Application of Cash Proceeds of Realization

In the event of enforcement of any of the Security, or any other event resulting in Cash Proceeds of Realization, the Cash Proceeds of Realization will be applied and distributed as follows, without duplication:

- (a) firstly, to the payment of all reasonable costs and expenses (including protective disbursements) incurred by the Creditors in the exercise of all or any of the powers granted to the Creditors under the Security;
- (b) secondly, to the payment of the outstanding Promissory Note of each Creditor on a *pro rata* basis in accordance with the Proportionate Share of each Creditor as at the date of distribution of such Cash Proceeds of Realization;
- (c) thirdly, to the payment of any other Obligations of each Creditor on a *pro rata* basis in accordance with the Proportionate Share of each Creditor as at the date of distribution of such Cash Proceeds of Realization; and

(d) the balance, if any, in accordance with applicable law.

4.3 Proceeds Held in Trust

If any non-cash Proceeds of Realization are delivered to or received by a Creditor prior to termination of this Agreement in accordance with Section 5.10, such Creditor will hold such non-cash Proceeds of Realization in trust for the rateable *pro rata* benefit of both Creditors in accordance with their respective Proportionate Shares, and such non-cash Proceeds of Realization will be promptly converted to Cash Proceeds of Realization through the sale or the other disposition of such non-cash Proceeds of Realization and then distributed in accordance with Section 4.2. If any Cash Proceeds of Realization or other payment, whether prior to or after Default, are received by a Creditor in contravention of this Agreement, such Creditor will hold such Cash Proceeds of Realization and such payments, in trust for the rateable benefit of both Creditors, and such amounts will be forthwith paid and applied in accordance with Section 4.2.

4.4 Sharing of Additional Security

If either Creditor takes or holds any Lien or other security for any Obligations that is in addition to the Security, whether such Lien is granted by the Company or by any other Person such Creditor will hold such Lien or other security for the rateable benefit of both the Creditors and any net proceeds realized from the enforcement thereof, net of any and all enforcement costs, will be shared *pari passu* with both the Creditors and paid and applied in accordance with Section 4.2 as if such net proceeds were Cash Proceeds of Realization.

4.5 Enforcement of Security and Appointment of Receiver

No Creditor will commence enforcement proceedings or otherwise realize upon any of its Security (including without limitation, the appointment of a Receiver) without the approval of the Majority Creditors. If any Creditor has commenced enforcement proceedings or is otherwise realizing upon any of its Security with the approval of the Majority Creditors, then all Creditors will cooperate with each other on such enforcement and realization.

4.6 Expenditures and Realization

Responsibility for payment of all costs, charges and expenses properly incurred and incidental to the realization of the Security as may be taken by either Creditor including legal fees and disbursements and Receiver's fees, disbursements and borrowings and Receiver's legal costs will be adjusted, allocated and shared by the Creditors on a *pro rata* basis in accordance with their respective Proportionate Shares in the manner provided for the division of Cash Proceeds of Realization as set out in Section 4.2, provided that any such costs, charges and expenses are approved by the Majority Creditors. The Creditors will forthwith after making such expenditure make all adjustments or reimbursements between the Creditors as are necessary to result in the *pro rata* sharing of such costs in accordance with their respective Proportionate Shares. The Creditors will share any costs, charges and expenses of realization including Receiver's costs as aforesaid not recoverable from the Assets *pro rata* on the basis of their respective Proportionate Shares, provided that any such costs, charges and expenses are

approved by the Majority Creditors. Any cost incurred by a Creditor in respect of an indemnity given by a Creditor to a Receiver and approved by the Majority Creditors will be born *pro rata* by all the Creditors on the basis on their respective Proportionate Shares notwithstanding that the indemnity is provided by one of the Creditors, and the other Creditors will on demand reimburse the other Creditors incurring such costs in accordance with such proportionate sharing and the division of Cash Proceeds of Realization as set out in Section 4.2 will be adjusted accordingly. In the event that it becomes necessary or advisable for a Creditor to lend money to a Receiver or to expend monies with respect to inspection, repairs or other matters contemplated by the Security, the Creditors will share the cost of each such expenditure on a *pro rata* basis in accordance with their respective Proportionate Shares, and each Creditor will on demand reimburse the other Creditors incurring such expenditures in accordance with such proportionate sharing and the division of Cash Proceeds of Realization as set out in Section 4.2 will be adjusted accordingly.

4.7 Application of Payments

Subject to Section 4.6 and Section 4.8, any payment or prepayment received by a Creditor from the Company prior to Demand by either Creditor that does not represent Proceeds of Realization, may be applied by such Creditor to its Obligations as such Creditor sees fit. Any payment or prepayment received by a Creditor from the Company after Demand by either Creditor will be deemed to be Proceeds of Realization and such payment will be applied in accordance with Section 4.2. All payments received by a Creditor from the Company during the currency of this Agreement will be applied by such Creditor in or towards payment of its Obligations and will not be applied on account of any other indebtedness or liability of the Company, unless consented to in writing by the Majority Creditors.

4.8 Pro Rata Payments

Except as provided in Section 4.2 or with the approval of the Majority Creditors:

- (a) no Creditor will accept a payment of interest or repayment of principal in respect of its Promissory Notes unless such payment or repayment is made in respect of all Promissory Notes that have been issued on the same date pro-rata to both such Creditors based on their respective Proportionate Shares; and
- (b) no Creditor will accept a prepayment of interest or principal in respect of its Promissory Note unless such repayment is made in respect of both Promissory Notes pro-rata to all the Creditors based on their respective Proportionate Shares.

4.9 Prohibited Payments

Except as provided in Section 4.2, no Creditor will accept any payment of interest or principal in respect of its Promissory Note without the approval of the Majority Creditors if at the time of such payment there is any outstanding Default, written notice of which has been provided to all Creditors.

4.10 No Challenge

No Creditor will, in any manner, challenge, contest or bring into question the validity, priority, perfection or enforceability of any of the Obligations or the Security or take any action whereby the priorities set within this Agreement might be impaired or defeated.

4.11 Restrictions on Promissory Notes Amendments

Without the approval of the other Creditor, no Creditor will amend or otherwise modify its Promissory Note or its Security, or otherwise take any other action, so as to:

- (a) increase the interest rates applicable to their Obligations (if any), or increase the frequency of the payment or compounding of any such interest; or
- (b) impose any additional fees, bonuses or similar charges on the Company not contemplated in the Promissory Note as in effect as at the date hereof including forbearance or similar fees or fees in connection with the waiver of one or more Defaults.

4.12 Negative Covenants of the Creditors

Each of the Creditors covenants that it will not, without the approval of the Majority Creditor:

- (a) at any time, extend credit accommodation to the Company ranking *pari passu* or in priority to the Promissory Notes or Security;
- (b) except in the case of Default, or as provided herein, prohibit the Company from making regularly scheduled payments in respect of the Obligations in accordance with the Promissory Notes as in effect on the date hereof;
- (c) release or subordinate its Security;
- (d) discharge its Security in whole or in part or release or forgive the Company in respect of any of its Obligations; or
- (e) take any additional Security from the Company that is not required to be delivered under its Promissory Note as in effect on the date hereof.

4.13 Remedies

Each Creditor acknowledges that all covenants, provisions and restrictions contained herein are necessary and fundamental in order to establish the respective priorities of the Creditors in connection with the Obligations and the Security, and that a breach of any such covenant, provision or restriction would result in damages that could not adequately be compensated by monetary award. Accordingly, it is expressly agreed that, in addition to all other remedies available to it, including any action for damages, a Creditor will be entitled to the immediate remedy of a restraining order, interim injunction, injunction or other form of injunctive or other relief as may be decreed or issued by any court of competent jurisdiction to restrain or enjoin the other Creditor from breaching any such covenant, provision or restriction.

5. MISCELLANEOUS

5.1 Application of this Agreement

The rights of the Creditors and the priorities of the Security and the Obligations set out in this Agreement will apply irrespective of:

- (a) the time of creation, granting, execution, delivery, attachment, registration (to the extent registration is required), filing, perfection, crystallization or enforcement of any of the Obligations or the Security or any part thereof;
- (b) the time of any loan, advance or other extension of credit made to the Company by any Creditor;
- (c) the time of Default or Demand;
- (d) any priority otherwise accorded to the Obligations and the Security under applicable law; or
- (e) the provisions of the instruments or documents creating any of the Security.

5.2 Agreement Not to Apply

If any of the Security or any of the Obligations are claimed by any trustee in bankruptcy or found by a court of competent jurisdiction to be unenforceable, invalid, unregistered or unperfected, then this Agreement will not apply to such Security or such Obligations to the extent such Security or such Obligations are so claimed or found to be unenforceable, invalid, unregistered or unperfected unless the Creditor holding such Security or such Obligations will diligently be contesting such claim or appealing such decision and has provided the other Creditors with a satisfactory indemnity. Nothing herein will be construed as entitling a Creditor to priority to any payments or proceeds received or recovered after demand from, against or with respect to any property, assets or undertaking of the Company or any other Person in respect of which it does not have valid and enforceable Security or in respect of which its Security or Obligations are unenforceable as against third parties. If any Person who is not a party hereto will have a valid claim to such payments or proceeds in priority to or on parity with one or more Creditors, on the one hand, but not in priority to or on parity with one or more creditors, then this Agreement will not apply so as to diminish the rights of the other Creditor (as such rights would have been but for this Agreement) to such payments or proceeds. Nothing in this Section 5.2 will be construed as conferring any rights upon any Person not a party hereto.

5.3 Waivers and Amendments

None of the terms or provisions of this Agreement may be waived, amended, supplemented or otherwise modified except by a written instrument executed by both of the Creditors. No Creditor will by any act or delay, be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or in any breach of any of the terms and conditions hereof. No failure to exercise, nor any delay in exercising, on the part of a Creditor, any right, power or privilege hereunder will operate as a waiver thereof. No single or partial exercise of any right,

power or privilege hereunder will preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by a Creditor of any right or remedy hereunder on any one occasion will not be construed as a bar to any right or remedy which such Creditor would otherwise have on any future occasion.

5.4 Severability

Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction will, as to that jurisdiction, be ineffective to the extent of such prohibition or unenforceability and will be severed from the balance of this Agreement, all without affecting the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

5.5 Counterparts

This Agreement may be executed and delivered in any number of counterparts, with the same effect as if all parties had signed and delivered the same document, and all counterparts (including any counterparts transmitted by fax, e-mail or other means of electronic transmission) will be construed together to be an original and will constitute one and the same agreement.

5.6 Further Assurances

The Creditors and the Company agree to execute and deliver such further and other documents and perform and cause to be performed such further and other acts and things as may be necessary or desirable in order to give full effect to this Agreement and every part thereof, including all acts, deeds and agreements as may be necessary or desirable for the purpose of registering or filing notice of the terms of this Agreement.

5.7 Communication

Any communication required or permitted to be given under this Agreement will be in writing and will be effectively made and given if (a) delivered personally, (b) sent by prepaid courier service or mail, or (c) sent prepaid by facsimile transmission or email, in each case to the address or facsimile number of the relevant Creditor set out on Schedule A to this Agreement. Any communication so given will be deemed to have been given and to have been received on the day of delivery if so delivered, or on the day of facsimile transmission or sending by other means of recorded electronic communication provided that such day is a Business Day and the communication is so delivered or sent prior to 4:30 p.m. (local time at the place of receipt). Otherwise, such communication will be deemed to have been given and to have been received on the following Business Day. Any communication sent by mail will be deemed to have been given and to have been received on the fifth Business Day following mailing, provided that no disruption of postal service is in effect. Any Creditor or the Company may from time to time change their respective addresses or facsimile numbers for notice by giving notice to the other parties in accordance with the provisions of this Section.

5.8 Successors and Assigns

This Agreement will enure to the benefit of, and be binding on, the parties and their respective heirs, executors, administrators, personal representative, permitted assigns and successors. No

Creditor will assign any of its right, title or interest in respect of any of the Obligations or the Security unless it is in connection with an assignment of its Promissory Note (and only to such Persons as permitted by its Promissory Note) and the assignee agrees in writing with the other Creditors to be bound by this Agreement.

5.9 Entire Agreement

This Agreement contains the entire understanding of the parties with respect to the priority of the Promissory Notes, Security and Obligations and supersedes any prior agreements, undertakings, declarations, representations and understandings, both written and verbal, in respect thereof. There are no restrictions, agreements, promises, warranties, covenants or undertakings relating to the priority of the Promissory Notes, Security and Obligations other than those set forth in this Agreement.

5.10 Termination

This Agreement will terminate upon indefeasible payment in full of all Obligations and cancellation or termination of the Promissory Notes.

[Signature page follows.]

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

WHO INDUSTRIES INC.

Per: 
Authorized Signatory

4565038 MANITOBA LTD.

Per: _____
Authorized Signatory

WAREHOUSE ONE CLOTHING LTD.

Per: 
Authorized Signatory

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

WHO INDUSTRIES INC.

Per: _____
Authorized Signatory

4565038 MANITOBA LTD.

Per:  _____
Authorized Signatory

WAREHOUSE ONE CLOTHING LTD.

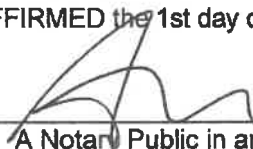
Per: _____
Authorized Signatory

**SCHEDULE A
ADDRESSES FOR NOTICE**

Name	Address
WHO INDUSTRIES INC.	Suite 2900 650 West Georgia Street Vancouver, BC V6B 4N8 Canada Attention: Andrew Bull Email: abull@sternpartners.com
4565038 MANITOBA LTD.	3050 Henderson Hwy East St Paul, MB R2E 0H9 Canada Attention: Max Maryk Email: mmaryk@shaw.ca
WAREHOUSE ONE CLOTHING LTD.	Suite 2900 650 West Georgia Street Vancouver, BC V6B 4N8 Canada Attention: Andrew Bull Email: abull@sternpartners.com

This is Exhibit "T" referred to in the
Affidavit of SHAMSH KASSAM

AFFIRMED the 1st day of May, 2026,



A Notary Public in and for the
Province of British Columbia



ANDREW BULL
NOTARY PUBLIC
STERN PARTNERS INC.

2650 - 733 Seymour Street
Vancouver, BC V6B 0S6
Tel: 604-646-3601
Email: abull@sternpartners.com

INTERCREDITOR AGREEMENT

THIS INTERCREDITOR AGREEMENT (this “**Agreement**”) is made as of the 20th day of May, 2025 among 4565038 Manitoba Ltd. and WHO Industries Inc., as the subordinated creditors (together, the “**Subordinated Creditors**”), Warehouse One Clothing Ltd. (the “**Borrower**”), as the borrower, Highgate Capital Ltd. (“**Stern Lenderco**”) and R.I.S. Media Inc. (“**Silver Lenderco**” and together with Stern Lenderco, the “**Senior Creditors**” and together with the Subordinated Creditors, the “**Creditors**”), as the senior creditors, and Highgate Capital Ltd, in its capacity as collateral agent for and on behalf of itself and the Senior Creditors (in such capacity, the “**Collateral Agent**”)

WHEREAS:

A. Pursuant to a loan agreement made the date hereof among the Borrower and Stern Lenderco (as amended, modified, restated, supplemented, renewed, extended and replaced from time to time, the “**Stern Lenderco Loan Agreement**”), Stern Lenderco has made and may, in its sole discretion, make additional loans (the “**Stern Lenderco Loans**”) available to the Borrower;

B. Pursuant to a loan agreement made the date hereof among the Borrower and Silver Lenderco (as amended, modified, restated, supplemented, renewed, extended and replaced from time to time, the “**Silver Lenderco Loan Agreement**” and together with the Stern Lenderco Loan Agreement, the “**Senior Loan Agreements**”), Silver Lenderco may, in its sole discretion, make certain loans (the “**Silver Lenderco Loans**” and together with the Silver Lenderco Loans, the “**Senior Loans**”) available to the Borrower;

C. As security for the debts, liabilities and obligations of the Borrower under the Stern Lenderco Loan Agreement and the Silver Lenderco Loan Agreement, the Borrower has granted the Senior Security (as hereinafter defined) in favour of the Collateral Agent to be held by it for and on behalf of itself and the Senior Creditors;

D. The Borrower is indebted to each of the Subordinated Creditors pursuant to one or more agreements, promissory notes or other instruments evidencing indebtedness of the Borrower as more particularly described in Part One of **Schedule “A”** hereto (such agreements, promissory notes and other instruments, together with any and all other agreements, promissory notes and instruments now or from time to time hereafter evidencing any indebtedness of the Borrower to the Subordinated Creditors, or either of them, in each case, as they may be amended, supplemented, restated, or replaced from time to time, are collectively referred to herein as the “**Subordinated Debt Agreements**” and the aggregate of all indebtedness of the Borrower under or in connection with the Subordinate Debt Agreements is referred to herein as the “**Subordinated Debt**”);

D. In connection with the Subordinated Debt, the Borrower has executed and delivered in favour of each Subordinated Creditor the security agreements more particularly described in Part Two **Schedule “A”** attached hereto (collectively, with any and all other agreements or instruments creating any mortgage, charge, security interest, lien or other encumbrance in favour of the Subordinated Creditors, or either of them, as security for all or any part of the Subordinated Debt, the “**Subordinated Security Agreements**” and all mortgages, charges, security interests, liens and other encumbrances created under such Subordinated Security Agreements, the “**Subordinated Security**”);

E. The Senior Creditors have agreed to make the Senior Loans available to the Borrower on the condition, *inter alia*, that the Subordinated Creditors subordinate and postpone the Subordinated Debt and

the Subordinated Obligations (as hereinafter defined) and the Subordinated Security in favour of the Senior Loans and the Senior Obligations (as hereinafter defined) and the Senior Security; and

F. The Creditors have agreed to enter into this agreement in order to set out, *inter alia*, the respective priorities of the Senior Debt and the Subordinated Debt and the Senior Security and the Subordinated Security.

NOW THEREFORE in consideration of the mutual covenants made herein and for other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), the parties hereto agree as follows:

1. **Defined Terms** In this Agreement:

- (a) “**Collateral**” means means all of the property (both real and personal), assets and undertaking of the Borrower expressed to be subject to the mortgages, charges, security interests and liens created under any of the Senior Security Agreements;
- (b) “**Insolvency Proceedings**” has the meaning given thereto in Section 5(a);
- (c) “**Senior Debt**” means, collectively, all indebtedness now and from time to time hereafter comprising or arising under the Stern Lenderco Loans and the Silver Lenderco Loans;
- (d) “**Senior Obligations**” means the Senior Debt and all indebtedness, liabilities and obligations of the Borrower arising under or in connection with the Senior Loan Agreements;
- (e) “**Senior Security**” means, collectively, all mortgages, charges, security interests, liens and other encumbrances granted by the Borrower in favour of the Collateral Agent for and on behalf of the Senior Creditors as security for all or any part of the Senior Obligations;
- (f) “**Senior Security Agreements**” means, collectively, the general security agreement made as of May 20, 2025 by the Borrower in favour of Highgate Capital Inc. in its capacity as collateral agent for and on behalf of itself and the Senior Lenders and any and all other agreements, instruments or documents now or from time to time hereafter creating any mortgage, charge, security interest, lien or other encumbrance in favour of the Senior Agent or the Senior Lenders, or either of them, as security, in whole or in part, for any of the Senior Debt or the Senior Obligations;
- (g) “**Subordinated Obligations**” has the meaning given thereto in Section 2(a).

2. **Priorities, Subordination and Postponement:**

- (a) Each Subordinated Creditor hereby covenants and agrees that all indebtedness, liabilities and obligations, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by the Borrower to such Subordinated Creditor under or in connection with the Subordinated Debt or otherwise (collectively, the “**Subordinated Obligations**”) are hereby deferred and postponed in all respects to the prior payment and satisfaction in full by the Borrower of the Senior Debt and the Senior Obligations and the termination of the Senior Loan Agreements.

- (b) Each Subordinated Creditor hereby covenants and agrees that the Senior Security shall in all respects rank in priority over the Subordinated Security, and each Subordinated Creditor hereby subordinates all of its right, title and interest in and to the Collateral with the intent and effect that the interests of the Subordinated Creditors therein and thereto shall be subordinate in all respects to and shall rank subsequent and subject in all respects to the Senior Security and the rights of the Senior Creditors in such Collateral pursuant thereto.
- (c) Each Senior Creditor hereby covenants and agrees that the interests of the respective Senior Creditors in the Senior Security shall rank *pari passu* each with the other based upon the aggregate amount of the Senior Obligations owing to the respective Senior Creditors and that each of Stern Lenderco and Silver Lenderco shall be entitled to repayment of the Senior Debt and Senior Obligations owing to it on a pro rata basis in accordance with the respective proportions of the Senior Debt owing to Stern Lenderco and Silver Lenderco, respectively.
- (d) All of the parties hereto hereby covenant and agree that any and all proceeds resulting from the enforcement of the Senior Security shall be dealt with in such a way as to give effect to the provisions of this Agreement and the subordination and postponement of the Subordinated Obligations created or intended to be established hereby.
- (e) None of the parties hereto shall take any steps or do any act or thing in breach of or inconsistent with any provision of this Agreement.
- (f) Each Subordinated Creditor and the Borrower represent and warrant that the Subordinated Obligations have not been assigned, pledged or hypothecated in whole or in part by any Subordinated Creditor.

3. **Payments of Principal and Interest on Subordinated Obligations:** The Borrower shall not make, nor shall either Subordinated Creditor accept, any payments whatsoever against or in respect of the Subordinated Debt or Subordinated Obligations, including without limitation payments of principal or cash interest, except as and when expressly consented to and permitted by the each of the Senior Creditors.

4. **Senior Creditor's Rights:** Each Subordinated Creditor agrees that:

- (a) each Senior Creditor, in its sole and absolute discretion, and without diminishing the obligations of each Subordinated Creditor hereunder, may grant time or other indulgences to the Borrower in respect of the payment of the applicable Senior Obligations, and may give up, modify, vary, exchange, renew or abstain from taking advantage of the Senior Security in whole or in part and may discharge part or parts of or accept any composition or arrangements or realize upon the Senior Security when and in such manner as such Senior Creditor or the Collateral Agent, or any authorized officer or agent thereof may think expedient, and in no such case shall such Senior Creditor or the Collateral Agent be responsible for any neglect or omission with respect to such Senior Security or any part thereof;
- (b) the Subordinated Creditors shall not be released or exonerated from their obligations hereunder by extension of time periods or any other forbearance whatsoever, whether as to time, performance or otherwise or by any release, discharge, loss or alteration in or dealing with all or any part of the Senior Obligations and the Senior Security or by any failure or delay in giving any notice required under this Agreement or under the Senior

Obligations or Senior Security or any part thereof, the waiver by any Senior Creditor or the Collateral Agent of compliance with any conditions precedent to any advance of funds, or by any modification or alteration of the Senior Obligations or the Senior Security or any part thereof, or by anything done, suffered or permitted by any Senior Creditor or the Collateral Agent, or as a result of the method or terms of payment under the Senior Obligations or Senior Security or any assignment or other transfer of all or any part of the Senior Obligations or the Senior Security or any part thereof;

- (c) the Senior Creditors shall not be bound to seek or exhaust any recourse against the Borrower or any other person or against the property or assets of the Borrower, or any other person or against any security, guarantee or indemnity before being entitled to the benefit of the obligations of the Subordinated Creditors hereunder and each Senior Creditor and the Collateral Agent may enforce the various remedies available to it and may realize upon the various security documents, guarantees and indemnities or any part thereof, held by it in such order as it may determine appropriate; and
- (d) the Senior Creditors shall be entitled to increase or decrease the principal amount of the Senior Obligations or any interest or fees under the Senior Credit Agreements (if agreed to by the Borrower, where required pursuant to the Senior Credit Agreements and/or the Senior Security). Without limiting the generality of the foregoing, each Senior Creditor shall be entitled to advance its own monies as it sees fit in order to preserve or protect the assets of the Borrower, or any part thereof, and all such sums advanced to the extent reasonably advanced to preserve and protect the assets of the Borrower, or any part thereof, shall constitute part of the applicable Senior Obligations and shall be secured by the Senior Security.

In addition to the foregoing, the Senior Creditors and the Collateral Agent may deal with the Borrower as they see fit in their sole and absolute discretion.

5. **Liquidation, Dissolution, Bankruptcy, etc.:**

- (a) Subject to Section 2(c), in the event of distribution, division or application, partial or complete, voluntary or involuntary, by operation of law or otherwise, of all or any part of the assets of the Borrower, or the proceeds thereof, to creditors in connection with the bankruptcy, liquidation or winding-up of the Borrower, or in connection with any composition with creditors or scheme of arrangement to which the Borrower is a party ("Insolvency Proceedings"), each of the Senior Creditors shall be entitled to receive payment in full (including interest accruing to the date of receipt of such payment at the applicable rate whether or not allowed as a claim in any such proceeding) of the applicable Senior Obligations on a pro-rata basis in accordance with the respective aggregate amounts of the Senior Obligations owing to each of the Stern Lenderco and the Silver Lenderco and outstanding on the date of any such payment or distribution before any Subordinated Creditor is entitled to receive any direct or indirect payment or distribution of any cash or other assets of the Borrower on account of any Subordinated Obligations, and the Senior Creditors shall be entitled to receive directly, for application in payment of such Senior Obligations (to the extent necessary to pay all Senior Obligations in full), any payment or distribution of any kind or character, whether in cash or other assets, which shall be payable or deliverable upon or with respect to the Subordinated Obligations, and each Subordinated Creditor hereby authorizes and directs all persons to make such payment or distribution to the Senior Creditors or the Collateral Agent, as applicable.

- (b) To the extent any payment of Senior Obligations (whether by or on behalf of the Borrower), as proceeds of security or enforcement of any right of set-off or otherwise, is declared to be a fraudulent preference or otherwise preferential, set aside or required to be paid to a trustee, receiver or other similar person under any bankruptcy, insolvency, receivership or similar law, then if such payment is recoverable by, or paid over to, such trustee, receiver or other person, the Senior Obligations or part thereof originally intended to be satisfied shall be deemed to be reinstated and outstanding as if such payment had not occurred.
- (c) In order to enable the Senior Creditors or the Collateral Agent, to enforce their rights hereunder in any of the actions or proceedings described in this Section 5, upon the failure of any Subordinated Creditor to make and present on a timely basis a proof of claim against the Borrower on account of any Subordinated Obligations or other motion or pleading as may be expedient or proper to establish the entitlement of such Subordinated Creditor to payment of any Subordinated Obligations, each Senior Creditor and the Collateral Agent is hereby irrevocably authorized and empowered, in its sole and absolute discretion and at the Borrower's sole expense, to make and present for and on behalf of such Subordinated Creditor such proofs of claim or other motions or pleadings and to demand, receive and collect any and all dividends or other payments or disbursements made thereon in whatever form the same may be paid or issued and to apply the same on account of the applicable Senior Obligations. Each Subordinated Creditor hereby covenants and agrees not to exercise any voting right or other privilege that it may have from time to time in any of the actions or proceedings described in this Section 5 in favour of any plan, proposal, compromise, arrangement or similar transaction that does not provide for the immediate repayment in full of the Senior Obligations or which otherwise may defeat, restrict or impair: (i) the rights of any Senior Creditor to receive payments and distributions otherwise payable or deliverable upon or with respect to the Subordinated Obligations so long as any Senior Obligations remains outstanding; or (ii) the obligation of the Subordinated Creditors to receive, hold in trust, and pay over to the Senior Creditors certain payments and distributions as contemplated by this Section 5.

6. **Payments Received by the Subordinated Creditors:** Except as otherwise provided for herein or if, prior to the satisfaction in full of the Senior Obligations and termination of the Senior Credit Agreements, any Subordinated Creditor or any person on its behalf shall receive any payment from or distribution of assets of the Borrower on account of the Subordinated Obligations, then such Subordinated Creditor shall, and shall cause such other person to, receive and hold such payment or distribution in trust for the benefit of the Senior Creditors and promptly pay the same over or deliver to the Collateral Agent or the Senior Creditors, as applicable, in precisely the form received by such Subordinated Creditor or such other person on its behalf, (except for any necessary endorsement or assignment) and such payment or distribution shall be applied by the Senior Creditors to the repayment or satisfaction of the Senior Obligations in accordance with Section 5(a).

7. **No Release:** This Agreement, including but not limited to the priorities, subordination and postponements contained herein, shall remain in full force and effect without regard to, and the obligations of the Creditors hereunder shall not be released or otherwise affected or impaired by:

- (a) any exercise or non-exercise by any Senior Creditor or the Collateral Agent of any right, remedy, power or privilege in any Senior Loan Agreement or Senior Security;

- (b) any waiver, consent, extension, indulgence or other action, inaction or omission by any Senior Creditor or the Collateral Agent under or in respect of this Agreement, or any Senior Loan Agreement or Senior Security;
- (c) any Event of Default (as defined in the Senior Loan Agreements) by the Borrower under, any limitation on the liability of the Borrower, or on the method or terms of payment under, or any irregularity or other defect in, any of the Senior Loan Agreements or Senior Security;
- (d) the lack of authority or revocation thereof by any other party;
- (e) the failure of any Senior Creditor or the Collateral Agent to file or enforce a claim of any kind; any defence based upon an election of remedies by any Senior Creditor or the Collateral Agent which destroys or otherwise impairs the subrogation rights of any Subordinated Creditor or the right of any Subordinated Creditor to proceed against the Borrower for reimbursement;
- (f) any merger, consolidation or amalgamation of the Borrower into or with any other person;
- (g) any insolvency, bankruptcy, liquidation, reorganization, arrangement, composition, winding-up, dissolution or similar proceeding involving or affecting any Creditor or the Borrower;
- (h) default in respect of, or crystallization of any encumbrances, liens and charges under, the Senior Security;
- (i) any loan(s), advance or advances of money or money's worth made to the Borrower; or
- (j) delivery to the Borrower of any property, assets or undertaking subject to the Senior Security.

The priorities, subordinations and postponements provided herein shall apply in all events and circumstances regardless of:

- (k) the date of creation, the date of grant, the date of execution, the date of attachment or the date of registration of any security interest held by any Creditor or the Collateral Agent;
- (l) the date of any advance or advances made to the Borrower by any Creditor;
- (m) the date of default by the Borrower under any of the Senior Security or Subordinate Security, or the dates of crystallization of any floating charges held for the benefit of any Creditor;
- (n) the date of any notice to or demand upon the Borrower or to any other person (or the failure to give any notice or demand); or
- (o) any priority granted by principle of law or any statute, including, without limitation, any personal property security, corporation securities registration or like statute.

8. **Covenants and Consent of the Borrower:** The Borrower hereby confirms to and agrees with the Creditors that so long as the Senior Obligations remain outstanding and the Senior Credit Agreements remain in force and effect, the Borrower shall hold and deal with the Collateral in accordance with this Agreement and in accordance with the respective agreements entered into between the Borrower and the Senior Creditors and/or the Collateral Agent and the Subordinated Creditors. The Borrower hereby consents to the Senior Creditors providing to the Subordinated Creditors, and the Subordinated Creditors providing to the Senior Creditors and/or the Collateral Agent from time to time, information and particulars relating to the Subordinated Obligations, the Subordinated Debt, or the Subordinated Security, the Senior Obligations or the Senior Security, and the performance by the Borrower of its obligations to the Subordinated Creditors (including in connection with the Subordinated Security).

9. **No Debtor Rights:** Nothing contained in this Agreement shall confer any rights or benefits of any kind whatsoever upon the Borrower, or any person who is not a party to this Agreement, or as modifying another agreement between any of the Senior Creditors, the Collateral Agent, the Subordinated Creditors and the Borrower, and the Borrower shall not be entitled to enforce any provision of this Agreement.

10. **Further Assurances:** The parties hereto shall forthwith, and from time to time, execute and do all deeds, documents and things which may be necessary or advisable, in the reasonable opinion of the Senior Creditors' counsel, to give full effect to the subordination contained herein and the rights and remedies of the Senior Creditors hereunder, in accordance with the intent of this Agreement.

11. **Successors and Assigns:** This Agreement is binding upon each of the Senior Creditors, the Collateral Agent, the Subordinated Creditors and the Borrower and their respective successors and assigns and shall enure to the benefit of each of the Senior Creditors, the Collateral Agent, the Subordinated Creditors and the Borrower and their respective successors and permitted assigns, as applicable.

12. **Notice:** Any notice or written communication given pursuant to or in connection with this Agreement shall be in writing and shall be given by delivering the same personally or by prepaid courier, pre-paid registered mail, addressed to the party to be notified, at such address set out below or such other address of which such party has given notice to the other parties hereto. Any such notice shall be conclusively deemed to have been given and received on the actual date of receipt by the addressee or, if given by pre-paid registered mail, on the fifth day following the mailing date (absent a general disruption in postal service):

To the Stern Lenderco or the Collateral Agent:

Highgate Capital Ltd.
Suite 2650, 733 Seymour Street, Vancouver,
British Columbia, V6B 0S6

Attention: Ronald Stern

To the Shareholders:

WHO Industries Inc.
Suite 2650, 733 Seymour Street, Vancouver,
British Columbia, V6B 0S6

Attention: Ronald Stern

4565038 Manitoba Ltd.

Attention:

To the Silver Lenderco:

R.I.S. Media Ltd.
510 Park Boulevard West, Winnipeg,
Manitoba, R3P 0H4

Attention: Bob Silver

13. **Continuing Agreement:** This Agreement shall constitute a continuing agreement, notwithstanding that the Borrower may not be indebted to the Senior Creditors and the Subordinated Creditors, or any of them, at any time. Each Senior Creditor may lend money, extend credit and make other financial accommodations to or for the account of the Borrower on the faith hereof. Each Subordinated Creditor hereby covenants and agrees that it shall not be permitted to revise, replace, amend or supplement the Subordinated Debt or the Subordinated Security, nor shall it be permitted to acquire encumbrances, security interests, liens or other charges of any kind (except for the Subordinated Security) on or in respect of any right, title or interest of the Borrower or to any of its assets, property or undertaking (now or hereafter acquired), without the consent of the Senior Creditors. Nothing herein shall restrict the Senior Creditors or the Collateral Agent from revising, replacing, amending or supplementing the security in its favour, or acquiring additional encumbrances upon any assets, property or undertaking of the Borrower (now or hereafter acquired), provided that all such securities and encumbrances shall be held and dealt with in accordance with the provisions herein. This Agreement shall continue in force until terminated by the mutual consent in writing of parties hereto or until the Senior Creditors and/or the Collateral Agent have discharged all of the security in its favour granted by the Borrower.

14. **Severability:** Any provision of this Agreement which is invalid or unenforceable under the laws of any jurisdiction in which this Agreement is sought to be enforced shall, as to such jurisdiction, and to the extent such provision is invalid or unenforceable, be deemed severable and shall not affect any other provision of this Agreement.

15. **Governing Law:** This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

16. **Acknowledgement:** The Subordinated Creditors and the Borrower hereby each acknowledge receipt of a copy of this agreement and of the Senior Credit Agreements and accept and further agree with the Senior Creditors to give effect to all of the provisions of this Agreement.

17. **Termination:** This Agreement shall terminate upon the full and indefeasible repayment in full of the Senior Obligations and the release and termination of the Senior Security and the Senior Credit Agreements.

18. **Counterparts:** This Agreement may be executed in any number of counterparts and all counterparts taken together shall be deemed to constitute one agreement

19. **Execution and Delivery:** The parties hereto may execute this Agreement by way of any method of electronic execution. To evidence the fact that it has executed this Agreement, the parties hereto may send a signed copy of this Agreement or its signature to this Agreement by any electronic manner of transmission and the signature sent in that way shall be deemed to be its original signature for all purposes.

[Signature page follows]

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first written above.

SUBORDINATED CREDITORS

WHO INDUSTRIES INC.

By: 
Authorized Signatory

4565038 MANITOBA LTD.

By: _____
Authorized Signatory

SENIOR CREDITORS

HIGHGATE CAPITAL LTD.

By: 
Authorized Signatory

R.I.S. MEDIA INC.

By: 
Authorized Signatory

COLLATERAL AGENT

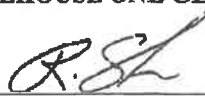
**HIGHGATE CAPITAL LTD.,
AS COLLATERAL AGENT,**

By: 
Authorized Signatory

BORROWER

WAREHOUSE ONE CLOTHING INC.

By: _____



Authorized Signatory

*Signature page to Subordination and Postponement Agreement
(Sponsor Subordinated Debt)*

Schedule "A"

SUBORDINATED NOTES AND SUBORDINATED SECURITY

PART ONE

Subordinated Debt Agreements

1. Convertible demand promissory note dated October 15, 2020 in the principal amount of \$8,250,000 issued by the Borrower to WHO Industries Inc.
2. Convertible demand promissory note dated October 15, 2020 in the principal amount of \$2,750,000 issued by the Borrower to 4565038 Manitoba Ltd.

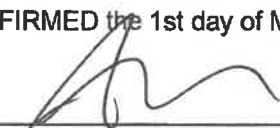
PART TWO

Subordinated Security Agreements

1. General Security Agreement dated [October 15, 2020] granted by the Borrower in favour of WHO Industries Inc.
2. General Security Agreement dated [October 15, 2020] granted by the Borrower in favour of 4565038 Manitoba Ltd.

This is Exhibit "U" referred to in the
Affidavit of SHAMSH KASSAM

AFFIRMED the 1st day of May, 2026,



A Notary Public in and for the
Province of British Columbia



ANDREW BULL
NOTARY PUBLIC
STERN PARTNERS INC.
2650 - 733 Seymour Street
Vancouver, BC V6B 0S6
Tel: 604-646-3601
Email: abull@sternpartners.com

INTERCREDITOR AND AGENCY AGREEMENT

THIS INTERCREDITOR AGREEMENT (this "**Agreement**") is made as of the 20th day of May, 2025 among Warehouse One Clothing Ltd. (the "**Borrower**"), Highgate Capital Ltd. (the "**Stern Lenderco**") and R.I.S. Media Ltd. (the "**Silver Lenderco**" and together with the Stern Lenderco, the "**Creditors**") and Highgate Capital Ltd. (the "**Collateral Agent**") in its capacity as collateral agent for and on behalf of the Creditors.

WHEREAS:

A. Pursuant to a loan agreement made the date hereof among the Borrower and the Stern Lenderco (as amended, modified, restated, supplemented, renewed, extended and replaced from time to time, the "**Stern Lenderco Loan Agreement**"), the Stern Lenderco has made and may, in its sole discretion, continue to make certain loans (the "**Stern Lenderco Loans**") available to the Borrower;

B. Pursuant to a loan agreement made the date hereof among the Borrower and Silver Lenderco (as amended, modified, restated, supplemented, renewed, extended and replaced from time to time, the "**Silver Lenderco Loan Agreement**"), the Silver Lenderco has made and may, in its sole discretion, continue to make certain loans (the "**Silver Lenderco Loans**") available to the Borrower;

C. As security for the debts, liabilities and obligations of the Borrower under the Stern Lenderco Loan Agreement and the Silver Lenderco Loan Agreement (collectively, the "**Obligations**"), the Borrower granted the security documents listed in Schedule "A" hereto (as amended, modified, restated, supplemented, renewed, extended and replaced from time to time, collectively, the "**Creditor Security**") in favour of the Collateral Agent, for and on behalf of the Creditors which security is to be held by the Collateral Agent on behalf of the Creditors;

D. The Borrower is also indebted to the Canadian Imperial Bank of Commerce (the "**CIBC**") pursuant to a credit agreement dated April 16, 2010 (as amended to the date hereof and as it may be further amended, modified, restated, supplemented, renewed, extended and replaced from time to time, the "**CIBC Credit Agreement**") and in connection therewith has granted certain security to CIBC, including a general security agreement (as amended, modified, restated, supplemented, renewed, extended and replaced from time to time, the "**CIBC Security**");

E. The Creditors have agreed to enter into this agreement in appoint the Collateral Agent as collateral agent and order to set out, *inter alia*, the respective priorities of the Stern Lenderco Loans, the Silver Lenderco Loans, the CIBC Indebtedness, the Creditor Security and the CIBC Security.

NOW THEREFORE in consideration of the mutual covenants made herein and for other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), the parties hereto agree as follows:

1. **Defined Terms** In this Agreement:

- (a) "**CIBC Indebtedness**" means all of the liabilities, obligations and indebtedness of the Borrower under the CIBC Credit Agreement;
- (b) "**Creditors**" means the Stern Lenderco and the Silver Lenderco or either of them;

- (c) **"Insolvency Proceedings"** has the meaning given thereto in Section 7(a);
- (d) **"Loans"** means together, the Stern Lenderco Loans and the Silver Lenderco Loans and **"Loan"** mean either of them as the context requires; and
- (e) **"Loan Agreements"** means together, the Stern Lenderco Loan Agreement and the Silver Lenderco Loan Agreement and **"Loan Agreement"** means either of them as the context requires.

2. **Appointment of Collateral Agent:**

- (a) The Creditors hereby appoint and designate the Collateral Agent as collateral agent hereunder and under the Creditor Security. The Collateral Agent hereby accepts such appointment on the terms and conditions set forth herein and acknowledges that it holds the Creditor Security as agent for and on behalf of the Creditors. The Creditors hereby authorize the Collateral Agent to exercise such rights and powers under this Agreement and the Creditor Security, as the case may be, as are specifically granted or delegated to the Collateral Agent by the terms hereof, together with such other rights and powers as are reasonably incidental thereto or as are customarily and typically exercised by agents performing duties similar to the duties of the Collateral Agent hereunder, subject, however, to any express limitations set forth herein. The duties of the Collateral Agent shall be deemed ministerial and administrative in nature, and the Collateral Agent shall not have, by reason of this Agreement or the Creditor Security a fiduciary relationship with the Creditors. The Collateral Agent shall exercise that degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances;
- (b) The Creditor Security shall be granted in favour of and received and held by the Collateral Agent in its capacity as collateral agent for and on behalf of the Creditors in accordance with the appointment in Section 2(a) above and the other provisions of this Agreement. If the Collateral Agent becomes aware of any matter concerning the Creditor Security which it considers to be material, it shall promptly inform the Creditors. The Collateral Agent, in its capacity as collateral agent, shall comply with all instructions provided by the Creditors in accordance with the applicable provisions of this Agreement in connection with the enforcement of any rights and remedies of the Collateral Agent as holder of the Creditor Security, including any instructions as to the release and discharge thereof.
- (c) Each of the Creditors hereby acknowledges that to the extent permitted by applicable law, the Creditor Security as delivered to the Collateral Agent and any rights and remedies of the Collateral Agent provided for thereunder or otherwise available under applicable law in connection therewith are for the benefit of the Creditors collectively and acting together and not severally and further acknowledges that the rights and remedies of the Creditors hereunder and under or in connection with the Creditor Security are to be exercised not severally, but by the Collateral Agent upon the unanimous decision of the Creditors. Accordingly, and notwithstanding any of the provisions contained herein or in the Creditor Security, each of the Creditors hereby covenants and agrees that it shall not be entitled to take any action hereunder, including any declaration of default under any of the Creditor Security, but that any such action shall be taken only by the Collateral Agent with the prior agreement of the Creditors. Each of the Creditors hereby further covenants and agrees that upon any such agreement being made among the Creditors, it shall co-operate fully with the Collateral Agent to

the extent requested by the Collateral Agent. Notwithstanding the foregoing, in the absence of instructions from the Creditors and where in the sole opinion of the Collateral Agent, acting reasonably and in good faith, the exigencies of the situation warrant such action, the Collateral Agent may without notice to or consent of the Creditors take such action on behalf of itself and the Creditors as the Collateral Agent deems to be appropriate or desirable in the interest of itself and the Creditors.

- (d) The Collateral Agent shall not have any duties or responsibilities except those expressly set forth in this Agreement except that the Collateral Agent shall not be bound by any duties or responsibilities set forth in any collateral document entered into after the date hereof that are more burdensome to the Collateral Agent than those set forth herein as in effect on the date hereof.
- (e) The Collateral Agent shall act on all instructions received from the Creditors.
- (f) The Collateral Agent shall have the same rights and powers in its capacity as a Creditor as any other Creditor and may exercise the same as though it were not the Collateral Agent.
- (g) All amounts received by the Collateral Agent on account of payment or satisfaction in whole or in part of any obligation of the Borrower to the Creditors under the Creditor Security shall be so received by the Collateral Agent in its capacity as Collateral Agent. Forthwith on receipt of any such amount, the Collateral Agent, in its capacity as Collateral Agent, will remit same to each Creditor on a pro-rata basis in accordance with the respective aggregate amounts of the Obligations owing to each Creditor and outstanding on the date of any such payment or distribution.
- (h) Subject to the claims of any creditor ranking in priority to the liens of the applicable Creditor Security, all proceeds of the enforcement of any rights and remedies under the Creditor Security received by the Collateral Agent following the occurrence of an Event of Default, shall be paid, distributed and applied by the Collateral Agent as follows:
 - (A) first, in payment and satisfaction of all fees, costs and expenses (including all legal, accounting and receiver's fees and disbursements on a full indemnity basis) incurred by the Collateral Agent and the Creditors, or any of them, in enforcing their rights and remedies under or otherwise incurred by any of them under or in connection with this Agreement and the Creditor Security, or any of them;
 - (B) second, to the payment of all amounts constituting or owing as interest under or secured by the Loan Agreements and the Creditor Security to the Creditors, on a pro-rata basis in accordance with the respective aggregate amounts of the Obligations owing to each Creditor and outstanding on the date of any such payment or distribution;
 - (C) third, to the payment of the principal and all other amounts owing under or secured by the Loan Agreements and the Creditor Security to the Creditors a pro-rata basis in accordance with the respective aggregate amounts of the Obligations owing to each Creditor and outstanding on the date of any such payment or distribution;

(D) fourth, following the payment and satisfaction of all amounts owing by the Borrower under the Loan Agreements and the Creditor Security, any surplus proceeds of enforcement shall be remitted to the Borrower.

- (i) The Silver Lenderco agrees to indemnify the Collateral Agent and hold it harmless from and against any and all losses, claims, damages, liabilities and related expenses, including the fees, charges and disbursements of any counsel, which may be incurred by or asserted against the Collateral Agent in any way relating to or arising out of the Creditor Security or the transactions therein contemplated.
- (j) The Collateral Agent may resign, on 60 days' prior written notice to the Silver Lenderco and in the event of any resignation or removal, the Creditors shall have the right to appoint a successor Collateral Agent.

3. **Priorities:**

- (a) Each Creditor hereby covenants and agrees that the interests of the Creditors in the Creditor Security shall rank pari passu with each other based upon each the respective aggregate amounts of the Obligations owing to each of the Creditors.
- (b) Each Creditor hereby covenants and agrees that each of the Stern Lenderco and the Silver Lenderco shall be entitled to repayment of the Stern Lenderco Loans and the Silver Lenderco Loans, respectively, on a pro rata basis in accordance with the respective aggregate amounts of the Obligations owing to each of the Stern Lenderco and the Silver Lenderco.
- (c) All of the parties hereto hereby covenant and agree that any and all proceeds resulting from the enforcement of the Creditor Security shall be dealt with in such a way as to give effect to the provisions of this Agreement.
- (d) None of the parties hereto shall take any steps or do any act or thing in breach of or inconsistent with any provision of this Agreement.
- (e) Each Creditor and the Borrower represent and warrant that the Obligations have not been assigned, pledged or hypothecated in whole or in part by any Creditor.

4. **CIBC:**

- (a) Each Creditor hereby acknowledges and agrees that:
 - (i) any payment or repayment of the Obligations shall be subject to the terms and conditions of the CIBC Credit Agreement, and shall be deferred and postponed in all respects to the prior repayment in full by the Borrower of the CIBC Indebtedness;
 - (ii) the CIBC Security shall rank in priority over the Creditor Security, and the Creditors shall subordinate all of their right, title and interest in and to the Collateral with the intent and effect that the interests of the each Creditor therein and thereto shall be subordinate in all respects to and shall rank subsequent and subject in all respects to the CIBC Security and the rights of the CIBC Creditor in such Collateral pursuant thereto; and

- (iii) the Creditors and the Collateral Agent shall enter into a subordination agreement with the CIBC Creditor that reflects the priorities set forth herein and the terms and conditions of this Agreement shall be subject in all respects to the provisions of such subordination agreement.

5. **Payments of Principal and Interest on Obligations:** The Borrower shall not make, nor shall any Creditor accept, any payments whatsoever against or in respect of their respective Obligations, including without limitation payments of principal or cash interest, except as set out in this Agreement.

6. **Creditor's Rights:** The Collateral Agent and each Creditor agrees that:

- (a) each Creditor, in its sole and absolute discretion, and without diminishing the obligations of the other Creditor hereunder, may grant time or other indulgences to the Borrower in respect of the payment of the applicable Obligations, and may give up, modify, vary, exchange, renew or abstain from taking advantage of the applicable Security in whole or in part and may discharge part or parts of or accept any composition or arrangements or realize upon such Security when and in such manner as such Creditor, or any authorized officer or agent thereof may think expedient, and in no such case shall such Creditor (or the Collateral Agent, as applicable) be responsible for any neglect or omission with respect to such Security or any part thereof;
- (b) each Creditor (and the Collateral Agent, as applicable) may enforce the various remedies available to it and may realize upon the various security documents, guarantees and indemnities or any part thereof, held by it in such order as it may determine appropriate; and
- (c) the Creditors shall be entitled to increase or decrease the principal amount of the Obligations or any interest or fees under the Loan Agreements (if agreed to by the Borrower, where required pursuant to the Loan Agreements). Without limiting the generality of the foregoing, each Creditor shall be entitled to advance its own monies as it sees fit in order to preserve or protect the assets of the Borrower, or any part thereof, and all such sums advanced to the extent reasonably advanced to preserve and protect the assets of the Borrower, or any part thereof, shall constitute part of the applicable Obligations and shall be secured by the applicable Security

In addition to the foregoing, the Creditors may deal with the Borrower as they see fit in their sole and absolute discretion.

7. **Liquidation, Dissolution, Bankruptcy, etc.:**

- (a) In the event of distribution, division or application, partial or complete, voluntary or involuntary, by operation of law or otherwise, of all or any part of the assets of the Borrower, or the proceeds thereof, to creditors in connection with the bankruptcy, liquidation or winding-up of the Borrower, or in connection with any composition with creditors or scheme of arrangement to which the Borrower is a party ("Insolvency Proceedings"), each of the Creditors shall be entitled to receive payment in full (including interest accruing to the date of receipt of such payment at the applicable rate whether or not allowed as a claim in any such proceeding) of the applicable Obligations on a pro-rata basis in accordance with the respective aggregate amounts of the Obligations owing to each Creditor and outstanding on the date of any such payment or distribution.

- (b) To the extent any payment of Obligations (whether by or on behalf of the Borrower), as proceeds of security or enforcement of any right of set-off or otherwise, is declared to be a fraudulent preference or otherwise preferential, set aside or required to be paid to a trustee, receiver or other similar person under any bankruptcy, insolvency, receivership or similar law, then if such payment is recoverable by, or paid over to, such trustee, receiver or other person, the Obligations or part thereof originally intended to be satisfied shall be deemed to be reinstated and outstanding as if such payment had not occurred.

8. **No Release:** This Agreement, including but not limited to the priorities set out in Section 3, shall remain in full force and effect without regard to, and the obligations of the Creditors hereunder shall not be released or otherwise affected or impaired by:

- (a) any exercise or non-exercise by any Creditor of any right, remedy, power or privilege in any Loan Document;
- (b) any waiver, consent, extension, indulgence or other action, inaction or omission by any Creditor under or in respect of this Agreement, or any other Loan Document;
- (c) any Event of Default (as defined in the Loan Agreements) by the Borrower under, any limitation on the liability of the Borrower, or on the method or terms of payment under, or any irregularity or other defect in, any of the Loan Documents;
- (d) the lack of authority or revocation thereof by any other party;
- (e) any merger, consolidation or amalgamation of the Borrower into or with any other person;
- (f) any insolvency, bankruptcy, liquidation, reorganization, arrangement, composition, winding-up, dissolution or similar proceeding involving or affecting any Creditor or the Borrower;
- (g) default in respect of, or crystallization of any encumbrances, liens and charges under, the Creditor Security;
- (h) any loan(s), advance or advances of money or money's worth made to the Borrower; or
- (i) delivery to the Borrower of any property, assets or undertaking subject to the Creditor Security.

The priorities provided herein shall apply in all events and circumstances regardless of:

- (j) the date of creation, the date of grant, the date of execution, the date of attachment or the date of registration of any security interest held by any Creditor;
- (k) the date of any advance or advances made to the Borrower by any Creditor;
- (l) the date of default by the Borrower under any of the Creditor Security or the dates of crystallization of any floating charges held for the benefit of any Creditor;
- (m) the date of any notice to or demand upon the Borrower or to any other person (or the failure to give any notice or demand); or

- (n) any priority granted by principle of law or any statute, including, without limitation, any personal property security, corporation securities registration or like statute.

9. **Covenants and Consent of the Borrower:** The Borrower hereby confirms to and agrees with the Creditors that so long as the Obligations remain outstanding and the Credit Agreements remain in force and effect, the Borrower shall hold and deal with the Collateral in accordance with this Agreement and in accordance with the respective agreements entered into between the Borrower and the Creditors. The Borrower hereby consents to the Creditors providing to each other from time to time, information and particulars relating to the Obligations and the performance by the Borrower of its obligations to the Creditors (including in connection with the Creditor Security).

10. **No Debtor Rights:** Nothing contained in this Agreement shall confer any rights or benefits of any kind whatsoever upon the Borrower, or any person who is not a party to this Agreement, or as modifying another agreement between any of the Creditors and the Borrower, and the Borrower shall not be entitled to enforce any provision of this Agreement.

11. **Further Assurances:** The parties hereto shall forthwith, and from time to time, execute and do all deeds, documents and things which may be necessary or advisable, in the reasonable opinion of the Creditors' counsel, to give full effect to the priorities contained herein and the rights and remedies of the Creditors hereunder, in accordance with the intent of this Agreement.

12. **Successors and Assigns:** This Agreement is binding upon each of the Creditors and the Borrower and their respective successors and assigns and shall enure to the benefit of each of the Collateral Agent, Creditors, and the Borrower and their respective successors and permitted assigns, as applicable.

13. **Notice:** Any notice or written communication given pursuant to or in connection with this Agreement shall be in writing and shall be given by delivering the same personally or by prepaid courier, pre-paid registered mail, addressed to the party to be notified, at such address set out below or such other address of which such party has given notice to the other parties hereto. Any such notice shall be conclusively deemed to have been given and received on the actual date of receipt by the addressee or, if given by pre-paid registered mail, on the fifth day following the mailing date (absent a general disruption in postal service):

To the Collateral Agent:

Highgate Capital Ltd.
Suite 2650, 733 Seymour Street,
Vancouver, British Columbia, V6B 0S6

Attention: Ronald Stern

To the Stern Lenderco:

Highgate Capital Ltd.
Suite 2650, 733 Seymour Street, Vancouver,
British Columbia, V6B 0S6

Attention: Ronald Stern

To the Silver Lenderco:

R.I.S. Media Ltd.
510 Park Boulevard West, Winnipeg,
Manitoba, R3P 0H4

Attention: Bob Silver

14. **Continuing Agreement:** This Agreement shall constitute a continuing agreement, notwithstanding that the Borrower may not be indebted to the Creditors, or either of them, at any time. Each Creditor may lend money, extend credit and make other financial accommodations to or for the account of the Borrower on the faith hereof. Nothing herein shall restrict the Creditors from revising, replacing, amending or supplementing the security in its favour, or acquiring additional encumbrances upon any assets, property or undertaking of the Borrower (now or hereafter acquired), provided that all such securities and encumbrances shall be held and dealt with in accordance with the provisions herein. This Agreement shall continue in force until terminated by the mutual consent in writing of parties hereto or until the Creditors have discharged all of the security in its favour granted by the Borrower.

15. **Severability:** Any provision of this Agreement which is invalid or unenforceable under the laws of any jurisdiction in which this Agreement is sought to be enforced shall, as to such jurisdiction, and to the extent such provision is invalid or unenforceable, be deemed severable and shall not affect any other provision of this Agreement.

16. **Governing Law:** This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

17. **Termination:** This Agreement shall terminate upon the full and indefeasible repayment in full of the Obligations and the release and termination of the Creditor Security and the Loan Agreements.

18. **Counterparts:** This Agreement may be executed in any number of counterparts and all counterparts taken together shall be deemed to constitute one agreement

19. **Execution and Delivery:** The parties hereto may execute this Agreement by way of any method of electronic execution. To evidence the fact that it has executed this Agreement, the parties hereto may send a signed copy of this Agreement or its signature to this Agreement by any electronic manner of transmission and the signature sent in that way shall be deemed to be its original signature for all purposes.

[Signature page follows]

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first written above.

COLLATERAL AGENT

HIGHGATE CAPITAL LTD.

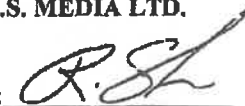
By: 
Authorized Signatory

CREDITORS

HIGHGATE CAPITAL LTD.

By: 
Authorized Signatory

R.I.S. MEDIA LTD.

By: 
Authorized Signatory

BORROWER

WAREHOUSE ONE CLOTHING LTD.

By: 
Authorized Signatory

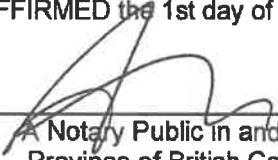
Schedule "A"

Security

General Security Agreement dated the date hereof granted by the Borrower in favour of the Collateral Agent

This is Exhibit "V" referred to in the
Affidavit of SHAMSH KASSAM

AFFIRMED the 1st day of May, 2026,



A Notary Public in and for the
Province of British Columbia



ANDREW BULL
NOTARY PUBLIC
STERN PARTNERS INC.
2650 - 733 Seymour Street
Vancouver, BC V6B 0S6
Tel: 604-646-3601
Email: abull@sternpartners.com

GENERAL SECURITY AGREEMENT

THIS SECURITY AGREEMENT made as of October 15, 2020.

BETWEEN:

WAREHOUSE ONE CLOTHING LTD., a corporation incorporated pursuant to the federal laws of Canada and having its registered and records offices at 1800 – 510 West Georgia Street, Vancouver, British Columbia V6B 0M3

(the "Debtor")

AND:

WHO INDUSTRIES INC., a corporation incorporated pursuant to the federal laws of Canada and having its registered and records offices at 1800 – 510 West Georgia Street, Vancouver, British Columbia V6B 0M3

(the "Secured Party")

FOR VALUE RECEIVED, the Debtor hereby covenants, agrees, warrants, represents, acknowledges and confirms to and with the Secured Party and creates and grants the mortgages, charges and security interests hereinafter set forth, as follows:

1. SECURITY INTEREST

1.1 Grant of Security Interest

For the consideration aforesaid and as security for the payment and performance of the Obligations (as hereinafter defined), the Debtor, subject to the exceptions set out in Section 2 hereof, does hereby:

- (a) mortgage and charge as and by way of a fixed and specific charge to and in favour of the Secured Party and assign and transfer to the Secured Party and grant to the Secured Party, by way of mortgage, charge, assignment and transfer, a security interest in all the Debtor's right, title and interest, both present and future, in and to all of its presently owned or held and after acquired or held personal property, of whatever nature or kind and wheresoever situate and all proceeds and renewals thereof and therefrom, accretions thereto and substitutions therefor, including, without limitation, all of the following now owned or hereafter owned or acquired by or on behalf of the Debtor:
 - (1) all inventory of whatever kind and wherever situate, including, without limitation, goods acquired or held for sale or lease or furnished or to be furnished under contracts of rental or service, all raw materials, work in process, finished goods, returned goods, repossessed goods, and all packaging materials, supplies and containers relating to or used or consumed in connection with any of the foregoing (all of which is hereinafter collectively called the "Inventory");

- (2) all equipment (other than Inventory) of whatever kind and wherever situate, including, without limitation, all machinery, tools, apparatus, plant, fixtures, furniture, furnishings, chattels, motor vehicles, vessels and other tangible personal property of whatsoever nature or kind that is not Inventory, and all parts, components, attachments, accessories, accessions, replacements, substitutions, additions and improvements to any of the foregoing (all of which is hereinafter collectively called the "Equipment");
 - (3) all book accounts and book debts and generally all accounts, debts, dues, claims, choses in action and demands of every nature and kind howsoever arising or secured including letters of credit and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by the Debtor (all of which is hereinafter collectively called the "Accounts");
 - (4) all deeds, documents, writings, papers, books of account and other books and electronically recorded data relating to or being records of Accounts, Chattel Paper or Documents of Title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;
 - (5) all contractual rights, insurance claims, licences, goodwill, patents, trademarks, trade names, copyrights and other industrial or intellectual property of the Debtor, all other choses in action of the Debtor of every kind which now are, or which may at any time hereafter be, due or owing to or owned by the Debtor, and all other intangible property of the Debtor which is not Accounts, Chattel Paper, Instruments, Documents of Title, Investment Property or Money;
 - (6) all Money;
 - (7) all property described in any schedule now or at any time hereafter annexed hereto or agreed to form part hereof;
 - (8) the undertaking of the Debtor; and
 - (9) all Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles and Investment Property now owned or hereafter owned or acquired by or on behalf of the Debtor (including such as may be returned to or repossessed by the Debtor), and all other goods of the Debtor which are not Equipment, Inventory or Accounts; and
- (b) charge as and by way of a floating charge to and in favour of the Secured Party, and grant to the Secured Party a security interest in and to:
- (1) all the Debtor's right, title and interest in and to all its presently owned or held and after acquired or held real, immovable and leasehold property and all interests therein, and all easements, rights-of-way, privileges, benefits, licences, improvements and rights whether connected therewith or appurtenant thereto or

separately owned or held, including all structures, plant and other fixtures (all of which is hereinafter collectively called "Real Property"); and

- (2) all property, assets and undertakings of the Debtor, both present and future, of whatsoever nature or kind and wheresoever situate, and all Proceeds thereof and therefrom, other than such of its property, assets and undertakings as are otherwise validly and effectively subject to the charges and security interests in favour of the Secured Party created pursuant to section 1.1(a) hereof; and
- (c) mortgage and charge as and by way of a fixed and specific charge to and in favour of the Secured Party, and assign and transfer to the Secured Party and grant to the Secured Party, by way of mortgage, charge, assignment and transfer, a security interest in all of the Debtor's right, title and interest, both present and future, in and to all of its presently owned or held and after acquired or held property which:
 - (1) is or hereafter becomes a fixture, or
 - (2) constitutes a licence, quota, permit or other similar right or benefit or crops.

The mortgages, charges, assignments and transfers and security interests created or granted pursuant to Sections 1.1 (a), (b) and (c) hereof are hereinafter collectively called the "Security Interest", and all property, assets, interests and undertakings (including Proceeds) subject to the Security Interest or otherwise charged or secured hereby or expressed to be charged, assigned or transferred or secured by any instruments supplemental hereto or in implementation hereof are hereinafter collectively called the "Collateral".

2. EXCEPTIONS

The Security Interest granted hereby shall not extend or apply to and the Collateral shall not extend to or include:

- (a) Consumer Goods, or
- (b) the last day of the term of any lease or agreement therefor but upon the enforcement of the Security Interest the Debtor shall stand possessed of such last day in trust to assign and dispose thereof as the Secured Party shall direct.

3. OBLIGATIONS SECURED

This Security Agreement and the Security Interest are in addition to and not in substitution for any other security interest now or hereafter held by the Secured Party from the Debtor or from any other person whomsoever and shall be general and continuing security for the payment of all indebtedness and liability of the Debtor to the Secured Party (including interest thereon), present or future, absolute or contingent, joint or several, direct or indirect, matured or not, extended or renewed, wheresoever and howsoever incurred, and any ultimate balance thereof, including all advances on current or running account and all future advances and re-advances, and whether the same is from time to time reduced and thereafter

increased or entirely extinguished and thereafter incurred again and whether the Debtor be bound alone or with another or others and whether as principal or surety, and for the performance and satisfaction of all obligations of the Debtor to the Secured Party, whether or not contained in this Security Agreement and whether the Debtor be bound alone or with another or others, including all indebtedness evidenced by the Grid Promissory Note dated on or about the date hereof issued by the Debtor to the Secured Party (all of which indebtedness, liability, and obligations are hereinafter collectively called the "Obligations").

4. PROHIBITIONS

Without the prior written consent of the Secured Party the Debtor shall not and shall not have power to:

- (a) grant, create or permit to be created any security interest in, charge, encumbrance or lien over, or claim against any of its property, assets, or undertakings which ranks or could in any event rank in priority to the Security Interest, save only the charges or security interests, if any, shown in any schedule hereto;
- (b) grant, sell, or otherwise assign its Chattel Paper; or
- (c) issue or have outstanding at any time any secured or unsecured bonds, debentures, debenture stock or other evidences of indebtedness of the Debtor or of any predecessor in title of the Debtor issued under a trust deed or other instrument running in favour of a trustee.

5. ATTACHMENT

The Debtor acknowledges that the Security Interest attaches upon the execution of this Security Agreement (or in the case of any after acquired property, at the time of acquisition thereof), that value has been given, and that the Debtor has, or in the case of after acquired property will have at the time of acquisition, rights in the Collateral.

6. REPRESENTATIONS AND WARRANTIES

The Debtor represents and warrants to the Secured Party that:

- (a) this Security Agreement is granted in accordance with resolutions of the directors (and of the shareholders as applicable) of the Debtor and that all other matters and things have been done and performed so as to authorize and make the execution and delivery of this Security Agreement, and the performance of the Debtor's obligations hereunder, legal, valid and binding;
- (b) the Debtor lawfully owns and possesses all presently held Collateral and has good title thereto, free from all security interests, charges, encumbrances, liens and claims, save only the charges or security interests, if any, shown in any schedule hereto and those consented to in writing by the Secured Party, and the Debtor has good right and lawful authority to grant a security interest in the Collateral as provided by this Security Agreement;

- (c) where the Collateral includes Accounts, Chattel Paper or Instruments, each is enforceable in accordance with its terms against the party obligated thereunder and that the Debtor has fully and accurately disclosed to the Secured Party the amount owing thereunder and any other relevant information concerning liability for payment thereunder;
- (d) with respect to goods constituting Collateral, the Debtor has herein or elsewhere fully and accurately disclosed to the Secured Party the locations thereof and of the business operations and records of the Debtor;
- (e) the Debtor has not consented to the entering into by: (A) any issuer of any Uncertificated Securities included in or relating to the Collateral of a Control Agreement; or (B) any Securities Intermediary for any Securities Accounts or Security Entitlements included in or relating to the Collateral of a Control Agreement, other than, in either case, the Secured Party.

7. COVENANTS OF THE DEBTOR

7.1 General Covenants

The Debtor covenants and agrees with the Secured Party that at all times while this Security Agreement remains in effect the Debtor will:

- (a) defend the title to the Collateral for the benefit of the Secured Party against the claims and demands of all persons;
- (b) fully and effectually maintain and keep maintained the validity and effectiveness of the Security Interest;
- (c) maintain the Collateral in good order and repair;
- (d) forthwith pay:
 - (1) all taxes, assessments, rates, duties, levies, government fees, claims, dues and other charges of every nature which may be lawfully levied, assessed or imposed upon it or the Collateral when due, unless the Debtor shall in good faith contest its obligations so to pay and shall furnish such security as the Secured Party may require; and
 - (2) all security interests, charges, encumbrances, liens and claims which rank or could in any event rank in priority to the Security Interest, other than the charges or security interests, if any, shown in any schedule hereto and those consented to in writing by the Secured Party;
- (e) forthwith reimburse and indemnify the Secured Party for all reasonable costs, charges, expenses and legal fees and disbursements which may be incurred by the Secured Party in:

- (1) inspecting the Collateral;
 - (2) negotiating, preparing, perfecting and registering this Security Agreement or notice of it and other documents, whether or not relating to this Security Agreement;
 - (3) investigating title to the Collateral;
 - (4) taking, recovering, keeping possession of and insuring the Collateral; and
 - (5) all other actions and proceedings taken in connection with the preservation of the Collateral and the enforcement of this Security Agreement and of any other Security Interest held by the Secured Party as security for the Obligations;
- (f) at the Secured Party's request at any time and from time to time, execute and deliver such further and other documents and instruments and do all acts and things as the Secured Party in its absolute discretion requires in order to confirm and perfect, and maintain perfection of, the Security Interest in favour of the Secured Party upon any of the Collateral;
- (g) notify the Secured Party promptly of:
 - (1) any material loss or damage to the Collateral;
 - (2) any material default by any account debtor in payment or other performance of his obligations to the Debtor with respect to any Accounts; and
 - (3) the details of any claims or litigation affecting the Debtor or the Collateral.
- (h) prevent the Collateral, other than Inventory sold, leased, or otherwise disposed of as permitted hereby, from being or becoming an accession to other property not covered by this Security Agreement;
- (i) permit the Secured Party and its representatives, at all reasonable times, access to all its property, assets and undertakings and to all its books of account and records for the purpose of inspection and render all assistance necessary for such inspection;
- (j) deliver to the Secured Party from time to time promptly upon request:
 - (1) any Documents of Title, Instruments, Investment Property and Chattel Paper constituting, representing or relating to Collateral;
 - (2) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to the Collateral for the purpose of inspecting, auditing or copying the same;
 - (3) all financial statements prepared by or for the Debtor regarding the Debtor's business;

- (4) all policies and certificates of insurance relating to the Collateral; and
- (5) such information concerning the Collateral, the Debtor and the Debtor's business and affairs as the Secured Party may reasonably require;
- (k) carry on and conduct the business of the Debtor in a proper and efficient manner and so as to protect and preserve the Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for the Debtor's business as well as accurate and complete records concerning Collateral;
- (l) will not consent to:
 - (1) the entering into by any issuer of any Uncertificated Securities included in or relating to the Collateral of a Control Agreement in respect of such Uncertificated Securities with any Person other than the Secured Party or such nominee or agent as it may direct; or
 - (2) the entering into by any Securities Intermediary for any Securities Accounts or Security Entitlements included in or relating to the Collateral of a Control Agreement with respect to such Securities Accounts or Securities Entitlements with any Person other than the Secured Party or such nominee or agent as it may direct; and
- (m) promptly upon request from time to time by the Secured Party, the Debtor shall:
 - (1) enter into and use reasonable commercial efforts to cause any Securities Intermediary for any Securities Accounts or Securities Entitlements included in or relating to the Collateral to enter into a Control Agreement with the Secured Party with respect to such Securities Accounts or Securities Entitlements as the Secured Party requires in form and substance satisfactory to the Secured Party; and/or
 - (2) enter into and use reasonable commercial efforts to cause any issuer of any Uncertificated Securities included in or relating to the Collateral to enter into a Control Agreement with the Secured Party with respect to such Uncertificated Securities in form and substance satisfactory to the Secured Party.

7.2 Covenants Regarding Collateral

Except as herein provided, without the prior written consent of the Secured Party, the Debtor will not:

- (a) sell, lease or otherwise dispose of the Collateral, other than sales of Inventory in the ordinary course of business in accordance with Section 7.3 hereof;
- (b) release, surrender or abandon possession of the Collateral; or
- (c) move or transfer the Collateral from the jurisdiction or jurisdictions in which the Security Interest has been perfected.

7.3 Dealings With Collateral

Provided that the Debtor is not in default under this Security Agreement, at any time without the consent of the Secured Party the Debtor may lease, sell, license, consign or otherwise deal with items of Inventory in the ordinary course of its business and for the purposes of carrying on its business.

8. INSURANCE

8.1 Covenants Regarding Insurance

The Debtor covenants that at all times while this Security Agreement is in effect the Debtor shall:

- (a) maintain or cause to be maintained insurance on the Collateral with an insurer, of kinds, for amounts and payable to such person or persons, all as the Secured Party may require, and in particular but without limitation maintain insurance on the Collateral to its full insurable value against loss or damage by fire including extended coverage endorsement and in the case of motor vehicles and other mobile Collateral, maintain insurance against theft;
- (b) cause the insurance policy or policies required hereunder to be assigned to the Secured Party and have as part thereof a standard mortgage clause or a mortgage endorsement, as appropriate; and
- (c) pay all premiums in connection with such insurance, and deliver all such policies to the Secured Party, if it so requires.

8.2 Application of Insurance Proceeds

If proceeds of any insurance required hereunder become payable the Secured Party may, in its absolute discretion, apply such proceeds to such part or parts of the Obligations as the Secured Party may see fit or the Secured Party may release any such insurance proceeds to the Debtor for the purpose of repairing, replacing or rebuilding, but any release of insurance proceeds to the Debtor shall not operate as a payment on account of the Obligations or in any way affect this Security Agreement.

8.3 Proof of Loss

The Debtor will forthwith, on the happening of loss or damage to the Collateral, notify the Secured Party thereof and furnish to the Secured Party at the Debtor's expense any necessary proof and do any necessary act to enable the Secured Party to obtain payment of the insurance proceeds, but nothing herein contained shall limit the Secured Party's right to submit to the insurer a proof of loss on its own behalf.

8.4 Secured Party as Loss Payee

The Debtor hereby irrevocably authorizes and directs the insurer under any policy of insurance required hereunder to include the name of the Secured Party as a loss payee on any cheque or draft which may be issued with respect to a claim under and by virtue of such insurance, and the production by the

Secured Party to any insurer of a certified copy of this Security Agreement shall be its full and complete authority for so doing.

8.5 Failure to Maintain Insurance Coverage

If the Debtor fails to maintain insurance as required hereby, the Secured Party may, but shall not be obliged to, maintain or effect such insurance coverage, or so much thereof as the Secured Party considers necessary for its protection.

9. USE AND VERIFICATION OF COLLATERAL

Subject to compliance with the Debtor's covenants contained herein and Section 11 hereof, the Debtor may, until default, possess, operate, collect, use and enjoy and deal with the Collateral in the ordinary course of the Debtor's business in any manner not inconsistent with the provisions hereof; provided always that the Secured Party shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner the Secured Party may consider appropriate and the Debtor agrees to furnish all assistance and information and to perform all such acts as the Secured Party may reasonably request in connection therewith and for such purpose to grant to the Secured Party or its agents access to all places where the Collateral may be located and to all premises occupied by the Debtor.

10. INVESTMENT PROPERTY

If Collateral at any time includes Investment Property, the Debtor hereby authorizes the Secured Party to transfer the same or any part thereof into its own name or that of its nominee(s) so that the Secured Party or its nominee(s) may appear on record as the sole owner thereof; provided that, until default, the Secured Party shall deliver promptly to the Debtor all notices or other communications received by it or its nominee(s) as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall issue to the Debtor or its order a proxy to vote and take all action with respect to such Investment Property. After default, the Debtor waives all rights to receive any notices or communications received by the Secured Party or its nominee(s) as such registered owner and agrees that no proxy issued by the Secured Party to the Debtor or its order as aforesaid shall thereafter be effective.

To the extent that Investment Property includes an interest in or unit certificates in a partnership or a limited liability company, the Debtor represents and warrants that the terms of any interest in such partnership or limited liability company provide that such interest is a "security" for the purposes of the STA and in the event that the terms of any interest in a partnership or limited liability company does not so provide, the Debtor agrees to amend the terms with respect to such partnership or limited liability company to expressly provide that such interest is a "security" for the purposes of the STA.

11. COLLECTION OF DEBTS

Before or after default under this Security Agreement, without notice to the Debtor, the Secured Party may notify all or any account debtors of the Debtor of the Security Interest and may also direct such account debtors to make all payments on Collateral to the Secured Party. The Debtor acknowledges that any payments on or other proceeds of Collateral received by the Debtor from account debtors, whether

before or after notification of this Security Interest to account debtors and whether before or after default under this Security Agreement shall be received and held by the Debtor in trust for the Secured Party and shall be turned over to the Secured Party upon request.

12. INCOME FROM AND INTEREST ON COLLATERAL

12.1 Income Until Default

Until default, the Debtor reserves the right to receive any money constituting income from or interest on Collateral and if the Secured Party receives any such money prior to default, the Secured Party shall either credit the same against the Obligations or pay the same promptly to the Debtor.

12.2 Income After Default

After default, the Debtor will not request or receive any money constituting income from or interest on Collateral and if the Debtor receives any such money in any event, the Debtor will hold such money in trust for the Secured Party and will pay the same promptly to the Secured Party.

13. INCREASES, PROFITS, PAYMENTS OR DISTRIBUTIONS

13.1 Receipt by Secured Party

Whether or not default has occurred, the Debtor authorizes the Secured Party:

- (a) to receive any increase in or profits on the Collateral (other than money) and to hold the same as part of the Collateral. Money so received shall be treated as income for the purposes of Section 12 hereof and dealt with accordingly; and
- (b) to receive any payment or distribution upon redemption or retirement or upon dissolution and liquidation of the issuer of Collateral; to surrender such Collateral in exchange therefor; and to hold any such payment or distribution as part of Collateral.

13.2 Receipt by Debtor

If the Debtor receives any such increase or profits (other than money) or payments or distributions, the Debtor will deliver the same promptly to the Secured Party to be held by the Secured Party as herein provided.

14. DISPOSITION OF MONIES

Subject to any applicable requirements of the Act, all monies collected or received by the Secured Party pursuant to or in exercise of any right it possesses with respect to Collateral shall be applied on account of the Obligations in such manner as the Secured Party deems best or, at the option of the Secured Party, may be held unappropriated in a collateral account or released to the Debtor, all without prejudice to the liability of the Debtor or the rights of the Secured Party hereunder, and any surplus shall be accounted for as required by law.

15. PERFORMANCE OF OBLIGATIONS

If the Debtor fails to perform any of its obligations hereunder, the Secured Party may, but shall not be obliged to, perform any or all of such obligations without prejudice to any other rights and remedies of the Secured Party hereunder, and any payments made and any costs, charges, expenses and legal fees and disbursements (on a solicitor and own client basis) incurred in connection therewith shall be payable by the Debtor to the Secured Party forthwith with interest until paid at the highest rate borne by any of the Obligations and such amounts shall be secured hereby and rank prior to all claims subsequent to this Security Agreement.

16. DEFAULT

16.1 Events of Default

The happening of any of the following events or conditions (each a "default") shall constitute default hereunder unless waived by the Secured Party:

- (a) the Debtor fails to make any payment when due of any indebtedness or liability of the Debtor to the Secured Party;
- (b) the Debtor is in breach of any term or condition of this Security Agreement or if a default occurs hereunder;
- (c) the Debtor makes an assignment for the benefit of its creditors, is declared bankrupt or commits an act of bankruptcy, becomes insolvent, makes a proposal or otherwise takes advantage of provisions for relief under the Bankruptcy and Insolvency Act or similar legislation in any jurisdiction, or any other type of insolvency proceedings are instituted by or against the Debtor under the Bankruptcy and Insolvency Act or otherwise;
- (d) a receiver, receiver and manager, receiver-manager or trustee of or for the Debtor or all or any part of the Collateral is appointed;
- (e) any execution, sequestration, extent or other process of any court becomes enforceable against the Debtor or any distress or analogous process is levied upon the assets of the Debtor or any part thereof;
- (f) without the prior written consent of the Secured Party or except as set out in any schedule hereto, the Debtor creates or permits to exist any charge, encumbrance or lien on or claim against or any security interest in, any of the Collateral which ranks or could in any event rank in priority to or pari passu with any security interest or charge created by this Security Agreement;
- (g) the holder of any other charge, encumbrance or lien on or claim against, or security interest in, any of the Collateral does anything to enforce or realize on such charge, encumbrance, lien, claim or security interest;
- (h) an order is made or an effective resolution is passed for winding up the Debtor;

- (i) the Debtor ceases to carry on business;
- (j) any proceedings with respect to the Debtor are commenced under the Companies' Creditors Arrangement Act; or
- (k) legal proceedings are initiated or legal positions are taken by or against the Debtor or by any third party which could in the reasonable opinion of the Secured Party have a material adverse effect on this Security Agreement or the Security Interest or any other security held by the Secured Party for all or any part of the Obligations.

16.2 Floating Charge

For all purposes, including without limitation any application to register a crystallized floating charge under the Land Title Act (British Columbia) against any Real Property, the floating charge created by this Security Agreement shall be crystallized and become a fixed charge upon the earliest of:

- (a) the occurrence of an event described in Section 16.1 (c), (d), (e), (g), (h), (i) or (j) hereof;
- (b) the Secured Party making any demand for payment or declaration pursuant to section 17 hereof, unless the Secured Party otherwise states at that time; or
- (c) the Secured Party taking any action pursuant to section 18 hereof to enforce and realize upon any or all of the Security Interest created by this Security Agreement,

and in any event upon the appointment by the Secured Party of a Receiver pursuant to section 18 hereof.

16.3 Consolidation

In accordance with the Property Law Act (British Columbia), the doctrine of consolidation applies to this Security Agreement.

17. ACCELERATION

The Secured Party, in its sole discretion, may declare all or any part of the Obligations which are not by their terms payable on demand to be immediately due and payable in the event of any default, or, in the absence of default, if the Secured Party considers or deems itself insecure or that the Collateral is in jeopardy. The provisions of this clause do not and are not intended to affect in any way any rights of the Secured Party with respect to any Obligations which may now or hereafter be payable on demand.

18. ENFORCEMENT

18.1 Rights of Secured Party on Default

Upon any default under this Security Agreement, the security hereby constituted will immediately become enforceable. To enforce and realize on the security constituted by this Security Agreement the Secured Party may take any action permitted by law or in equity, as it may deem expedient, and in particular, but without limiting the generality of the foregoing, the Secured Party may do any of the following:

- (a) appoint by instrument a receiver, receiver and manager or receiver-manager (the person so appointed is hereinafter called the "Receiver") of the Collateral, with or without bond as the Secured Party may determine, and from time to time in its absolute discretion remove such Receiver and appoint another in its stead;
- (b) enter upon any premises of the Debtor and take possession of the Collateral with power to exclude the Debtor, its agents and its servants therefrom, without becoming liable as a mortgagee in possession;
- (c) preserve, protect and maintain the Collateral and make such replacements thereof and repairs and additions thereto as the Secured Party may deem advisable;
- (d) sell, lease or otherwise dispose of all or any part of the Collateral, whether by public or private sale or lease or otherwise, in such manner, at such price as can be reasonably obtained therefor and on such terms as to credit and with such conditions of sale and stipulations as to title or conveyance or evidence of title or otherwise as to the Secured Party may seem reasonable, provided that if any sale, lease or other disposition is on credit the Debtor will not be entitled to be credited with the proceeds of any such sale, lease or other disposition until the monies therefor are actually received;
- (e) exercise all of the rights and remedies of a secured party under the Act; and
- (f) the Secured Party may sell, transfer or use any Investment Property included in the Collateral of which the Secured Party or its agent has "control" within the meaning of the STA.

18.2 Receiver

A Receiver appointed pursuant to this Security Agreement shall be the agent of the Debtor and not of the Secured Party and the Secured Party shall not be in any way responsible for any misconduct, negligence or non-feasance on the part of any Receiver, its servants, agents or employees. A Receiver shall, to the extent permitted by law or to such lesser extent permitted by its appointment, have all the powers of the Secured Party hereunder, and in addition shall have power to carry on the business of the Debtor and for such purpose to enter upon, use and occupy all premises owned or occupied by the Debtor wherein Collateral may be situate, maintain Collateral upon such premises, use Collateral directly or indirectly in carrying on the Debtor's business and from time to time to borrow money either unsecured or secured by a security interest in any of the Collateral.

18.3 Proceeds of Realization

Subject to the claims, if any, of the creditors of the Debtor ranking in priority to this Security Agreement, all amounts realized from the disposition of Collateral pursuant to this Security Agreement will be applied as the Secured Party, in its absolute discretion, may direct or as follows:

- (a) in payment of all costs, charges and expenses (including legal fees and disbursements on a solicitor and his own client basis) incurred by the Secured Party in connection with or incidental to:

- (1) the exercise by the Secured Party of all or any of the powers granted to it pursuant to this Security Agreement; and
 - (2) the appointment of the Receiver and the exercise by the Receiver of all or any of the powers granted to it pursuant to this Security Agreement, including the Receiver's reasonable remuneration and all outgoings properly payable by the Receiver excluding the Receiver's borrowings;
- (b) in payment of any sum or sums borrowed by the Receiver from the Secured Party and interest thereon if such sum or sums are secured by the Collateral;
 - (c) in or toward payment to the Secured Party of all principal and other monies (except interest) due in respect of the Obligations;
 - (d) in or toward payment to the Secured Party of all interest remaining unpaid in respect of the Obligations;
 - (e) in or toward payment of any sum or sums borrowed by the Receiver from any financial institution, corporation or person other than the Secured Party and interest thereon if such sum or sums are secured by the Collateral.

Subject to applicable law and the claims, if any, of other creditors of the Debtor, any surplus will be paid to the Debtor.

18.4 Immediate Exercise of Rights

The Debtor agrees that the Secured Party may exercise its rights and remedies hereunder immediately upon default, except as may be otherwise provided in the Act, and the Debtor hereby expressly confirms that except as may be otherwise provided herein or in the Act, the Secured Party has not given any covenant, express or implied, and is under no obligation to allow the Debtor any period of time to remedy any default prior to the Secured Party exercising its rights and remedies hereunder.

19. DEFICIENCY

If the amounts realized from the disposition of the Collateral are not sufficient to pay the Obligations in full, the Debtor will immediately pay to the Secured Party the amount of such deficiency.

20. RIGHTS CUMULATIVE

All rights and remedies of the Secured Party set out in this Security Agreement are cumulative and no right or remedy contained herein is intended to be exclusive but each will be in addition to every other right or remedy contained herein or in any existing or future security agreement or now or hereafter existing at law, in equity or by statute, or pursuant to any other agreement between the Debtor and the Secured Party that may be in effect from time to time.

21. LIABILITY OF SECURED PARTY

The Secured Party shall not be responsible or liable for any debts contracted by it, for damages to persons or property or for salaries or non-fulfilment of contracts during any period when the Secured Party shall manage the Collateral upon entry, as herein provided, nor shall the Secured Party be liable to account as mortgagee in possession or for anything except actual receipts or be liable for any loss on realization or for any default or omission for which a mortgagee in possession may be liable. The Secured Party shall not be bound to do, observe or perform or to see to the observance or performance by the Debtor of any obligations or covenants imposed upon the Debtor nor shall the Secured Party, in the case of Investment Property, Instruments or Chattel Paper, be obliged to preserve rights against other persons, nor shall the Secured Party be obliged to keep any of the Collateral identifiable. The Debtor hereby waives any applicable provision of law permitted to be waived by it which imposes higher or greater obligations upon the Secured Party than aforesaid.

22. APPOINTMENT OF ATTORNEY

The Debtor hereby irrevocably appoints the Secured Party or the Receiver, as the case may be, with full power of substitution, to be the attorney of the Debtor for and in the name of the Debtor to sign, endorse or execute under seal or otherwise any deeds, documents, transfers, cheques, instruments, demands, assignments, assurances or consents that the Debtor is obliged to sign, endorse or execute and generally to use the name of the Debtor and to do all things as may be necessary or incidental to the exercise of all or any of the powers conferred on the Secured Party or the Receiver, as the case may be, pursuant to this Security Agreement.

23. ACCOUNTS

Notwithstanding any other provision of this Security Agreement, the Secured Party may collect, realize, sell or otherwise deal with the Accounts or any part thereof in such manner, upon such terms and conditions and at such time or times, whether before or after default, as may seem to it advisable, and without notice to the Debtor, except in the case of disposition after default and then subject to the provisions of Part V of the Act. All monies or other forms of payment received by the Debtor in payment of any Account will be received and held by the Debtor in trust for the Secured Party.

24. APPROPRIATION OF PAYMENTS

Any and all payments made in respect of the Obligations from time to time and monies realized from any security interests held therefor (including monies collected in accordance with or realized on any enforcement of this Security Agreement) may be applied to such part or parts of the Obligations as the Secured Party may see fit, and the Secured Party may at all times and from time to time change any appropriation as the Secured Party may see fit.

25. LIABILITY TO ADVANCE

None of the preparation, execution, perfection and registration of this Security Agreement or notice hereof or the advance of any monies shall bind the Secured Party to make any advance or loan or further advance or loan, or renew any note or extend any time for payment of any indebtedness or liability of the Debtor to the Secured Party.

26. WAIVER

The Secured Party may from time to time and at any time waive in whole or in part any right, benefit or default under any clause of this Security Agreement but any such waiver of any right, benefit or default on any occasion shall be deemed not to be a waiver of any such right, benefit or default thereafter, or of any other right, benefit or default, as the case may be, and no delay or omission by the Secured Party in exercising any right or remedy hereunder or with respect to any default shall operate as a waiver thereof or of any other right or remedy.

27. NOTICE

Notice may be given by any party in writing and shall be well and sufficiently given if sent by prepaid registered mail, by delivery, or by facsimile transmission to the party for whom it is intended, at the address or transmitted to the facsimile number herein provided, or to such other address or to such other facsimile number as may be set forth in any notice given pursuant to these notice provisions from time to time. Any such notice shall be deemed to have been given and received:

- (a) if delivered, when delivered,
- (b) if mailed by prepaid registered mail when there is no known or anticipated disruption of postal services, on the third business day following that on which it was mailed; and
- (c) if sent by facsimile transmission, on the close of business on the day on which it was transmitted.

28. EXTENSIONS

The Secured Party may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges, refrain from perfecting or maintaining perfection of the Security Interest, and otherwise deal with the Debtor, account debtors of the Debtor, sureties and others and with the Collateral, the Security Interest and other security interests as the Secured Party may see fit without prejudice to the liability of the Debtor or the Secured Party's right to hold and realize on the security constituted by this Security Agreement.

29. NO MERGER

This Security Agreement shall not operate so as to create any merger or discharge of any of the Obligations, or of any assignment, transfer, guarantee, lien, mortgage, contract, promissory note, bill of exchange or security interest of any form held or which may hereafter be held by the Secured Party from the Debtor or from any other person whomsoever. The taking of a judgment with respect to any of the Obligations will not operate as a merger of any of the covenants contained in this Security Agreement.

30. ASSIGNMENT

The Secured Party may, without further notice to the Debtor, at any time assign, transfer or grant a security interest in this Security Agreement and the Security Interest. The Debtor expressly agrees that the assignee, transferee or secured party, as the case may be, shall have all of the Secured Party's rights and remedies under this Security Agreement and the Debtor will not assert any defence, counterclaim,

right of set-off or otherwise with respect to any claim which the Debtor now has or hereafter acquires against the Secured Party in any action commenced by such assignee, transferee or secured party, as the case may be, and will pay the Obligations to the assignee, transferee or secured party, as the case may be, as the Obligations become due.

31. SATISFACTION AND DISCHARGE

Any partial payment or satisfaction of the Obligations, or any ceasing by the Debtor to be indebted to the Secured Party, shall be deemed not to be a redemption or discharge of this Security Agreement. The Debtor shall be entitled to a release and discharge of this Security Agreement upon full payment and satisfaction of all Obligations and upon written request by the Debtor and payment to the Secured Party of all costs, charges, expenses and legal fees and disbursements (on a solicitor and own client basis) incurred by the Secured Party in connection with the Obligations and such release and discharge.

32. ENUREMENT

This Security Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, personal representatives, successors and permitted assigns.

33. INTERPRETATION

33.1 Defined Terms

In this Security Agreement:

- (a) "Act" means the Personal Property Security Act of British Columbia and all regulations thereunder as the same may be amended from time to time;
- (b) "Collateral" has the meaning set out in Section 1 hereof and any reference to Collateral shall, unless the context otherwise requires, be deemed a reference to Collateral as a whole or any part thereof;
- (c) "Control Agreement" means
 - (1) with respect to any Uncertificated Security included in the Collateral, an agreement between the issuer of such Uncertificated Securities and another Person whereby such issuer agrees to comply with instructions that are originated by such Person in respect of such Uncertificated Security, without the further consent of the Debtor; and
 - (2) with respect to any Securities Accounts or Security Entitlements included in the Collateral, an agreement between the Securities Intermediary in respect of such Securities Accounts or Security Entitlements to comply with any Entitlement Orders with respect to such Securities Accounts or Security Entitlements that are originated by Secured Party, without the further consent of the Debtor.

- (d) **"Debtor"** and the personal pronoun **"it"** or **"its"** and any verb relating thereto and used therewith shall be read and construed as required by and in accordance with the context in which such words are used;
- (e) **"licence"** means any licence or similar right at any time owned or held by the Debtor including but without being limited to a **"licence"** as defined in the Act; and
- (f) **"STA"** means the Securities Transfer Act of the Province of British Columbia, as amended from time to time and all regulations thereunder, which Act, including amendments thereto and any Act substituted therefor and amendments thereto is herein referred to as the **"STA"** and **"Person"** shall have the meaning ascribed to it in the STA.

33.2 General

Words and expressions used herein that have been defined in the Act or in the STA shall be interpreted in accordance with their respective meanings given in the Act or in the STA as applicable, whether expressed herein with or without initial capital letters and whether in the singular or the plural unless otherwise defined herein or unless the context otherwise requires, and wherever the context so requires in this Security Agreement the singular shall be read as if the plural were expressed, and vice-versa, and the provisions hereof shall be read with all grammatical changes necessary dependent upon the person referred to being a male, female, firm or corporation.

33.3 Severability

Should any provision of this Security Agreement be declared or held invalid or unenforceable in whole or in part or against or with respect to the Debtor by a court of competent jurisdiction, such invalidity or unenforceability will not affect the validity or enforceability of any or all of the remaining provisions of this Security Agreement which will continue in full force and effect and be construed as if this Security Agreement had been executed without the invalid or unenforceable provision.

33.4 Headings

The headings of the sections and clauses of this Security Agreement have been inserted for reference only and do not define, limit, alter or enlarge the meaning of any provision of this Security Agreement.

33.5 Governing Law

This Security Agreement shall be governed by the laws of British Columbia.

34. MISCELLANEOUS

- (a) The Debtor hereby authorizes the Secured Party to file such financing statements, financing change statements and other documents and do such acts, matters and things as the Secured Party may deem appropriate to perfect on an ongoing basis and continue the Security Interest, to protect and preserve the Collateral and to realize upon the Security Interest.

- (b) The Debtor hereby waives protest of any Instrument constituting Collateral at any time held by the Secured Party on which the Debtor is any way liable and, subject to the provisions of the Act, notice of any other action taken by the Secured Party.
- (c) Any partial payment or satisfaction of the Obligations or any ceasing by the Debtor to be indebted to the Secured Party shall be deemed not to be a redemption or discharge of this Security Agreement. The Debtor shall be entitled to a release and discharge of this Security Agreement upon full payment and satisfaction of all Obligations, and upon written request by the Debtor and payment to the Secured Party of a discharge fee to be fixed by the Secured Party and payment of all costs, charges, expenses and legal fees and disbursements (on a solicitor and own client basis) incurred by the Secured Party in connection with the Obligations and such release and discharge.
- (d) The Debtor acknowledges and agrees that in the event it amalgamates with any other company or companies it is the intention of the parties hereto that the term "Debtor" when used herein shall apply to each of the amalgamating companies and to the amalgamated company, such that the Security Interest granted hereby:
 - (1) shall extend to "Collateral" (as that term is herein defined) owned by each of the amalgamating companies and the amalgamated company at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated company, and
 - (2) shall secure the "Obligations" (as that term is herein defined) of each of the amalgamating companies and the amalgamated company to the Secured Party at the time of amalgamation and any "Obligations" of the amalgamated company to the Secured Party thereafter arising. The Security Interest shall attach to "Collateral" owned by each company amalgamating with the Debtor, and by the amalgamated company, at the time of amalgamation, and shall attach to any "Collateral" thereafter owned or acquired by the amalgamated company when such becomes owned or is acquired.
- (e) The Debtor hereby authorizes the Secured Party to provide a copy of this Security Agreement and such other information and documents specified under the Act to any person entitled pursuant to the Act to demand and receive same.

[Signature page follows.]

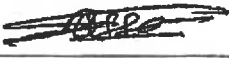
35. COPY OF AGREEMENT AND FINANCING STATEMENT

The Debtor hereby:

- (a) acknowledges receiving a copy of this Security Agreement, and
- (b) waives all rights to receive from the Secured Party a copy of any financing statement, financing change statement or verification statement filed, issued or obtained at any time in respect of this Security Agreement.

IN WITNESS WHEREOF the Debtor has executed this Security Agreement on the date indicated above.

WAREHOUSE ONE CLOTHING LTD.

Per: 
Authorized Signatory

SCHEDULE

DESCRIPTION OF PROPERTIES

NIL

ADDITIONAL COVENANTS

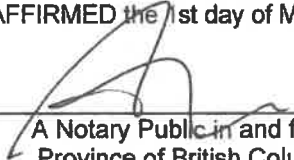
NIL

PERMITTED ENCUMBRANCES

British Columbia Personal Property Registry			
Base Registration #	Secured Party	Base Debtor	General Collateral
541878F	CANADIAN IMPERIAL BANK OF COMMERCE	WAREHOUSE ONE CLOTHING LTD.	ALL OF THE DEBTOR'S PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY AS DEFINED IN THE PERSONAL PROPERTY SECURITY ACT OF BRITISH COLUMBIA AND REGULATIONS THEREUNDER. PROCEEDS: GOODS, SECURITIES, INSTRUMENTS, DOCUMENTS OF TITLE, CHATTEL PAPER, INTANGIBLES, ALL AS DEFINED IN THE PERSONAL PROPERTY SECURITY ACT OF BRITISH COLUMBIA AND REGULATIONS THEREUNDER, DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALINGS WITH THE ORIGINAL COLLATERAL.

This is Exhibit "W" referred to in the
Affidavit of SHAMSH KASSAM

AFFIRMED the 1st day of May, 2026,


A Notary Public in and for the
Province of British Columbia



ANDREW BULL
NOTARY PUBLIC
STERN PARTNERS INC.
2650 - 733 Seymour Street
Vancouver, BC V6B 0S6
Tel: 604-646-3601
Email: abull@sternpartners.com

GENERAL SECURITY AGREEMENT

THIS SECURITY AGREEMENT made as of October 15, 2020.

BETWEEN:

WAREHOUSE ONE CLOTHING LTD., a corporation incorporated pursuant to the federal laws of Canada and having its registered and records offices at 1800 – 510 West Georgia Street, Vancouver, British Columbia V6B 0M3

(the "Debtor")

AND:

4565038 MANITOBA LTD., a company incorporated under the laws of Manitoba with an address at 3050 Henderson Hwy, East St Paul, Manitoba, R2E 0H9 Canada

(the "Secured Party")

FOR VALUE RECEIVED, the Debtor hereby covenants, agrees, warrants, represents, acknowledges and confirms to and with the Secured Party and creates and grants the mortgages, charges and security interests hereinafter set forth, as follows:

1. SECURITY INTEREST

1.1 Grant of Security Interest

For the consideration aforesaid and as security for the payment and performance of the Obligations (as hereinafter defined), the Debtor, subject to the exceptions set out in Section 2 hereof, does hereby:

- (a) mortgage and charge as and by way of a fixed and specific charge to and in favour of the Secured Party and assign and transfer to the Secured Party and grant to the Secured Party, by way of mortgage, charge, assignment and transfer, a security interest in all the Debtor's right, title and interest, both present and future, in and to all of its presently owned or held and after acquired or held personal property, of whatever nature or kind and wheresoever situate and all proceeds and renewals thereof and therefrom, accretions thereto and substitutions therefor, including, without limitation, all of the following now owned or hereafter owned or acquired by or on behalf of the Debtor:
 - (1) all inventory of whatever kind and wherever situate, including, without limitation, goods acquired or held for sale or lease or furnished or to be furnished under contracts of rental or service, all raw materials, work in process, finished goods, returned goods, repossessed goods, and all packaging materials, supplies and containers relating to or used or consumed in connection with any of the foregoing (all of which is hereinafter collectively called the "Inventory");

- (2) all equipment (other than Inventory) of whatever kind and wherever situate, including, without limitation, all machinery, tools, apparatus, plant, fixtures, furniture, furnishings, chattels, motor vehicles, vessels and other tangible personal property of whatsoever nature or kind that is not Inventory, and all parts, components, attachments, accessories, accessions, replacements, substitutions, additions and improvements to any of the foregoing (all of which is hereinafter collectively called the "Equipment");
 - (3) all book accounts and book debts and generally all accounts, debts, dues, claims, choses in action and demands of every nature and kind howsoever arising or secured including letters of credit and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by the Debtor (all of which is hereinafter collectively called the "Accounts");
 - (4) all deeds, documents, writings, papers, books of account and other books and electronically recorded data relating to or being records of Accounts, Chattel Paper or Documents of Title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;
 - (5) all contractual rights, insurance claims, licences, goodwill, patents, trademarks, trade names, copyrights and other industrial or intellectual property of the Debtor, all other choses in action of the Debtor of every kind which now are, or which may at any time hereafter be, due or owing to or owned by the Debtor, and all other intangible property of the Debtor which is not Accounts, Chattel Paper, Instruments, Documents of Title, Investment Property or Money;
 - (6) all Money;
 - (7) all property described in any schedule now or at any time hereafter annexed hereto or agreed to form part hereof;
 - (8) the undertaking of the Debtor; and
 - (9) all Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles and Investment Property now owned or hereafter owned or acquired by or on behalf of the Debtor (including such as may be returned to or repossessed by the Debtor), and all other goods of the Debtor which are not Equipment, Inventory or Accounts; and
- (b) charge as and by way of a floating charge to and in favour of the Secured Party, and grant to the Secured Party a security interest in and to:
- (1) all the Debtor's right, title and interest in and to all its presently owned or held and after acquired or held real, immovable and leasehold property and all interests therein, and all easements, rights-of-way, privileges, benefits, licences, improvements and rights whether connected therewith or appurtenant thereto or

separately owned or held, including all structures, plant and other fixtures (all of which is hereinafter collectively called "Real Property"); and

- (2) all property, assets and undertakings of the Debtor, both present and future, of whatsoever nature or kind and wheresoever situate, and all Proceeds thereof and therefrom, other than such of its property, assets and undertakings as are otherwise validly and effectively subject to the charges and security interests in favour of the Secured Party created pursuant to section 1.1(a) hereof; and
- (c) mortgage and charge as and by way of a fixed and specific charge to and in favour of the Secured Party, and assign and transfer to the Secured Party and grant to the Secured Party, by way of mortgage, charge, assignment and transfer, a security interest in all of the Debtor's right, title and interest, both present and future, in and to all of its presently owned or held and after acquired or held property which:
 - (1) is or hereafter becomes a fixture, or
 - (2) constitutes a licence, quota, permit or other similar right or benefit or crops.

The mortgages, charges, assignments and transfers and security interests created or granted pursuant to Sections 1.1 (a), (b) and (c) hereof are hereinafter collectively called the "Security Interest", and all property, assets, interests and undertakings (including Proceeds) subject to the Security Interest or otherwise charged or secured hereby or expressed to be charged, assigned or transferred or secured by any instruments supplemental hereto or in implementation hereof are hereinafter collectively called the "Collateral".

2. EXCEPTIONS

The Security Interest granted hereby shall not extend or apply to and the Collateral shall not extend to or include:

- (a) Consumer Goods, or
- (b) the last day of the term of any lease or agreement therefor but upon the enforcement of the Security Interest the Debtor shall stand possessed of such last day in trust to assign and dispose thereof as the Secured Party shall direct.

3. OBLIGATIONS SECURED

This Security Agreement and the Security Interest are in addition to and not in substitution for any other security interest now or hereafter held by the Secured Party from the Debtor or from any other person whomsoever and shall be general and continuing security for the payment of all indebtedness and liability of the Debtor to the Secured Party (including interest thereon), present or future, absolute or contingent, joint or several, direct or indirect, matured or not, extended or renewed, wheresoever and howsoever incurred, and any ultimate balance thereof, including all advances on current or running account and all future advances and re-advances, and whether the same is from time to time reduced and thereafter

increased or entirely extinguished and thereafter incurred again and whether the Debtor be bound alone or with another or others and whether as principal or surety, and for the performance and satisfaction of all obligations of the Debtor to the Secured Party, whether or not contained in this Security Agreement and whether the Debtor be bound alone or with another or others, including all indebtedness evidenced by the Grid Promissory Note dated on or about the date hereof issued by the Debtor to the Secured Party (all of which indebtedness, liability, and obligations are hereinafter collectively called the "Obligations").

4. PROHIBITIONS

Without the prior written consent of the Secured Party the Debtor shall not and shall not have power to:

- (a) grant, create or permit to be created any security interest in, charge, encumbrance or lien over, or claim against any of its property, assets, or undertakings which ranks or could in any event rank in priority to the Security Interest, save only the charges or security interests, if any, shown in any schedule hereto;
- (b) grant, sell, or otherwise assign its Chattel Paper; or
- (c) issue or have outstanding at any time any secured or unsecured bonds, debentures, debenture stock or other evidences of indebtedness of the Debtor or of any predecessor in title of the Debtor issued under a trust deed or other instrument running in favour of a trustee.

5. ATTACHMENT

The Debtor acknowledges that the Security Interest attaches upon the execution of this Security Agreement (or in the case of any after acquired property, at the time of acquisition thereof), that value has been given, and that the Debtor has, or in the case of after acquired property will have at the time of acquisition, rights in the Collateral.

6. REPRESENTATIONS AND WARRANTIES

The Debtor represents and warrants to the Secured Party that:

- (a) this Security Agreement is granted in accordance with resolutions of the directors (and of the shareholders as applicable) of the Debtor and that all other matters and things have been done and performed so as to authorize and make the execution and delivery of this Security Agreement, and the performance of the Debtor's obligations hereunder, legal, valid and binding;
- (b) the Debtor lawfully owns and possesses all presently held Collateral and has good title thereto, free from all security interests, charges, encumbrances, liens and claims, save only the charges or security interests, if any, shown in any schedule hereto and those consented to in writing by the Secured Party, and the Debtor has good right and lawful authority to grant a security interest in the Collateral as provided by this Security Agreement;

- (c) where the Collateral includes Accounts, Chattel Paper or Instruments, each is enforceable in accordance with its terms against the party obligated thereunder and that the Debtor has fully and accurately disclosed to the Secured Party the amount owing thereunder and any other relevant information concerning liability for payment thereunder;
- (d) with respect to goods constituting Collateral, the Debtor has herein or elsewhere fully and accurately disclosed to the Secured Party the locations thereof and of the business operations and records of the Debtor;
- (e) the Debtor has not consented to the entering into by: (A) any issuer of any Uncertificated Securities included in or relating to the Collateral of a Control Agreement; or (B) any Securities Intermediary for any Securities Accounts or Security Entitlements included in or relating to the Collateral of a Control Agreement, other than, in either case, the Secured Party.

7. COVENANTS OF THE DEBTOR

7.1 General Covenants

The Debtor covenants and agrees with the Secured Party that at all times while this Security Agreement remains in effect the Debtor will:

- (a) defend the title to the Collateral for the benefit of the Secured Party against the claims and demands of all persons;
- (b) fully and effectually maintain and keep maintained the validity and effectiveness of the Security Interest;
- (c) maintain the Collateral in good order and repair;
- (d) forthwith pay:
 - (1) all taxes, assessments, rates, duties, levies, government fees, claims, dues and other charges of every nature which may be lawfully levied, assessed or imposed upon it or the Collateral when due, unless the Debtor shall in good faith contest its obligations so to pay and shall furnish such security as the Secured Party may require; and
 - (2) all security interests, charges, encumbrances, liens and claims which rank or could in any event rank in priority to the Security Interest, other than the charges or security interests, if any, shown in any schedule hereto and those consented to in writing by the Secured Party;
- (e) forthwith reimburse and indemnify the Secured Party for all reasonable costs, charges, expenses and legal fees and disbursements which may be incurred by the Secured Party in:

- (1) inspecting the Collateral;
 - (2) negotiating, preparing, perfecting and registering this Security Agreement or notice of it and other documents, whether or not relating to this Security Agreement;
 - (3) investigating title to the Collateral;
 - (4) taking, recovering, keeping possession of and insuring the Collateral; and
 - (5) all other actions and proceedings taken in connection with the preservation of the Collateral and the enforcement of this Security Agreement and of any other Security Interest held by the Secured Party as security for the Obligations;
- (f) at the Secured Party's request at any time and from time to time, execute and deliver such further and other documents and instruments and do all acts and things as the Secured Party in its absolute discretion requires in order to confirm and perfect, and maintain perfection of, the Security Interest in favour of the Secured Party upon any of the Collateral;
- (g) notify the Secured Party promptly of:
 - (1) any material loss or damage to the Collateral;
 - (2) any material default by any account debtor in payment or other performance of his obligations to the Debtor with respect to any Accounts; and
 - (3) the details of any claims or litigation affecting the Debtor or the Collateral.
- (h) prevent the Collateral, other than Inventory sold, leased, or otherwise disposed of as permitted hereby, from being or becoming an accession to other property not covered by this Security Agreement;
- (i) permit the Secured Party and its representatives, at all reasonable times, access to all its property, assets and undertakings and to all its books of account and records for the purpose of inspection and render all assistance necessary for such inspection;
- (j) deliver to the Secured Party from time to time promptly upon request:
 - (1) any Documents of Title, Instruments, Investment Property and Chattel Paper constituting, representing or relating to Collateral;
 - (2) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to the Collateral for the purpose of inspecting, auditing or copying the same;
 - (3) all financial statements prepared by or for the Debtor regarding the Debtor's business;

- (4) all policies and certificates of insurance relating to the Collateral; and
- (5) such information concerning the Collateral, the Debtor and the Debtor's business and affairs as the Secured Party may reasonably require;
- (k) carry on and conduct the business of the Debtor in a proper and efficient manner and so as to protect and preserve the Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for the Debtor's business as well as accurate and complete records concerning Collateral;
- (l) will not consent to:
 - (1) the entering into by any issuer of any Uncertificated Securities included in or relating to the Collateral of a Control Agreement in respect of such Uncertificated Securities with any Person other than the Secured Party or such nominee or agent as it may direct; or
 - (2) the entering into by any Securities Intermediary for any Securities Accounts or Security Entitlements included in or relating to the Collateral of a Control Agreement with respect to such Securities Accounts or Securities Entitlements with any Person other than the Secured Party or such nominee or agent as it may direct; and
- (m) promptly upon request from time to time by the Secured Party, the Debtor shall:
 - (1) enter into and use reasonable commercial efforts to cause any Securities Intermediary for any Securities Accounts or Securities Entitlements included in or relating to the Collateral to enter into a Control Agreement with the Secured Party with respect to such Securities Accounts or Securities Entitlements as the Secured Party requires in form and substance satisfactory to the Secured Party; and/or
 - (2) enter into and use reasonable commercial efforts to cause any issuer of any Uncertificated Securities included in or relating to the Collateral to enter into a Control Agreement with the Secured Party with respect to such Uncertificated Securities in form and substance satisfactory to the Secured Party.

7.2 Covenants Regarding Collateral

Except as herein provided, without the prior written consent of the Secured Party, the Debtor will not:

- (a) sell, lease or otherwise dispose of the Collateral, other than sales of Inventory in the ordinary course of business in accordance with Section 7.3 hereof;
- (b) release, surrender or abandon possession of the Collateral; or
- (c) move or transfer the Collateral from the jurisdiction or jurisdictions in which the Security Interest has been perfected.

7.3 Dealings With Collateral

Provided that the Debtor is not in default under this Security Agreement, at any time without the consent of the Secured Party the Debtor may lease, sell, license, consign or otherwise deal with items of Inventory in the ordinary course of its business and for the purposes of carrying on its business.

8. INSURANCE

8.1 Covenants Regarding Insurance

The Debtor covenants that at all times while this Security Agreement is in effect the Debtor shall:

- (a) maintain or cause to be maintained insurance on the Collateral with an insurer, of kinds, for amounts and payable to such person or persons, all as the Secured Party may require, and in particular but without limitation maintain insurance on the Collateral to its full insurable value against loss or damage by fire including extended coverage endorsement and in the case of motor vehicles and other mobile Collateral, maintain insurance against theft;
- (b) cause the insurance policy or policies required hereunder to be assigned to the Secured Party and have as part thereof a standard mortgage clause or a mortgage endorsement, as appropriate; and
- (c) pay all premiums in connection with such insurance, and deliver all such policies to the Secured Party, if it so requires.

8.2 Application of Insurance Proceeds

If proceeds of any insurance required hereunder become payable the Secured Party may, in its absolute discretion, apply such proceeds to such part or parts of the Obligations as the Secured Party may see fit or the Secured Party may release any such insurance proceeds to the Debtor for the purpose of repairing, replacing or rebuilding, but any release of insurance proceeds to the Debtor shall not operate as a payment on account of the Obligations or in any way affect this Security Agreement.

8.3 Proof of Loss

The Debtor will forthwith, on the happening of loss or damage to the Collateral, notify the Secured Party thereof and furnish to the Secured Party at the Debtor's expense any necessary proof and do any necessary act to enable the Secured Party to obtain payment of the insurance proceeds, but nothing herein contained shall limit the Secured Party's right to submit to the insurer a proof of loss on its own behalf.

8.4 Secured Party as Loss Payee

The Debtor hereby irrevocably authorizes and directs the insurer under any policy of insurance required hereunder to include the name of the Secured Party as a loss payee on any cheque or draft which may be issued with respect to a claim under and by virtue of such insurance, and the production by the

Secured Party to any insurer of a certified copy of this Security Agreement shall be its full and complete authority for so doing.

8.5 Failure to Maintain Insurance Coverage

If the Debtor fails to maintain insurance as required hereby, the Secured Party may, but shall not be obliged to, maintain or effect such insurance coverage, or so much thereof as the Secured Party considers necessary for its protection.

9. USE AND VERIFICATION OF COLLATERAL

Subject to compliance with the Debtor's covenants contained herein and Section 11 hereof, the Debtor may, until default, possess, operate, collect, use and enjoy and deal with the Collateral in the ordinary course of the Debtor's business in any manner not inconsistent with the provisions hereof; provided always that the Secured Party shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner the Secured Party may consider appropriate and the Debtor agrees to furnish all assistance and information and to perform all such acts as the Secured Party may reasonably request in connection therewith and for such purpose to grant to the Secured Party or its agents access to all places where the Collateral may be located and to all premises occupied by the Debtor.

10. INVESTMENT PROPERTY

If Collateral at any time includes Investment Property, the Debtor hereby authorizes the Secured Party to transfer the same or any part thereof into its own name or that of its nominee(s) so that the Secured Party or its nominee(s) may appear on record as the sole owner thereof; provided that, until default, the Secured Party shall deliver promptly to the Debtor all notices or other communications received by it or its nominee(s) as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall issue to the Debtor or its order a proxy to vote and take all action with respect to such Investment Property. After default, the Debtor waives all rights to receive any notices or communications received by the Secured Party or its nominee(s) as such registered owner and agrees that no proxy issued by the Secured Party to the Debtor or its order as aforesaid shall thereafter be effective.

To the extent that Investment Property includes an interest in or unit certificates in a partnership or a limited liability company, the Debtor represents and warrants that the terms of any interest in such partnership or limited liability company provide that such interest is a "security" for the purposes of the STA and in the event that the terms of any interest in a partnership or limited liability company does not so provide, the Debtor agrees to amend the terms with respect to such partnership or limited liability company to expressly provide that such interest is a "security" for the purposes of the STA.

11. COLLECTION OF DEBTS

Before or after default under this Security Agreement, without notice to the Debtor, the Secured Party may notify all or any account debtors of the Debtor of the Security Interest and may also direct such account debtors to make all payments on Collateral to the Secured Party. The Debtor acknowledges that any payments on or other proceeds of Collateral received by the Debtor from account debtors, whether

before or after notification of this Security Interest to account debtors and whether before or after default under this Security Agreement shall be received and held by the Debtor in trust for the Secured Party and shall be turned over to the Secured Party upon request.

12. INCOME FROM AND INTEREST ON COLLATERAL

12.1 Income Until Default

Until default, the Debtor reserves the right to receive any money constituting income from or interest on Collateral and if the Secured Party receives any such money prior to default, the Secured Party shall either credit the same against the Obligations or pay the same promptly to the Debtor.

12.2 Income After Default

After default, the Debtor will not request or receive any money constituting income from or interest on Collateral and if the Debtor receives any such money in any event, the Debtor will hold such money in trust for the Secured Party and will pay the same promptly to the Secured Party.

13. INCREASES, PROFITS, PAYMENTS OR DISTRIBUTIONS

13.1 Receipt by Secured Party

Whether or not default has occurred, the Debtor authorizes the Secured Party:

- (a) to receive any increase in or profits on the Collateral (other than money) and to hold the same as part of the Collateral. Money so received shall be treated as income for the purposes of Section 12 hereof and dealt with accordingly; and
- (b) to receive any payment or distribution upon redemption or retirement or upon dissolution and liquidation of the issuer of Collateral; to surrender such Collateral in exchange therefor; and to hold any such payment or distribution as part of Collateral.

13.2 Receipt by Debtor

If the Debtor receives any such increase or profits (other than money) or payments or distributions, the Debtor will deliver the same promptly to the Secured Party to be held by the Secured Party as herein provided.

14. DISPOSITION OF MONIES

Subject to any applicable requirements of the Act, all monies collected or received by the Secured Party pursuant to or in exercise of any right it possesses with respect to Collateral shall be applied on account of the Obligations in such manner as the Secured Party deems best or, at the option of the Secured Party, may be held unappropriated in a collateral account or released to the Debtor, all without prejudice to the liability of the Debtor or the rights of the Secured Party hereunder, and any surplus shall be accounted for as required by law.

15. PERFORMANCE OF OBLIGATIONS

If the Debtor fails to perform any of its obligations hereunder, the Secured Party may, but shall not be obliged to, perform any or all of such obligations without prejudice to any other rights and remedies of the Secured Party hereunder, and any payments made and any costs, charges, expenses and legal fees and disbursements (on a solicitor and own client basis) incurred in connection therewith shall be payable by the Debtor to the Secured Party forthwith with interest until paid at the highest rate borne by any of the Obligations and such amounts shall be secured hereby and rank prior to all claims subsequent to this Security Agreement.

16. DEFAULT

16.1 Events of Default

The happening of any of the following events or conditions (each a "default") shall constitute default hereunder unless waived by the Secured Party:

- (a) the Debtor fails to make any payment when due of any indebtedness or liability of the Debtor to the Secured Party;
- (b) the Debtor is in breach of any term or condition of this Security Agreement or if a default occurs hereunder;
- (c) the Debtor makes an assignment for the benefit of its creditors, is declared bankrupt or commits an act of bankruptcy, becomes insolvent, makes a proposal or otherwise takes advantage of provisions for relief under the Bankruptcy and Insolvency Act or similar legislation in any jurisdiction, or any other type of insolvency proceedings are instituted by or against the Debtor under the Bankruptcy and Insolvency Act or otherwise;
- (d) a receiver, receiver and manager, receiver-manager or trustee of or for the Debtor or all or any part of the Collateral is appointed;
- (e) any execution, sequestration, extent or other process of any court becomes enforceable against the Debtor or any distress or analogous process is levied upon the assets of the Debtor or any part thereof;
- (f) without the prior written consent of the Secured Party or except as set out in any schedule hereto, the Debtor creates or permits to exist any charge, encumbrance or lien on or claim against or any security interest in, any of the Collateral which ranks or could in any event rank in priority to or pari passu with any security interest or charge created by this Security Agreement;
- (g) the holder of any other charge, encumbrance or lien on or claim against, or security interest in, any of the Collateral does anything to enforce or realize on such charge, encumbrance, lien, claim or security interest;
- (h) an order is made or an effective resolution is passed for winding up the Debtor;

- (i) the Debtor ceases to carry on business;
- (j) any proceedings with respect to the Debtor are commenced under the Companies' Creditors Arrangement Act; or
- (k) legal proceedings are initiated or legal positions are taken by or against the Debtor or by any third party which could in the reasonable opinion of the Secured Party have a material adverse effect on this Security Agreement or the Security Interest or any other security held by the Secured Party for all or any part of the Obligations.

16.2 Floating Charge

For all purposes, including without limitation any application to register a crystallized floating charge under the Land Title Act (British Columbia) against any Real Property, the floating charge created by this Security Agreement shall be crystallized and become a fixed charge upon the earliest of:

- (a) the occurrence of an event described in Section 16.1 (c), (d), (e), (g), (h), (i) or (j) hereof;
- (b) the Secured Party making any demand for payment or declaration pursuant to section 17 hereof, unless the Secured Party otherwise states at that time; or
- (c) the Secured Party taking any action pursuant to section 18 hereof to enforce and realize upon any or all of the Security Interest created by this Security Agreement,

and in any event upon the appointment by the Secured Party of a Receiver pursuant to section 18 hereof.

16.3 Consolidation

In accordance with the Property Law Act (British Columbia), the doctrine of consolidation applies to this Security Agreement.

17. ACCELERATION

The Secured Party, in its sole discretion, may declare all or any part of the Obligations which are not by their terms payable on demand to be immediately due and payable in the event of any default, or, in the absence of default, if the Secured Party considers or deems itself insecure or that the Collateral is in jeopardy. The provisions of this clause do not and are not intended to affect in any way any rights of the Secured Party with respect to any Obligations which may now or hereafter be payable on demand.

18. ENFORCEMENT

18.1 Rights of Secured Party on Default

Upon any default under this Security Agreement, the security hereby constituted will immediately become enforceable. To enforce and realize on the security constituted by this Security Agreement the Secured Party may take any action permitted by law or in equity, as it may deem expedient, and in particular, but without limiting the generality of the foregoing, the Secured Party may do any of the following:

- (a) appoint by instrument a receiver, receiver and manager or receiver-manager (the person so appointed is hereinafter called the "Receiver") of the Collateral, with or without bond as the Secured Party may determine, and from time to time in its absolute discretion remove such Receiver and appoint another in its stead;
- (b) enter upon any premises of the Debtor and take possession of the Collateral with power to exclude the Debtor, its agents and its servants therefrom, without becoming liable as a mortgagee in possession;
- (c) preserve, protect and maintain the Collateral and make such replacements thereof and repairs and additions thereto as the Secured Party may deem advisable;
- (d) sell, lease or otherwise dispose of all or any part of the Collateral, whether by public or private sale or lease or otherwise, in such manner, at such price as can be reasonably obtained therefor and on such terms as to credit and with such conditions of sale and stipulations as to title or conveyance or evidence of title or otherwise as to the Secured Party may seem reasonable, provided that if any sale, lease or other disposition is on credit the Debtor will not be entitled to be credited with the proceeds of any such sale, lease or other disposition until the monies therefor are actually received;
- (e) exercise all of the rights and remedies of a secured party under the Act; and
- (f) the Secured Party may sell, transfer or use any Investment Property included in the Collateral of which the Secured Party or its agent has "control" within the meaning of the STA.

18.2 Receiver

A Receiver appointed pursuant to this Security Agreement shall be the agent of the Debtor and not of the Secured Party and the Secured Party shall not be in any way responsible for any misconduct, negligence or non-feasance on the part of any Receiver, its servants, agents or employees. A Receiver shall, to the extent permitted by law or to such lesser extent permitted by its appointment, have all the powers of the Secured Party hereunder, and in addition shall have power to carry on the business of the Debtor and for such purpose to enter upon, use and occupy all premises owned or occupied by the Debtor wherein Collateral may be situate, maintain Collateral upon such premises, use Collateral directly or indirectly in carrying on the Debtor's business and from time to time to borrow money either unsecured or secured by a security interest in any of the Collateral.

18.3 Proceeds of Realization

Subject to the claims, if any, of the creditors of the Debtor ranking in priority to this Security Agreement, all amounts realized from the disposition of Collateral pursuant to this Security Agreement will be applied as the Secured Party, in its absolute discretion, may direct or as follows:

- (a) in payment of all costs, charges and expenses (including legal fees and disbursements on a solicitor and his own client basis) incurred by the Secured Party in connection with or incidental to:

- (1) the exercise by the Secured Party of all or any of the powers granted to it pursuant to this Security Agreement; and
 - (2) the appointment of the Receiver and the exercise by the Receiver of all or any of the powers granted to it pursuant to this Security Agreement, including the Receiver's reasonable remuneration and all outgoings properly payable by the Receiver excluding the Receiver's borrowings;
- (b) in payment of any sum or sums borrowed by the Receiver from the Secured Party and interest thereon if such sum or sums are secured by the Collateral;
 - (c) in or toward payment to the Secured Party of all principal and other monies (except interest) due in respect of the Obligations;
 - (d) in or toward payment to the Secured Party of all interest remaining unpaid in respect of the Obligations;
 - (e) in or toward payment of any sum or sums borrowed by the Receiver from any financial institution, corporation or person other than the Secured Party and interest thereon if such sum or sums are secured by the Collateral.

Subject to applicable law and the claims, if any, of other creditors of the Debtor, any surplus will be paid to the Debtor.

18.4 Immediate Exercise of Rights

The Debtor agrees that the Secured Party may exercise its rights and remedies hereunder immediately upon default, except as may be otherwise provided in the Act, and the Debtor hereby expressly confirms that except as may be otherwise provided herein or in the Act, the Secured Party has not given any covenant, express or implied, and is under no obligation to allow the Debtor any period of time to remedy any default prior to the Secured Party exercising its rights and remedies hereunder.

19. DEFICIENCY

If the amounts realized from the disposition of the Collateral are not sufficient to pay the Obligations in full, the Debtor will immediately pay to the Secured Party the amount of such deficiency.

20. RIGHTS CUMULATIVE

All rights and remedies of the Secured Party set out in this Security Agreement are cumulative and no right or remedy contained herein is intended to be exclusive but each will be in addition to every other right or remedy contained herein or in any existing or future security agreement or now or hereafter existing at law, in equity or by statute, or pursuant to any other agreement between the Debtor and the Secured Party that may be in effect from time to time.

21. LIABILITY OF SECURED PARTY

The Secured Party shall not be responsible or liable for any debts contracted by it, for damages to persons or property or for salaries or non-fulfilment of contracts during any period when the Secured Party shall manage the Collateral upon entry, as herein provided, nor shall the Secured Party be liable to account as mortgagee in possession or for anything except actual receipts or be liable for any loss on realization or for any default or omission for which a mortgagee in possession may be liable. The Secured Party shall not be bound to do, observe or perform or to see to the observance or performance by the Debtor of any obligations or covenants imposed upon the Debtor nor shall the Secured Party, in the case of Investment Property, Instruments or Chattel Paper, be obliged to preserve rights against other persons, nor shall the Secured Party be obliged to keep any of the Collateral identifiable. The Debtor hereby waives any applicable provision of law permitted to be waived by it which imposes higher or greater obligations upon the Secured Party than aforesaid.

22. APPOINTMENT OF ATTORNEY

The Debtor hereby irrevocably appoints the Secured Party or the Receiver, as the case may be, with full power of substitution, to be the attorney of the Debtor for and in the name of the Debtor to sign, endorse or execute under seal or otherwise any deeds, documents, transfers, cheques, instruments, demands, assignments, assurances or consents that the Debtor is obliged to sign, endorse or execute and generally to use the name of the Debtor and to do all things as may be necessary or incidental to the exercise of all or any of the powers conferred on the Secured Party or the Receiver, as the case may be, pursuant to this Security Agreement.

23. ACCOUNTS

Notwithstanding any other provision of this Security Agreement, the Secured Party may collect, realize, sell or otherwise deal with the Accounts or any part thereof in such manner, upon such terms and conditions and at such time or times, whether before or after default, as may seem to it advisable, and without notice to the Debtor, except in the case of disposition after default and then subject to the provisions of Part V of the Act. All monies or other forms of payment received by the Debtor in payment of any Account will be received and held by the Debtor in trust for the Secured Party.

24. APPROPRIATION OF PAYMENTS

Any and all payments made in respect of the Obligations from time to time and monies realized from any security interests held therefor (including monies collected in accordance with or realized on any enforcement of this Security Agreement) may be applied to such part or parts of the Obligations as the Secured Party may see fit, and the Secured Party may at all times and from time to time change any appropriation as the Secured Party may see fit.

25. LIABILITY TO ADVANCE

None of the preparation, execution, perfection and registration of this Security Agreement or notice hereof or the advance of any monies shall bind the Secured Party to make any advance or loan or further advance or loan, or renew any note or extend any time for payment of any indebtedness or liability of the Debtor to the Secured Party.

26. WAIVER

The Secured Party may from time to time and at any time waive in whole or in part any right, benefit or default under any clause of this Security Agreement but any such waiver of any right, benefit or default on any occasion shall be deemed not to be a waiver of any such right, benefit or default thereafter, or of any other right, benefit or default, as the case may be, and no delay or omission by the Secured Party in exercising any right or remedy hereunder or with respect to any default shall operate as a waiver thereof or of any other right or remedy.

27. NOTICE

Notice may be given by any party in writing and shall be well and sufficiently given if sent by prepaid registered mail, by delivery, or by facsimile transmission to the party for whom it is intended, at the address or transmitted to the facsimile number herein provided, or to such other address or to such other facsimile number as may be set forth in any notice given pursuant to these notice provisions from time to time. Any such notice shall be deemed to have been given and received:

- (a) if delivered, when delivered,
- (b) if mailed by prepaid registered mail when there is no known or anticipated disruption of postal services, on the third business day following that on which it was mailed; and
- (c) if sent by facsimile transmission, on the close of business on the day on which it was transmitted.

28. EXTENSIONS

The Secured Party may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges, refrain from perfecting or maintaining perfection of the Security Interest, and otherwise deal with the Debtor, account debtors of the Debtor, sureties and others and with the Collateral, the Security Interest and other security interests as the Secured Party may see fit without prejudice to the liability of the Debtor or the Secured Party's right to hold and realize on the security constituted by this Security Agreement.

29. NO MERGER

This Security Agreement shall not operate so as to create any merger or discharge of any of the Obligations, or of any assignment, transfer, guarantee, lien, mortgage, contract, promissory note, bill of exchange or security interest of any form held or which may hereafter be held by the Secured Party from the Debtor or from any other person whomsoever. The taking of a judgment with respect to any of the Obligations will not operate as a merger of any of the covenants contained in this Security Agreement.

30. ASSIGNMENT

The Secured Party may, without further notice to the Debtor, at any time assign, transfer or grant a security interest in this Security Agreement and the Security Interest. The Debtor expressly agrees that the assignee, transferee or secured party, as the case may be, shall have all of the Secured Party's rights and remedies under this Security Agreement and the Debtor will not assert any defence, counterclaim,

right of set-off or otherwise with respect to any claim which the Debtor now has or hereafter acquires against the Secured Party in any action commenced by such assignee, transferee or secured party, as the case may be, and will pay the Obligations to the assignee, transferee or secured party, as the case may be, as the Obligations become due.

31. SATISFACTION AND DISCHARGE

Any partial payment or satisfaction of the Obligations, or any ceasing by the Debtor to be indebted to the Secured Party, shall be deemed not to be a redemption or discharge of this Security Agreement. The Debtor shall be entitled to a release and discharge of this Security Agreement upon full payment and satisfaction of all Obligations and upon written request by the Debtor and payment to the Secured Party of all costs, charges, expenses and legal fees and disbursements (on a solicitor and own client basis) incurred by the Secured Party in connection with the Obligations and such release and discharge.

32. ENUREMENT

This Security Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, personal representatives, successors and permitted assigns.

33. INTERPRETATION

33.1 Defined Terms

In this Security Agreement:

- (a) **"Act"** means the Personal Property Security Act of British Columbia and all regulations thereunder as the same may be amended from time to time;
- (b) **"Collateral"** has the meaning set out in Section 1 hereof and any reference to Collateral shall, unless the context otherwise requires, be deemed a reference to Collateral as a whole or any part thereof;
- (c) **"Control Agreement"** means
 - (1) with respect to any Uncertificated Security included in the Collateral, an agreement between the issuer of such Uncertificated Securities and another Person whereby such issuer agrees to comply with instructions that are originated by such Person in respect of such Uncertificated Security, without the further consent of the Debtor; and
 - (2) with respect to any Securities Accounts or Security Entitlements included in the Collateral, an agreement between the Securities Intermediary in respect of such Securities Accounts or Security Entitlements to comply with any Entitlement Orders with respect to such Securities Accounts or Security Entitlements that are originated by Secured Party, without the further consent of the Debtor.

- (d) **"Debtor"** and the personal pronoun "it" or "its" and any verb relating thereto and used therewith shall be read and construed as required by and in accordance with the context in which such words are used;
- (e) **"licence"** means any licence or similar right at any time owned or held by the Debtor including but without being limited to a "licence" as defined in the Act; and
- (f) **"STA"** means the Securities Transfer Act of the Province of British Columbia, as amended from time to time and all regulations thereunder, which Act, including amendments thereto and any Act substituted therefor and amendments thereto is herein referred to as the "STA" and "Person" shall have the meaning ascribed to it in the STA.

33.2 General

Words and expressions used herein that have been defined in the Act or in the STA shall be interpreted in accordance with their respective meanings given in the Act or in the STA as applicable, whether expressed herein with or without initial capital letters and whether in the singular or the plural unless otherwise defined herein or unless the context otherwise requires, and wherever the context so requires in this Security Agreement the singular shall be read as if the plural were expressed, and vice-versa, and the provisions hereof shall be read with all grammatical changes necessary dependent upon the person referred to being a male, female, firm or corporation.

33.3 Severability

Should any provision of this Security Agreement be declared or held invalid or unenforceable in whole or in part or against or with respect to the Debtor by a court of competent jurisdiction, such invalidity or unenforceability will not affect the validity or enforceability of any or all of the remaining provisions of this Security Agreement which will continue in full force and effect and be construed as if this Security Agreement had been executed without the invalid or unenforceable provision.

33.4 Headings

The headings of the sections and clauses of this Security Agreement have been inserted for reference only and do not define, limit, alter or enlarge the meaning of any provision of this Security Agreement.

33.5 Governing Law

This Security Agreement shall be governed by the laws of British Columbia.

34. MISCELLANEOUS

- (a) The Debtor hereby authorizes the Secured Party to file such financing statements, financing change statements and other documents and do such acts, matters and things as the Secured Party may deem appropriate to perfect on an ongoing basis and continue the Security Interest, to protect and preserve the Collateral and to realize upon the Security Interest.

- (b) The Debtor hereby waives protest of any Instrument constituting Collateral at any time held by the Secured Party on which the Debtor is any way liable and, subject to the provisions of the Act, notice of any other action taken by the Secured Party.
- (c) Any partial payment or satisfaction of the Obligations or any ceasing by the Debtor to be indebted to the Secured Party shall be deemed not to be a redemption or discharge of this Security Agreement. The Debtor shall be entitled to a release and discharge of this Security Agreement upon full payment and satisfaction of all Obligations, and upon written request by the Debtor and payment to the Secured Party of a discharge fee to be fixed by the Secured Party and payment of all costs, charges, expenses and legal fees and disbursements (on a solicitor and own client basis) incurred by the Secured Party in connection with the Obligations and such release and discharge.
- (d) The Debtor acknowledges and agrees that in the event it amalgamates with any other company or companies it is the intention of the parties hereto that the term "Debtor" when used herein shall apply to each of the amalgamating companies and to the amalgamated company, such that the Security Interest granted hereby:
 - (1) shall extend to "Collateral" (as that term is herein defined) owned by each of the amalgamating companies and the amalgamated company at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated company, and
 - (2) shall secure the "Obligations" (as that term is herein defined) of each of the amalgamating companies and the amalgamated company to the Secured Party at the time of amalgamation and any "Obligations" of the amalgamated company to the Secured Party thereafter arising. The Security Interest shall attach to "Collateral" owned by each company amalgamating with the Debtor, and by the amalgamated company, at the time of amalgamation, and shall attach to any "Collateral" thereafter owned or acquired by the amalgamated company when such becomes owned or is acquired.
- (e) The Debtor hereby authorizes the Secured Party to provide a copy of this Security Agreement and such other information and documents specified under the Act to any person entitled pursuant to the Act to demand and receive same.

[Signature page follows.]

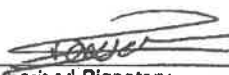
35. COPY OF AGREEMENT AND FINANCING STATEMENT

The Debtor hereby:

- (a) acknowledges receiving a copy of this Security Agreement, and
- (b) waives all rights to receive from the Secured Party a copy of any financing statement, financing change statement or verification statement filed, issued or obtained at any time in respect of this Security Agreement.

IN WITNESS WHEREOF the Debtor has executed this Security Agreement on the date indicated above.

WAREHOUSE ONE CLOTHING LTD.

Per: 

Authorized Signatory

SCHEDULE

DESCRIPTION OF PROPERTIES

NIL

ADDITIONAL COVENANTS

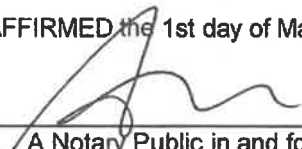
NIL

PERMITTED ENCUMBRANCES

British Columbia Personal Property Registry			
Base Registration #	Secured Party	Base Debtor	General Collateral
541878F	CANADIAN IMPERIAL BANK OF COMMERCE	WAREHOUSE ONE CLOTHING LTD.	ALL OF THE DEBTOR'S PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY AS DEFINED IN THE PERSONAL PROPERTY SECURITY ACT OF BRITISH COLUMBIA AND REGULATIONS THEREUNDER. PROCEEDS: GOODS, SECURITIES, INSTRUMENTS, DOCUMENTS OF TITLE, CHATTEL PAPER, INTANGIBLES, ALL AS DEFINED IN THE PERSONAL PROPERTY SECURITY ACT OF BRITISH COLUMBIA AND REGULATIONS THEREUNDER, DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALINGS WITH THE ORIGINAL COLLATERAL.

This is Exhibit "X" referred to in the
Affidavit of SHAMSH KASSAM

AFFIRMED the 1st day of May, 2026,


A Notary Public in and for the
Province of British Columbia



ANDREW BULL
NOTARY PUBLIC
STERN PARTNERS INC.
2650 - 733 Seymour Street
Vancouver, BC V6B 0S6
Tel: 604-646-3601
Email: abull@sternpartners.com

GENERAL SECURITY AGREEMENT

THIS SECURITY AGREEMENT is made as of May 20, 2025

BETWEEN:

WAREHOUSE ONE CLOTHING LTD., a company incorporated under the *Canada Business Corporations Act* having an address at Suite 2650, 733 Seymour Street, Vancouver, British Columbia, V6B 0S6

(the “Debtor”)

AND:

HIGHGATE CAPITAL LTD. a company incorporated under the *Canada Business Corporations Act* having an address at Suite 2650, 733 Seymour Street, Vancouver, British Columbia, V6B 0S6

(in its capacity as collateral agent for and on behalf of itself and the Lenders, the “Secured Party”)

WHEREAS:

As a condition of the Lenders making certain loans available to the Debtor, from time to time, the Debtor has agreed to create and grant to and in favour of the Secured Party, for and on behalf of the Lenders, a security interest in all of its present and after acquired personal property.

1. INTERPRETATION

1.1 In this Security Agreement:

- (a) “Collateral” has the meaning set out in Section 2.2 hereof and any reference to Collateral shall, unless the context otherwise requires, be deemed a reference to Collateral as a whole or any part thereof;
- (b) “Control Agreement” means:
 - (i) with respect to any Uncertificated Security included in the Collateral, an agreement between the issuer of such Uncertificated Securities and another Person whereby such issuer agrees to comply with instructions that are originated

by such Person in respect of such Uncertificated Security, without the further consent of the Debtor; and

- (ii) with respect to any Securities Accounts or Security Entitlements included in the Collateral, an agreement between the Securities Intermediary in respect of such Securities Accounts or Security Entitlements to comply with any Entitlement Orders with respect to such Securities Accounts or Security Entitlements that are originated by the Secured Party, without the further consent of the Debtor.
- (c) “**Debtor**” and the personal pronoun “it” or “its” and any verb relating thereto and used therewith shall be read and construed as required by and in accordance with the context in which such words are used depending upon whether the Debtor is one or more individuals, corporations or partnerships and, if more than one, shall apply to and be binding upon each of them jointly and severally;
- (d) “**Event of Default**” has the meaning given thereto in each of the Loan Agreements, as the context requires;
- (e) “**Lenders**” means together, the Stern Lenderco and the Silver Lenderco and their respective successors and assigns.
- (f) “**licence**” means any licence or similar right at any time owned or held by the Debtor including but without being limited to a “licence” as defined in the PPSA;
- (g) “**Lien**” has the meaning given thereto in each of the Loan Agreements, as the context requires;
- (h) “**Loan Agreements**” means together, the Silver Lenderco Loan Agreement and the Stern Lenderco Loan Agreement;
- (i) “**Material Adverse Change**” has the meaning given thereto in each of the Loan Agreements, as the context requires;
- (j) “**Obligations**” has the meaning given in Section 5;
- (k) “**Permitted Liens**” has the meaning given thereto in each of the Loan Agreements, as the context requires;
- (l) “**PPSA**” means the *Personal Property Security Act* (British Columbia) and all regulations thereunder as the same may be amended from time to time;
- (m) “**Silver Lenderco**” means R.I.S. Media Ltd.;
- (n) “**Silver Lenderco Loan Agreement**” means the loan agreement dated the date hereof made between the Debtor, as borrower, and the Silver Lenderco, as lender, pursuant to which the Silver Lenderco has agreed to make loans available to the Debtor, as such loan agreement may be amended, supplemented, restated or replaced from time to time;

- (o) "STA" means the *Securities Transfer Act* (British Columbia), as amended from time to time and all regulations thereunder, including amendments thereto and any substitution therefor and amendments thereto, is herein referred to as the "STA" and "Person" shall have the meaning ascribed to it in the STA; and
 - (p) "Stern Lenderco" means Highgate Capital Ltd.;
 - (q) "Stern Lenderco Loan Agreement" means the loan agreement dated the date hereof made between the Debtor, as borrower, and the Stern Lenderco, as lender, pursuant to which the Stern Lenderco has agreed to make loans available to the Debtor, as such loan agreement may be amended, supplemented, restated or replaced from time to time.
- 1.2 Words and expressions used herein that have been defined in the PPSA or in the STA shall be interpreted in accordance with their respective meanings given in the PPSA or in the STA as applicable, whether expressed herein with or without initial capital letters and whether in the singular or the plural unless otherwise defined herein or unless the context otherwise requires, and wherever the context so requires in this Security Agreement the singular shall be read as if the plural were expressed, and vice-versa, and the provisions hereof shall be read with all grammatical changes necessary dependent upon the person referred to being a male, female, firm or corporation.
- 1.3 Should any provision of this Security Agreement be declared or held invalid or unenforceable in whole or in part or against or with respect to the Debtor by a court of competent jurisdiction, such invalidity or unenforceability will not affect the validity or enforceability of any or all of the remaining provisions of this Security Agreement which will continue in full force and effect and be construed as if this Security Agreement had been executed without the invalid or unenforceable provision.
- 1.4 The headings of the sections and clauses of this Security Agreement have been inserted for reference only and do not define, limit, alter or enlarge the meaning of any provision of this Security Agreement.

2. GRANT OF SECURITY INTEREST

- 2.1 For value received, as security for the payment and performance of the Obligations, the Debtor, subject to the exceptions set out in Sections 3.2 and 4 hereof, does hereby:
- (a) mortgage and charge as and by way of a fixed and specific charge to and in favour of the Secured Party, for the benefit of itself and the Lenders, and assign and transfer to the Secured Party, for the benefit of itself and the Lenders, and grant to the Secured Party, for the benefit of itself and the Lenders, by way of mortgage, charge, assignment and transfer, a security interest in all the Debtor's right, title and interest, both present and future, in and to all of its presently owned or held and after acquired or held personal property, of whatever nature or kind and wheresoever situate and all proceeds and renewals thereof and therefrom, accretions thereto and substitutions therefor, including,

without limitation, all of the following now owned or hereafter owned or acquired by or on behalf of the Debtor:

- (i) all inventory of whatever kind and wherever situate, including, without limitation, goods acquired or held for sale or lease or furnished or to be furnished under contracts of rental or service, all raw materials, work in process, finished goods, returned goods, repossessed goods, and all packaging materials, supplies and containers relating to or used or consumed in connection with any of the foregoing (all of which is hereinafter collectively called the **"Inventory"**);
- (ii) all equipment (other than Inventory) of whatever kind and wherever situate, including, without limitation, all machinery, tools, apparatus, plant, fixtures, furniture, furnishings, chattels, motor vehicles, vessels and other tangible personal property of whatsoever nature or kind that is not Inventory, and all parts, components, attachments, accessories, accessions, replacements, substitutions, additions and improvements to any of the foregoing (all of which is hereinafter collectively called the **"Equipment"**);
- (iii) all book accounts and book debts and generally all accounts, debts, dues, claims, choses in action and demands of every nature and kind howsoever arising or secured including letters of credit and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by the Debtor (all of which is hereinafter collectively called the **"Accounts"**);
- (iv) all deeds, documents, writings, papers, books of account and other books and electronically recorded data relating to or being records of Accounts, Chattel Paper or Documents of Title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;
- (v) all contractual rights, insurance claims, licences, goodwill, patents, trademarks, trade names, copyrights and other industrial or intellectual property of the Debtor, all other choses in action of the Debtor of every kind which now are, or which may at any time hereafter be, due or owing to or owned by the Debtor, and all other intangible property of the Debtor which is not Accounts, Chattel Paper, Instruments, Documents of Title, Investment Property or Money;
- (vi) all Money;
- (vii) the undertaking of the Debtor; and
- (viii) all Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles and Investment Property now owned or hereafter owned or acquired by or on behalf of the Debtor (including such as may be returned to or repossessed by the Debtor), and all other goods of the Debtor which are not Equipment, Inventory or Accounts; and

- (b) charge as and by way of a floating charge to and in favour of the Secured Party, for the benefit of itself and the Lenders, and grant to the Secured Party, for the benefit of itself and the Lenders, a security interest in and to all real property, assets and undertakings of the Debtor, both present and future, of whatsoever nature or kind and wheresoever situate, and all Proceeds thereof and therefrom, other than such of its property, assets and undertakings as are otherwise validly and effectively subject to the charges and security interests in favour of the Secured Party created pursuant to Section 2.1(a) hereof; and
- (c) mortgage and charge as and by way of a fixed and specific charge to and in favour of the Secured Party, for the benefit of itself and the Lenders, and assign and transfer to the Secured Party, for the benefit of itself and the Lenders, and grant to the Secured Party, for the benefit of itself and the Lenders, by way of mortgage, charge, assignment and transfer, a security interest in all of the Debtor's right, title and interest, both present and future, in and to all of its presently owned or held and after acquired or held property which:
 - (i) is or hereafter becomes a fixture, or
 - (ii) constitutes a licence, quota, permit or other similar right or benefit or crops.

2.2 The mortgages, charges, assignments and transfers and security interests created or granted pursuant to Section 2.1 hereof are hereinafter collectively called the "**Security Interest**", and all property, assets, interests and undertakings (including Proceeds) subject to the Security Interest or otherwise charged or secured hereby or expressed to be charged, assigned or transferred or secured by any instruments supplemental hereto or in implementation hereof are hereinafter collectively called the "**Collateral**".

3. **ATTACHMENT**

- 3.1 Subject to Section 3.2, the Debtor acknowledges that the Security Interest attaches upon the execution of this Security Agreement (or in the case of any after acquired property, at the time of acquisition thereof), that value has been given, and that the Debtor has, or in the case of after acquired property will have at the time of acquisition, rights in the Collateral.
- 3.2 If there are any existing security interests in certain specific Collateral which, pursuant to the terms of the agreement or agreements creating such security interests, require the consent of the secured party thereunder to the granting of a security interest in such Collateral in favour of another person, the Security Interest will not attach until, but will attach immediately upon, the earlier of: (i) the receipt by the Debtor or the Secured Party of the consent of the secured party holding such existing security interest; and (ii) the release and discharge of such existing security interest.

4. EXCEPTIONS

The Security Interest granted hereby shall not extend or apply to and the Collateral shall not extend to or include (i) any Consumer Goods, or (ii) the last day of the term of any lease of real property or any agreement therefor, but upon the enforcement of the Security Interest the Debtor shall stand possessed of such last day in trust to assign and dispose thereof as the Secured Party shall direct.

5. OBLIGATIONS SECURED

This Security Agreement and the Security Interest are in addition to and not in substitution for any other security interest now or hereafter held by the Secured Party or the Lenders, or any of them, from the Debtor or from any other person whomsoever and shall be general and continuing security for the payment of all indebtedness and liability of the Debtor to the Lenders, or each of them, including without limitation the indebtedness and liabilities of the Debtor arising under the Loan Agreements and the other Loan Documents, present or future, absolute or contingent, joint or several, direct or indirect, matured or not, extended or renewed, wheresoever and howsoever incurred, and any ultimate balance thereof, including all advances on current or running account and all future advances and re-advances, and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether the Debtor be bound alone or with another or others and whether as principal or surety, and for the performance and satisfaction of all obligations of the Debtor to the Lenders, or each of them, whether or not contained in this Security Agreement and whether the Debtor be bound alone or with another or others (all of which indebtedness, liability, and obligations are hereinafter collectively called the "Obligations").

6. PROHIBITIONS

Without the prior written consent of the Lenders, the Debtor shall not and shall not have power to:

- (a) grant, create or permit to be created any security interest in, charge, encumbrance or lien over, or claim against any of its property, assets, or undertakings which ranks or could in any event rank in priority to or pari passu with the Security Interest other than Permitted Liens,
- (b) grant, sell, or otherwise assign its Chattel Paper, or
- (c) issue or have outstanding at any time any secured or unsecured bonds, debentures, debenture stock or other evidences of indebtedness of the Debtor or of any predecessor in title of the Debtor issued under a trust deed or other instrument running in favour of a trustee.

7. REPRESENTATIONS AND WARRANTIES

The Debtor represents and warrants to the Secured Party and the Lenders that:

- (a) the Debtor is a corporation validly existing and in good standing under the *Canada Business Corporations Act* and has all necessary power and authority to own and lease its properties and carry on its business as presently carried on and is duly licensed, registered or qualified in all jurisdictions where the character of its property owned or leased or the nature of the activities conducted by it makes such licensing, registration or qualification necessary or desirable;
- (b) the Debtor has full power and authority to enter into this Security Agreement and to observe and perform all of its obligations hereunder;
- (c) all necessary action has been taken to authorize the execution and delivery by the Debtor of this Security Agreement and the observance and performance by it of its obligations hereunder;
- (d) this Security Agreement constitutes a valid and legally binding obligation of the Debtor enforceable against the Debtor in accordance with its terms subject to applicable bankruptcy, insolvency and other laws of general application limiting the enforceability of creditors' rights;
- (e) neither the execution and delivery by the Debtor of this Security Agreement nor the compliance by the Debtor with the terms and conditions hereof (i) has resulted or will result in a violation of the constating documents of the Debtor or any resolutions passed by the Debtor or any applicable law, rule, regulation, order, judgment, injunction, award or decree, (ii) has resulted or will result in a breach of, or constitute a default under, any agreement or instrument to which the Debtor is a party or by which the Debtor or any of its property is bound, (iii) requires any approval or consent of, notice to, or filing with, any governmental authority or agency having jurisdiction or any other Person, other than consents which have been obtained, or (iv) has resulted or will result in or require the creation or imposition of any Lien upon or with respect to any property of the Debtor other than any Lien created by this Security Agreement;
- (f) the Debtor is in compliance in all material respects with all laws, regulations, orders, writs, judgments, injunctions or awards of any competent government, commission, board, agency, court, arbitrator or instrumentality, and all other requirements applicable to its business, and has either obtained or applied for all authorizations, consents, approvals, orders, licenses, exemptions from, and has either accomplished or applied for all filings or registrations or qualifications with, any court or governmental department, public body or authority, commission, board, bureau, agency, or instrumentality, that are necessary for the transaction of its business;
- (g) there are no actions, suits or proceedings pending or, to the knowledge of the Debtor, threatened against or affecting the Debtor or any of its undertaking or assets, at law, in equity or before any arbitrator or before or by any governmental department, body, commission, board, bureau, agency or instrumentality having jurisdiction which, if determined adversely to the Debtor, might result in a Material Adverse Change on the Debtor;

- (h) the Debtor has good and marketable title to all of its assets and properties, free and clear of all Liens other than Permitted Liens;
- (i) no Event of Default has occurred and no event has occurred which constitutes or which, with the giving of notice, lapse of time or otherwise, would constitute, an Event of Default;
- (j) where the Collateral includes Accounts, Chattel Paper or Instruments, each is enforceable in accordance with its terms against the party obligated thereunder and that the Debtor has fully and accurately disclosed to the Lenders the amount owing thereunder and any other relevant information concerning liability for payment thereunder; and
- (k) with respect to goods constituting Collateral, the Debtor has herein or elsewhere fully and accurately disclosed to the Lenders the locations thereof and of the business operations and records of the Debtor.

The representations and warranties set out in this Section survive the execution and delivery of this Security Agreement, notwithstanding any investigations or examinations that may be made by the Secured Party or any Lender and will continue to be true and correct in all material respects until all outstanding Obligations have been paid and satisfied in full.

8. COVENANTS OF THE DEBTOR

The Debtor covenants and agrees with the Secured Party and the Lenders that at all times while this Security Agreement remains in effect the Debtor will:

- (a) defend the title to the Collateral for the benefit of the Secured Party and the Lenders against the claims and demands of all persons;
- (b) fully and effectually maintain and keep maintained the validity and effectiveness of the Security Interest;
- (c) maintain the Collateral in good order and repair;
- (d) forthwith pay:
 - (i) all taxes, assessments, rates, duties, levies, government fees, claims, dues and other charges of every nature which may be lawfully levied, assessed or imposed upon it or the Collateral when due, unless the Debtor shall in good faith contest its obligations so to pay and shall furnish such security as the Secured Party and the Lenders may require; and
 - (ii) all security interests, charges, encumbrances, liens and claims which rank or could in any event rank in priority to the Security Interest, other than Permitted Liens;

- (e) forthwith reimburse and indemnify the Secured Party and each Lender for all costs, charges, expenses and legal fees and disbursements which may be incurred by the Secured Party and each Lender in:
 - (i) inspecting the Collateral;
 - (ii) negotiating, preparing, perfecting and registering this Security Agreement or notice of it and other documents, whether or not relating to this Security Agreement;
 - (iii) investigating title to the Collateral;
 - (iv) taking, recovering, keeping possession of and insuring the Collateral; and
 - (v) all other actions and proceedings taken in connection with the preservation of the Collateral and the enforcement of this Security Agreement and of any other Security Interest held by the Secured Party as security for the Obligations;
- (f) at the Secured Party's request at any time and from time to time, execute and deliver such further and other documents and instruments and do all acts and things as the Secured Party and the Lenders in their absolute discretion requires in order to confirm and perfect, and maintain perfection of, the Security Interest in favour of the Secured Party upon any of the Collateral;
- (g) notify the Secured Party promptly of:
 - (i) any change in the information contained herein relating to the Debtor, its address, its business or the Collateral, including without limitation any change of name or address of the Debtor and any change in location of any Collateral;
 - (ii) the details of any material acquisition of Collateral;
 - (iii) any material loss or damage to the Collateral;
 - (iv) any material default by any account debtor in payment or other performance of his obligations to the Debtor with respect to any Accounts;
 - (v) the return to or repossession by the Debtor of the Collateral where such return or repossession of the Collateral is material in relation to the business of the Debtor; and
 - (vi) the details of any claims or litigation affecting the Debtor or the Collateral;
- (h) prevent the Collateral, other than Inventory sold, leased, or otherwise disposed of as permitted hereby, from being or becoming an accession to other property not covered by this Security Agreement;

- (i) permit the Secured Party, the Lenders and their respective representatives, at all reasonable times, access to all its property, assets and undertakings and to all its books of account and records for the purpose of inspection and render all assistance necessary for such inspection;
- (j) deliver to the Secured Party from time to time promptly upon request:
 - (i) any Documents of Title, Instruments, Investment Property and Chattel Paper constituting, representing or relating to Collateral;
 - (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to the Collateral for the purpose of inspecting, auditing or copying the same;
 - (iii) all financial statements prepared by or for the Debtor regarding the Debtor's business;
 - (iv) all policies and certificates of insurance relating to the Collateral; and
 - (v) such information concerning the Collateral, the Debtor and the Debtor's business and affairs as the Secured Party or any Lender may reasonably require;
- (k) carry on and conduct the business of the Debtor in a proper and efficient manner and so as to protect and preserve the Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for the Debtor's business as well as accurate and complete records concerning Collateral;
- (l) will not consent to:
 - (i) the entering into by any issuer of any Uncertificated Securities included in or relating to the Collateral of a Control Agreement in respect of such Uncertificated Securities with any Person other than the Secured Party (on behalf of the Lenders) or such nominee or agent as they may direct; or
 - (ii) the entering into by any Securities Intermediary for any Securities Accounts or Security Entitlements included in or relating to the Collateral of a Control Agreement with respect to such Securities Accounts or Securities Entitlements with any Person other than the Secured Party (on behalf of the Lenders) or such nominee or agent as it may direct; and
- (m) promptly upon request from time to time by the Secured Party:
 - (i) enter into and use reasonable commercial efforts to cause any Securities Intermediary or any Securities Accounts or Securities Entitlements included in or relating to the Collateral to enter into a Control Agreement with the Secured Party (on behalf of the Lenders) with respect to such Securities Accounts or Securities

Entitlements as the Secured Party or Lenders require in form and substance satisfactory to the Secured Party and the Lenders; and

- (ii) enter into and use reasonable commercial efforts to cause any issuer of any Uncertificated Securities included in or relating to the Collateral to enter into a Control Agreement with the Secured Party (on behalf of the Lenders) with respect to such Uncertificated Securities in form and substance satisfactory to the Secured Party and the Lenders.

9. Financial Covenants

The Debtor covenants that at all times while this Security Agreement remains in effect, without the prior written consent of the Lenders, it will not:

- (a) declare or pay any dividends;
- (b) purchase or redeem any of its shares or otherwise reduce its share capital;
- (c) become guarantor of any obligation; or
- (d) become an endorser in respect of any obligation or otherwise become liable upon any note or other obligation other than bills of exchange deposited to any bank accounts of the Debtor.

10. Covenants Regarding Collateral

Except as herein provided, without the prior written consent of the Lenders, the Debtor will not:

- (a) sell, lease or otherwise dispose of the Collateral;
- (b) release, surrender or abandon possession of the Collateral; or
- (c) move or transfer the Collateral from the jurisdiction or jurisdictions in which the Security Interest has been perfected.

11. Dealings With Collateral

Provided that no Event of Default has occurred and is continuing, at any time without the consent of the Lenders the Debtor may lease, sell, license, consign or otherwise deal with items of Inventory in the ordinary course of its business and for the purposes of carrying on its business.

12. Covenants Regarding Insurance

- 12.1 The Debtor covenants that at all times while this Security Agreement is in effect the Debtor shall at the request of the Secured Party or any Lender:

- (a) maintain or cause to be maintained insurance on the Collateral with an insurer, of kinds, for amounts and payable to such person or persons, all as the Secured Party may require, and in particular but without limitation maintain insurance on the Collateral to its full insurable value against loss or damage by fire including extended coverage endorsement and in the case of motor vehicles and other mobile Collateral, maintain insurance against theft;
 - (b) cause the insurance policy or policies required hereunder to be assigned to the Secured Party and have as part thereof a standard mortgage clause or a mortgage endorsement, as appropriate; and
 - (c) pay all premiums in connection with such insurance, and deliver all such policies to the Secured Party, if it so requires.
- 12.2 If proceeds of any insurance required hereunder become payable the Secured Party may, in its absolute discretion, apply such proceeds to such part or parts of the Obligations as the Secured Party may see fit or the Secured Party may release any such insurance proceeds to the Debtor for the purpose of repairing, replacing or rebuilding, but any release of insurance proceeds to the Debtor shall not operate as a payment on account of the Obligations or in any way affect this Security Agreement.
- 12.3 The Debtor will forthwith, on the happening of loss or damage to the Collateral, notify the Secured Party thereof and furnish to the Secured Party at the Debtor's expense any necessary proof and do any necessary act to enable the Secured Party to obtain payment of the insurance proceeds, but nothing herein contained shall limit the Secured Party's right to submit to the insurer a proof of loss on its own behalf.
- 12.4 The Debtor hereby irrevocably authorizes and directs the insurer under any policy of insurance required hereunder to include the name of the Secured Party, as agent for and on behalf of the Lenders, as a loss payee on any cheque or draft which may be issued with respect to a claim under and by virtue of such insurance, and the production by the Secured Party to any insurer of a certified copy of this Security Agreement shall be its full and complete authority for so doing.
- 12.5 If the Debtor fails to maintain insurance as required hereby, the Secured Party may, but shall not be obliged to, maintain or effect such insurance coverage, or so much thereof as the Secured Party considers necessary for its protection.

13. USE AND VERIFICATION OF COLLATERAL

Subject to compliance with the Debtor's covenants contained herein and Section 11 hereof, the Debtor may, until the occurrence of an Event of Default that is continuing, possess, operate, collect, use and enjoy and deal with the Collateral in the ordinary course of the Debtor's business in any manner not inconsistent with the provisions hereof; provided always that the Secured Party shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner the Secured Party may consider appropriate and the Debtor agrees

to furnish all assistance and information and to perform all such acts as the Secured Party or any Lender may reasonably request in connection therewith and for such purpose to grant to the Secured Party or its agents access to all places where the Collateral may be located and to all premises occupied by the Debtor.

14. INVESTMENT PROPERTY

14.1 If Collateral at any time includes Investment Property, the Debtor hereby authorizes the Secured Party to transfer the same or any part thereof into its own name or that of its nominee(s) so that the Secured Party or its nominee(s) may appear on record as the sole owner thereof; provided that, until the occurrence of an Event of Default that is continuing, the Secured Party shall deliver promptly to the Debtor all notices or other communications received by it or its nominee(s) as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall issue to the Debtor or its order a proxy to vote and take all action with respect to such Investment Property. After the occurrence of an Event of Default that is continuing, the Debtor waives all rights to receive any notices or communications received by the Secured Party or its nominee(s) as such registered owner and agrees that no proxy issued by the Secured Party to the Debtor or its order as aforesaid shall thereafter be effective.

14.2 To the extent that Investment Property includes an interest in or unit certificates in a partnership or a limited liability company, the Debtor represents and warrants that the terms of any interest in such partnership or limited liability company provide that such interest is a "security" for the purposes of the STA and in the event that the terms of any interest in a partnership or limited liability company does not so provide, the Debtor agrees to amend the terms with respect to such partnership or limited liability company to expressly provide that such interest is a "security" for the purposes of the STA.

15. COLLECTION OF DEBTS

Before or after the occurrence of an Event of Default, without notice to the Debtor, the Secured Party may notify all or any account debtors of the Debtor of the Security Interest and may also direct such account debtors to make all payments on Collateral to the Secured Party. The Debtor acknowledges that any payments on or other proceeds of Collateral received by the Debtor from account debtors, whether before or after notification of this Security Interest to account debtors and whether before or after the occurrence of an Event of Default under this Security Agreement shall be received and held by the Debtor in trust for the Secured Party, for the benefit of the Lenders, and shall be turned over to the Secured Party upon request.

16. INCOME UNTIL DEFAULT

Until the occurrence of an Event of Default, the Debtor reserves the right to receive any money constituting income from or interest on Collateral and if the Secured Party receives any such money prior to the occurrence of an Event of Default, the Secured Party shall either credit the same against the Obligations or pay the same promptly to the Debtor.

17. INCOME AFTER DEFAULT

After the occurrence of an Event of Default, the Debtor will not request or receive any money constituting income from or interest on Collateral and if the Debtor receives any such money in any event, the Debtor will hold such money in trust for the Secured Party, for the benefit of the Lenders, and will pay the same promptly to the Secured Party.

18. INCREASES, PROFITS, PAYMENTS OR DISTRIBUTIONS

18.1 Whether or not an Event of Default has occurred, the Debtor authorizes the Secured Party, on behalf of the Lenders:

- (a) to receive any increase in or profits on the Collateral (other than money) and to hold the same as part of the Collateral. Money so received shall be treated as income for the purposes of Section 16 hereof and dealt with accordingly, and
- (b) to receive any payment or distribution upon redemption or retirement or upon dissolution and liquidation of the issuer of Collateral; to surrender such Collateral in exchange therefor; and to hold any such payment or distribution as part of Collateral.

18.2 If the Debtor receives any such increase or profits (other than money) or payments or distributions, the Debtor will deliver the same promptly to the Secured Party to be held by the Secured Party as herein provided.

19. DISPOSITION OF MONIES

Subject to any applicable requirements of the PPSA, all monies collected or received by the Secured Party pursuant to or in exercise of any right it possesses with respect to Collateral shall be applied on account of the Obligations in such manner as the Secured Party or the Lenders deem best or, at the option of the Secured Party or the Lenders, may be held unappropriated in a collateral account or released to the Debtor, all without prejudice to the liability of the Debtor or the rights of the Secured Party or any Lender hereunder, and any surplus shall be accounted for as required by law.

20. PERFORMANCE OF OBLIGATIONS

If the Debtor fails to perform any of its obligations hereunder, the Secured Party may, but shall not be obliged to, perform any or all of such obligations without prejudice to any other rights and remedies of the Secured Party hereunder, and any payments made and any costs, charges, expenses and legal fees and disbursements (on a solicitor and own client basis) incurred in connection therewith shall be payable by the Debtor to the Secured Party forthwith with interest until paid at the highest rate borne by any of the Obligations and such amounts shall be secured hereby and rank prior to all claims subsequent to this Security Agreement.

21. FLOATING CHARGE

21.1 For the purposes of Section 203 of the *Land Title Act* (British Columbia) the floating

charge on land created by this Security Agreement shall become a fixed charge upon the earliest of:

- (a) the occurrence of any Event of Default described in Sections 11(f), (g), (h), (i) or (l) of the Loan Agreement; or
- (b) the Secured Party taking any action to realize on the security constituted by this Security Agreement.

22. Enforcement

22.1 Upon the happening of an Event of Default which is continuing, the Secured Party, in its sole discretion, may declare all or any part of the Obligations which are not by their terms payable on demand to be immediately due and payable. The provisions of this Section do not and are not intended to affect in any way any rights of the Secured Party with respect to any Obligations which may now or hereafter be payable on demand.

22.2 Upon the happening of an Event of Default which is continuing, the security hereby constituted will immediately become enforceable. To enforce and realize on the security constituted by this Security Agreement the Secured Party may take any action permitted by law or in equity, as it may deem expedient, and in particular, but without limiting the generality of the foregoing, the Secured Party may do any of the following:

- (a) appoint by instrument a receiver, receiver and manager or receiver-manager (the person so appointed is hereinafter called the "Receiver") of the Collateral, with or without bond as the Secured Party may determine, and from time to time in its absolute discretion remove such Receiver and appoint another in its stead;
- (b) enter upon any premises of the Debtor and take possession of the Collateral with power to exclude the Debtor, its agents and its servants therefrom, without becoming liable as a mortgagee in possession;
- (c) preserve, protect and maintain the Collateral and make such replacements thereof and repairs and additions thereto as the Secured Party may deem advisable;
- (d) sell, lease or otherwise dispose of all or any part of the Collateral, whether by public or private sale or lease or otherwise, in such manner, at such price as can be reasonably obtained therefor and on such terms as to credit and with such conditions of sale and stipulations as to title or conveyance or evidence of title or otherwise as to the Secured Party may seem reasonable, provided that if any sale, lease or other disposition is on credit the Debtor will not be entitled to be credited with the proceeds of any such sale, lease or other disposition until the monies therefor are actually received;
- (e) exercise all of the rights and remedies of a secured party under the PPSA; and

- (f) sell, transfer or use any Investment Property included in the Collateral of which the Secured Party or its agent has "control" within the meaning of the STA.
- 22.3 A Receiver appointed pursuant to this Security Agreement shall be the agent of the Debtor and not of the Secured Party and the Secured Party shall not be in any way responsible for any misconduct, negligence or non-feasance on the part of any Receiver, its servants, agents or employees. A Receiver shall, to the extent permitted by law or to such lesser extent permitted by its appointment, have all the powers of the Secured Party hereunder, and in addition shall have power to carry on the business of the Debtor and for such purpose to enter upon, use and occupy all premises owned or occupied by the Debtor wherein Collateral may be situate, maintain Collateral upon such premises, use Collateral directly or indirectly in carrying on the Debtor's business and from time to time to borrow money either unsecured or secured by a security interest in any of the Collateral.
- 22.4 Subject to the claims, if any, of the creditors of the Debtor ranking in priority to this Security Agreement, all amounts realized from the disposition of Collateral pursuant to this Security Agreement will be applied as the Secured Party, in its absolute discretion, may direct or as follows:
 - (a) in payment of all costs, charges and expenses (including legal fees and disbursements on a solicitor and his own client basis) incurred by the Secured Party in connection with or incidental to:
 - (i) the exercise by the Secured Party of all or any of the powers granted to it pursuant to this Security Agreement; and
 - (ii) the appointment of the Receiver and the exercise by the Receiver of all or any of the powers granted to it pursuant to this Security Agreement, including the Receiver's reasonable remuneration and all outgoings properly payable by the Receiver excluding the Receiver's borrowings;
 - (b) in payment of any sum or sums borrowed by the Receiver from the Secured Party and interest thereon if such sum or sums are secured by the Collateral;
 - (c) in or toward payment to the Secured Party of all principal and other monies (except interest) due in respect of the Obligations;
 - (d) in or toward payment to the Secured Party of all interest remaining unpaid in respect of the Obligations;
 - (e) in or toward payment of any sum or sums borrowed by the Receiver from any financial institution, corporation or person other than the Secured Party and interest thereon if such sum or sums are secured by the Collateral.

Subject to applicable law and the claims, if any, of other creditors of the Debtor, any surplus will be paid to the Debtor.

23. DEFICIENCY

If the amounts realized from the disposition of the Collateral are not sufficient to pay the Obligations in full, the Debtor will immediately pay to the Secured Party the amount of such deficiency.

24. RIGHTS CUMULATIVE

All rights and remedies of the Secured Party and the Lenders set out in this Security Agreement are cumulative and no right or remedy contained herein is intended to be exclusive but each will be in addition to every other right or remedy contained herein or in any existing or future security agreement or now or hereafter existing at law, in equity or by statute, or pursuant to any other agreement between the Debtor and the Secured Party or any Lender that may be in effect from time to time.

25. LIABILITY OF SECURED PARTY

None of the Secured Party nor any Lender shall be responsible or liable for any debts contracted by it, for damages to persons or property or for salaries or non-fulfilment of contracts during any period when the Secured Party shall manage the Collateral upon entry, as herein provided, nor shall the Secured Party or any Lender be liable to account as mortgagee in possession or for anything except actual receipts or be liable for any loss on realization or for any default or omission for which a mortgagee in possession may be liable. None of the Secured Party nor any Lender shall be bound to do, observe or perform or to see to the observance or performance by the Debtor of any obligations or covenants imposed upon the Debtor nor shall the Secured Party or any Lender, in the case of Investment Property, Instruments or Chattel Paper, be obliged to preserve rights against other persons, nor shall the Secured Party be obliged to keep any of the Collateral identifiable. The Debtor hereby waives any applicable provision of law permitted to be waived by it which imposes higher or greater obligations upon the Secured Party than aforesaid.

26. APPOINTMENT OF ATTORNEY

The Debtor hereby irrevocably appoints the Secured Party or the Receiver, as the case may be, with full power of substitution, to be the attorney of the Debtor for and in the name of the Debtor to sign, endorse or execute under seal or otherwise any deeds, documents, transfers, cheques, instruments, demands, assignments, assurances or consents that the Debtor is obliged to sign, endorse or execute and generally to use the name of the Debtor and to do all things as may be necessary or incidental to the exercise of all or any of the powers conferred on the Secured Party or the Receiver, as the case may be, pursuant to this Security Agreement.

27. ACCOUNTS

Notwithstanding any other provision of this Security Agreement, the Secured Party may collect, realize, sell or otherwise deal with the Accounts or any part thereof in such manner, upon such terms and conditions and at such time or times, whether before or after the occurrence of an Event of Default, as may seem to it advisable, and without notice to the Debtor, except in the case of disposition after the occurrence of an Event of Default and then subject to the provisions of Part V of the PPSA. All monies or other forms of payment received by the Debtor in payment of any Account will be received and held by the Debtor in trust for the Secured Party.

28. APPROPRIATION OF PAYMENTS

Any and all payments made in respect of the Obligations from time to time and monies realized from any security interests held therefor (including monies collected in accordance with or realized on any enforcement of this Security Agreement) may be applied to such part or parts of the Obligations as the Secured Party or the Lenders may see fit, and the Secured Party and the Lenders may at all times and from time to time change any appropriation as the Secured Party and Lenders may see fit.

29. LIABILITY TO ADVANCE

None of the preparation, execution, perfection and registration of this Security Agreement or notice hereof or the advance of any monies shall bind any Lender to make any advance or loan or further advance or loan, or renew any note or extend any time for payment of any indebtedness or liability of the Debtor to the Secured Party or any Lender.

30. WAIVER

The Secured Party and the Lenders may from time to time and at any time waive in whole or in part any right, benefit or default under any clause of this Security Agreement but any such waiver of any right, benefit or default on any occasion shall be deemed not to be a waiver of any such right, benefit or default thereafter, or of any other right, benefit or default, as the case may be, and no delay or omission by the Secured Party or any Lender in exercising any right or remedy hereunder or with respect to any default shall operate as a waiver thereof or of any other right or remedy.

31. NOTICE

Notice may be given by any party in writing and shall be well and sufficiently given if sent by prepaid registered mail, by delivery, or by facsimile transmission to the party for whom it is intended, at the address or transmitted to the facsimile number herein provided, or to such other address or to such other facsimile number as may be set forth in any notice given pursuant to these notice provisions from time to time. Any such notice shall be deemed to have been given and received:

- (a) if delivered, when delivered,

- (b) if mailed by prepaid registered mail when there is no known or anticipated disruption of postal services, on the FIFTH business day following that on which it was mailed; and
- (c) if sent by facsimile transmission, on the close of business on the day on which it was transmitted.

32. EXTENSIONS

The Secured Party or any Lender may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges, refrain from perfecting or maintaining perfection of the Security Interest, and otherwise deal with the Debtor, account debtors of the Debtor, sureties and others and with the Collateral, the Security Interest and other security interests as the Secured Party or Lenders may see fit without prejudice to the liability of the Debtor or the Secured Party's right to hold and realize on the security constituted by this Security Agreement.

33. NO MERGER

This Security Agreement shall not operate so as to create any merger or discharge of any of the Obligations, or of any assignment, transfer, guarantee, lien, mortgage, contract, promissory note, bill of exchange or security interest of any form held or which may hereafter be held by the Secured Party from the Debtor or from any other person whomsoever. The taking of a judgment with respect to any of the Obligations will not operate as a merger of any of the covenants contained in this Security Agreement.

34. ASSIGNMENT

The Secured Party or any Lender may, without further notice to the Debtor, at any time assign, transfer or grant a security interest in this Security Agreement and the Security Interest. The Debtor expressly agrees that the assignee, transferee or secured party, as the case may be, shall have all of the Secured Party's or such Lender's rights and remedies under this Security Agreement and the Debtor will not assert any defence, counterclaim, right of set-off or otherwise with respect to any claim which the Debtor now has or hereafter acquires against the Secured Party or such Lender in any action commenced by such assignee, transferee or secured party, as the case may be, and will pay the Obligations to the assignee, transferee or secured party, as the case may be, as the Obligations become due.

35. SATISFACTION AND DISCHARGE

Any partial payment or satisfaction of the Obligations, or any ceasing by the Debtor to be indebted to the Lenders, or any of them, shall be deemed not to be a redemption or discharge of this Security Agreement. The Debtor shall be entitled to a release and discharge of this Security Agreement upon full payment and satisfaction of all Obligations and upon written request by the Debtor and payment to the Secured Party of all costs, charges, expenses and legal fees and disbursements (on a solicitor and own client basis) incurred by the Secured Party or the Lenders in connection with the Obligations and such release and discharge.

36. CONSOLIDATION

In accordance with the *Property Law Act* (British Columbia), the doctrine of consolidation applies to this Security Agreement.

37. GOVERNING LAW

This Security Agreement shall be governed by the laws of British Columbia.

38. ENUREMENT

This Security Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

39. MISCELLANEOUS

- 39.1 The Debtor hereby authorizes the Secured Party to file such financing statements, financing change statements and other documents and do such acts, matters and things as the Secured Party may deem appropriate to perfect on an ongoing basis and continue the Security Interest, to protect and preserve the Collateral and to realize upon the Security Interest.
- 39.2 The Debtor hereby waives protest of any Instrument constituting Collateral at any time held by the Secured Party on which the Debtor is any way liable and, subject to the provisions of the PPSA, notice of any other action taken by the Secured Party.
- 39.3 The Debtor acknowledges and agrees that in the event it amalgamates with any other company or companies it is the intention of the parties hereto that the term "Debtor" when used herein shall apply to each of the amalgamating companies and to the amalgamated company, such that the Security Interest granted hereby:
- (a) shall extend to "Collateral" (as that term is herein defined) owned by each of the amalgamating companies and the amalgamated company at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated company, and
 - (b) shall secure the "Obligations" (as that term is herein defined) of each of the amalgamating companies and the amalgamated company to the Secured Party at the time of amalgamation and any "Obligations" of the amalgamated company to the Secured Party thereafter arising. The Security Interest shall attach to "Collateral" owned by each company amalgamating with the Debtor, and by the amalgamated company, at the time of amalgamation, and shall attach to any "Collateral" thereafter owned or acquired by the amalgamated company when such becomes owned or is acquired.
- 39.4 The Debtor hereby authorizes the Secured Party to provide a copy of this Security Agreement and such other information and documents specified under the PPSA to any person entitled pursuant to the PPSA to demand and receive same.

40. COPY OF AGREEMENT AND FINANCING STATEMENT

The Debtor hereby:

- (a) acknowledges receiving a copy of this Security Agreement, and
- (b) waives all rights to receive from the Secured Party a copy of any financing statement, financing change statement or verification statement filed, issued or obtained at any time in respect of this Security Agreement.

[signature page follows]

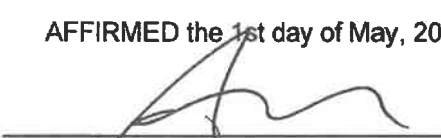
IN WITNESS WHEREOF the Debtor has executed this Security Agreement as of the date first above written.

WAREHOUSE ONE CLOTHING LTD.

By: 
Name: Shamsh Kassam
Title: Director

This is Exhibit "Y" referred to in the
Affidavit of SHAMSH KASSAM

AFFIRMED the 1st day of May, 2026,



A Notary Public in and for the
Province of British Columbia

ANDREW BULL
NOTARY PUBLIC
STERN PARTNERS INC.
2650 - 733 Seymour Street
Vancouver, BC V6B 0S6
Tel: 604-646-3601
Email: abull@sternpartners.com



Business Debtor

Search by Business Debtor

Date: 2026-04-21

Time: 9:38:43 AM

Transaction Number: 10283093536

User ID: Elizabeth Amorim

Business Name: Warehouse One Clothing

Account Balance: \$5,935.50

0 exact matches were found.

5 similar matches were found.

Business Debtor**Search by Business Debtor: 5 similar matches were found.**

Business Debtor Name	No. of Registrations
1. WAREHOUSE ONE ATLANTIC LIMITED PARTNERSHIP	2
2. WAREHOUSE ONE ATLANTIC LTD.	2
3. WAREHOUSE ONE CLOTHING LTD	1
4. WAREHOUSE ONE CLOTHING LTD.	2
5. Warehouse One Clothing Ltd.	4

1. WAREHOUSE ONE ATLANTIC LIMITED PARTNERSHIP

Include in Printed Search Results

1.1 WAREHOUSE ONE ATLANTIC LIMITED PARTNERSHIP: Registration 201007087204 (2010-05-05 4:48:39 PM)	
Registered under	The Personal Property Security Act
Expiry Date (YYYY-MM-DD)	2030-05-04
Debtor Address	1680 NOTRE DAME AVE Winnipeg, MB Canada R3H 1H6
This registration is jointly registered with these business debtors	WAREHOUSE ONE CLOTHING LTD. WAREHOUSE ONE ATLANTIC LTD.
Secured Parties (party code, name, address)	Canadian Imperial Bank of Commerce 595 Bay Street, 5th floor Toronto, ON Canada M5G 2C2
General Collateral Description	*The security interest is taken in all of the debtor's present and after-acquired personal property.
Change History	Registration Number: 202004018712 (2020-03-11 2:40:05 PM) Sections Changed: Expiry Date Registration Number: 201503778616 (2015-03-06 2:00:40 PM) Sections Changed: Expiry Date

1.2 WAREHOUSE ONE ATLANTIC LIMITED PARTNERSHIP: Registration 200716025003 (2007-08-29 2:28:16 PM)	
Registered under	The Personal Property Security Act
Expiry Date (YYYY-MM-DD)	2027-08-29
Debtor Address	SUITE 2650 - 733 SEYMOUR STREET VANCOUVER, BC Canada V6B 0S6
This registration is jointly registered with these business debtors	WAREHOUSE ONE ATLANTIC LTD.
Secured Parties (party code, name, address)	WAREHOUSE ONE CLOTHING LTD. SUITE 2650 - 733 SEYMOUR STREET VANCOUVER, BC Canada V6B 0S6
General Collateral Description	*The security interest is taken in all of the debtor's present and after-acquired personal property.
Additional Information	AMENDING DEBTOR AND SECURED PARTY ADDRESSES
Change History	Registration Number: 202514416615 (2025-08-12 3:52:32 PM) Sections Changed: Business Debtors Registration Number: 202514397815 (2025-08-12 2:24:50 PM) Sections Changed: Business Debtors, Additional Information, Secured Parties Registration Number: 201711271010 (2017-06-23 9:12:48 AM) Sections Changed: Expiry Date

2. WAREHOUSE ONE ATLANTIC LTD.

Include in Printed Search Results

2.1 WAREHOUSE ONE ATLANTIC LTD.: Registration 201007087204 (2010-05-05 4:48:39 PM)

Registered under	The Personal Property Security Act
Expiry Date (YYYY-MM-DD)	2030-05-04
Debtor Address	1680 NOTRE DAME AVE Winnipeg, MB Canada R3H 1H6
This registration is jointly registered with these business debtors	WAREHOUSE ONE CLOTHING LTD. WAREHOUSE ONE ATLANTIC LIMITED PARTNERSHIP
Secured Parties (party code, name, address)	Canadian Imperial Bank of Commerce 595 Bay Street, 5th floor Toronto, ON Canada M5G 2C2
General Collateral Description	*The security interest is taken in all of the debtor's present and after-acquired personal property.
Change History	Registration Number: 202004018712 (2020-03-11 2:40:05 PM) Sections Changed: Expiry Date Registration Number: 201503778616 (2015-03-06 2:00:40 PM) Sections Changed: Expiry Date

2.2 WAREHOUSE ONE ATLANTIC LTD.: Registration 200716025003 (2007-08-29 2:28:16 PM)

Registered under	The Personal Property Security Act
Expiry Date (YYYY-MM-DD)	2027-08-29
Debtor Address	SUITE 2650 - 733 SEYMOUR STREET VANCOUVER , BC Canada V6B 0S6
This registration is jointly registered with these business debtors	WAREHOUSE ONE ATLANTIC LIMITED PARTNERSHIP
Secured Parties (party code, name, address)	WAREHOUSE ONE CLOTHING LTD. SUITE 2650 - 733 SEYMOUR STREET VANCOUVER , BC Canada V6B 0S6
General Collateral Description	*The security interest is taken in all of the debtor's present and after-acquired personal property.
Additional Information	AMENDING DEBTOR AND SECURED PARTY ADDRESSES
Change History	Registration Number: 202514416615 (2025-08-12 3:52:32 PM) Sections Changed: Business Debtors Registration Number: 202514397815 (2025-08-12 2:24:50 PM) Sections Changed: Business Debtors, Additional Information, Secured Parties Registration Number: 201711271010 (2017-06-23 9:12:48 AM) Sections Changed: Expiry Date

3. WAREHOUSE ONE CLOTHING LTD

Include in Printed Search Results

3.1 WAREHOUSE ONE CLOTHING LTD: Registration 202308745203 (2023-05-31 7:35:03 AM)

Registered under	The Personal Property Security Act
Expiry Date (YYYY-MM-DD)	2027-05-31
Debtor Address	1530 GAMBLE PLACE, WINNIPEG, MB Canada R3T 1N6

Secured Parties (party code, name, address)	DELL FINANCIAL SERVICES CANADA LIMITED 155 GORDON BAKER RD, STE 501 NORTH YORK, ON Canada M2H 3N5
General Collateral Description	ALL DELL AND NON DELL COMPUTER EQUIPMENT AND PERIPHERALS WHEREVER LOCATED HERETOFORE OR HEREAFTER LEASED TO DEBTOR BY SECURED PARTY PURSUANT TO AN EQUIPMENT LEASE 200-5862800-002 TOGETHER WITH ALL SUBSTITUTIONS, ADDITIONS, ACCESSIONS AND REPLACEMENTS THERETO AND THEREOF NOW AND HEREAFTER INSTALLED IN, AFFIXED TO, OR USED IN CONJUNCTION WITH SUCH EQUIPMENT AND PROCEEDS THEREOF TOGETHER WITH ALL RENTAL OR INSTALLMENT PAYMENTS, INSURANCE PROCEEDS, OTHER PROCEEDS AND PAYMENTS DUE OR TO BECOME DUE AND ARISING FROM OR RELATING TO SUCH EQUIPMENT. PROCEEDS: ALL PROCEEDS (AS DEFINED IN THE PERSONAL PROPERTY SECURITY ACT) OF ANY OF THE ABOVE COLLATERAL IN ANY FORM (INCLUDING, WITHOUT LIMITATION, GOODS, DOCUMENTS OF TITLE, CHATTEL PAPER, INVESTMENT PROPERTY, SECURITIES, INSTRUMENTS, MONEY AND INTANGIBLES (AS EACH SUCH TERM IS DEFINED IN THE PERSONAL PROPERTY SECURITY ACT)) DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH ANY OF THE ABOVE COLLATERAL OR ANY PROCEEDS THEREOF.

4. WAREHOUSE ONE CLOTHING LTD.

Include In Printed Search Results

4.1 WAREHOUSE ONE CLOTHING LTD.: Registration 202517425100 (2025-09-29 3:23:02 PM)

Registered under	The Personal Property Security Act
Expiry Date (YYYY-MM-DD)	2036-09-29
Debtor Address	SUITE 2650 - 733 SEYMOUR STREET VANCOUVER, BRITISH COLUMBIA Canada V6B 0S6
Secured Parties (party code, name, address)	HIGHGATE CAPITAL LTD. SUITE 2650 - 733 SEYMOUR STREET VANCOUVER, BRITISH COLUMBIA Canada V6B 0S6 HIGHGATE CAPITAL LTD., AS COLLATERAL AGENT SUITE 2650 - 733 SEYMOUR STREET VANCOUVER, British Columbia Canada V6B 0S6
General Collateral Description	ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR.
Change History	Registration Number: 202517435610 (2025-09-29 5:45:42 PM) Sections Changed: General Collateral Description

4.2 WAREHOUSE ONE CLOTHING LTD.: Registration 201007087204 (2010-05-05 4:48:39 PM)

Registered under	The Personal Property Security Act
Expiry Date (YYYY-MM-DD)	2030-05-04
Debtor Address	1680 NOTRE DAME AVE Winnipeg, MB Canada R3H 1H6
This registration is jointly registered with these business debtors	WAREHOUSE ONE ATLANTIC LTD. WAREHOUSE ONE ATLANTIC LIMITED PARTNERSHIP
Secured Parties (party code, name, address)	Canadian Imperial Bank of Commerce 595 Bay Street, 5th floor Toronto, ON Canada M5G 2C2
General Collateral Description	*The security interest is taken in all of the debtor's present and after-acquired personal property.

Change History	Registration Number: 202004018712 (2020-03-11 2:40:05 PM) Sections Changed: Expiry Date
	Registration Number: 201503778616 (2015-03-06 2:00:40 PM) Sections Changed: Expiry Date

5. Warehouse One Clothing Ltd.

... Include in Printed Search Results

5.1 Warehouse One Clothing Ltd.: Registration 202601652902 (2026-01-30 1:22:42 PM)	
Registered under	The Personal Property Security Act
Expiry Date (YYYY-MM-DD)	2031-01-30
Debtor Address	Suite 2650 - 733 Seymour Street Vancouver, BC Canada V6B 0S6
Secured Parties (party code, name, address)	WHO INDUSTRIES INC. 1800 - 510 WEST GEORGIA STREET VANCOUVER, BC CA V6B 0M3
General Collateral Description	All of the presently owned or held and after acquired or held personal property of the Debtor of whatsoever nature or kind and wheresoever situate, and all Proceeds and renewals thereof and therefrom, accretions thereto and substitutions therefor.
Change History	Registration Number: 202603575310 (2026-03-03 3:20:52 PM) Sections Changed: Business Debtors

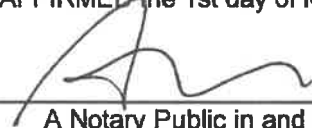
5.2 Warehouse One Clothing Ltd.: Registration 202601649103 (2026-01-30 12:28:35 PM)	
Registered under	The Personal Property Security Act
Expiry Date (YYYY-MM-DD)	2031-01-30
Debtor Address	Suite 2650 - 733 Seymour Street Vancouver, BC Canada V6B 0S6
Secured Parties (party code, name, address)	4565038 MANITOBA LTD. 3050 HENDERSON HWY EAST ST PAUL, MB CA R2E 0H9
General Collateral Description	All of the presently owned or held and after acquired or held personal property of the Debtor of whatsoever nature or kind and wheresoever situate, and all Proceeds and renewals thereof and therefrom, accretions thereto and substitutions therefor.
Change History	Registration Number: 202603576014 (2026-03-03 3:25:50 PM) Sections Changed: Business Debtors

5.3 Warehouse One Clothing Ltd.: Registration 202017219504 (2020-10-16 6:13:19 PM)	
Registered under	The Personal Property Security Act
Expiry Date (YYYY-MM-DD)	2030-10-16
Debtor Address	Suite 2650 - 733 Seymour Street Vancouver, BC Canada V6B 0S6
Secured Parties (party code, name, address)	4565038 MANITOBA LTD. 3050 HENDERSON HWY EAST ST PAUL, MB CA R2E 0H9
General Collateral Description	All of the presently owned or held and after acquired or held personal property of the Debtor of whatsoever nature or kind and wheresoever situate, and all Proceeds and renewals thereof and therefrom, accretions thereto and substitutions therefor.
Change History	Registration Number: 202603577215 (2026-03-03 3:32:31 PM) Sections Changed: Business Debtors
	Registration Number: 202517619916 (2025-10-02 10:27:14 AM) Sections Changed: Expiry Date

5.4 Warehouse One Clothing Ltd.: Registration 200225071801 (2002-11-27 10:03:43 AM)	
Registered under	The Personal Property Security Act
Expiry Date (YYYY-MM-DD)	Infinity
Debtor Address	1680 Notre Dame Avenue Winnipeg, Manitoba Canada R3H 1H6
Secured Parties (party code, name, address)	Moneris Solutions Corporation 3250 Bloor Street West, 14th Floor Toronto, Ontario Canada M8X 2X9
General Collateral Description	(a) All accounts, claims and choses in action, present or future, that the debtor has with or against Moneris Solutions Corporation (Moneris), Royal Bank of Canada (RBC) or Bank of Montreal (BMO); (b) all rights, present or future, of the debtor to receive credits or payments from Moneris, RBC or BMO under one or more agreements between the debtor and one or more of Moneris, RBC and BMO respecting the provision of credit or debit card issuer, acquirer or processing services or related services; and (c) all proceeds of the foregoing, including proceeds of proceeds.

This is Exhibit "Z" referred to in the
Affidavit of SHAMSH KASSAM

AFFIRMED the 1st day of May, 2026,



A Notary Public in and for the
Province of British Columbia



ANDREW BULL
NOTARY PUBLIC
STERN PARTNERS INC.
2650 - 733 Seymour Street
Vancouver, BC V6B 0S6
Tel: 604-646-3601
Email: abull@sternpartners.com

DIP FINANCING TERM SHEET

Dated as of May 1, 2026

WHEREAS, the Borrower (as defined below) intends to commence proceedings on May 6, 2026 (the "**Filing Date**") before the Manitoba Court of King's Bench (the "**Court**") under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**") and such proceedings being the "**CCAA Proceedings**") and Alvarez & Marsal Canada Inc. is the proposed monitor (the "**Monitor**").

AND WHEREAS, the Borrower requires additional funding to, among other things, finance the working capital requirements of the Borrower and other general corporate purposes, including the costs of the CCAA Proceedings during the pendency of the CCAA Proceedings, and the Borrower has concluded that the DIP Lender (as defined below) is the most cost effective and timely source of such funding that is available to the Borrower and appropriate in the circumstances.

AND WHEREAS, the DIP Lender has agreed to provide funding to the Borrower during the CCAA Proceedings on the terms and conditions set out in this term sheet (this "**Term Sheet**").

NOW THEREFORE, the parties, in consideration of the foregoing and the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged), agree as follows:

1. **BORROWER:** Warehouse One Clothing Ltd. (the "**Borrower**")
2. **DIP LENDER:** Highgate Capital Ltd. (in such capacity, the "**DIP Lender**").
3. **DEFINED TERMS:** Unless otherwise defined herein, capitalized words and phrases used in this Term Sheet have the meanings given thereto in **Schedule "A"**
4. **CURRENCY:** Unless otherwise stated, all currency is in Canadian Dollars.
5. **DIP FACILITY:** A secured, debtor-in-possession, revolving credit facility (the "**DIP Facility**") up to an aggregate maximum principal amount of \$3,000,000 (the "**Maximum Amount**"), provided that the maximum principal amount available during Stage 1 shall not exceed \$1,000,000 (the "**Stage 1 Amount**").

The DIP Facility shall be made available to the Borrower by way of advances in Canadian Dollars (each, a "**DIP Advance**") which in the aggregate will not exceed: (i) the Stage 1 Amount during Stage 1; and (ii) the Maximum Amount during Stage 2. Each DIP Advance shall be made upon the Borrower's written request to the DIP Lender (a "**DIP Advance Request**") executed by the Borrower.

Unless otherwise approved by the DIP Lender, each DIP Advance Request shall (i) be in the form of **Schedule "B"**, (ii) specify the aggregate amount of the requested DIP Advance (which shall be a minimum of \$100,000), and the date such DIP Advance is requested to be made by the DIP Lender (which shall be a Business Day and any such DIP Advance Request shall be received by the DIP Lender no later than two Business Days prior to the date of the requested DIP Advance), and (iii) contain the confirmations from the Borrower as set out in the notice of borrowing attached to this Term Sheet as **Schedule "B"**.

A copy of each DIP Advance Request shall be concurrently provided by the Borrower to the DIP Lender and the Monitor.

6. PURPOSE AND PERMITTED PAYMENTS:

To provide for the liquidity needs of the Borrower pursuant to the DIP Budget (as defined below) during the pendency of the CCAA Proceedings. For greater certainty, the Borrower may not use the proceeds of the DIP Facility to pay any Pre-Filing Obligations unless all of the following requirements are satisfied: (a) the Monitor has approved such payment; (b) such Pre-Filing Obligations are included in the DIP Budget, and (c) the payment of such Pre-Filing Obligation is authorized pursuant to the Initial Order, the ARIO or any subsequent Court Order.

7. DIP FINANCING CREDIT DOCUMENTS:

If required by the DIP Lender, the Borrower shall enter into a definitive DIP credit agreement (the “**DIP Credit Agreement**”), and such other loan and security documents as requested by the DIP Lender, in each case, on terms and conditions that reflect the commercial terms of this Term Sheet and as otherwise agreed to by the DIP Lender (the “**DIP Financing Credit Documents**”).

8. CONDITIONS PRECEDENT TO DIP ADVANCES:

(1) The DIP Lender’s agreement to make the Stage 1 Amount available to the Borrower and to make any DIP Advance to the Borrower during Stage 1 is subject to the satisfaction, as determined by the DIP Lender, of each of the following conditions precedent (each of which is for the benefit of the DIP Lender and may be waived by the DIP Lender):

- (a) The Borrower shall have executed and delivered this Term Sheet and such other DIP Financing Credit Documents as the DIP Lender may request;
- (b) All representations and warranties of the Borrower under this Term Sheet shall be true and correct in all respects;
- (c) The Court shall have pronounced and issued an Initial Order, in form and substance satisfactory to the DIP Lender, no later than 5:00 p.m. (Winnipeg time) on May 6, 2026, and such order shall not have been stayed, vacated or otherwise caused to be ineffective or amended, restated or modified in a manner that adversely impacts the rights and interests of the DIP Lender without the consent of the DIP Lender. The Initial Order shall include the following provisions:
 - (i) granting a stay of proceedings against the Borrower, the Borrower’s business, the Property and the Monitor;
 - (ii) approving this Term Sheet;
 - (iii) appointing Alvarez & Marsal Canada Inc. as the Monitor;
 - (iv) approving the continuation of the Borrower’s cash management system as amended herein;
 - (v) granting a DIP Financing Charge (as defined below) in the maximum principal amount equal to the Stage 1 Amount, subject only to the Administration Charge and any Lien (A) in favour of any person that was not served with the application for the Initial Order and who is likely to be affected by the security or charge, or (B) arising pursuant to section 11.8(8) of

the CCAA, against all of the Collateral to secure the DIP Advances in favour of the DIP Lender;

- (vi) authorizing the DIP Lender to take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the DIP Financing Credit Documents;
 - (vii) ordering that the payments made to the DIP Lender pursuant to this Term Sheet or the DIP Financing Credit Documents and the granting of the DIP Financing Charge do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any Applicable Law;
 - (viii) providing that the filing, registration or perfection of the DIP Financing Charge shall not be required, and that the DIP Financing Charge shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the DIP Financing Charge coming into existence, notwithstanding any such failure to file, register, record or perfect;
 - (ix) provisions restricting the granting of additional liens or encumbrances on the assets of the Borrower other than as permitted herein or by the Initial Order;
- (d) No Default or Event of Default shall have occurred or shall occur as a result of the requested DIP Advance or otherwise;
 - (e) Such DIP Advance shall not cause the aggregate amount of all outstanding DIP Advances to exceed the Stage 1 Amount;
 - (f) All necessary or advisable registrations have been made and the DIP Lender shall have taken all other steps in applicable jurisdictions to evidence and give effect to the DIP Financing Charge, as requested by the DIP Lender;
 - (g) There shall be no Liens ranking *pari passu* with or in priority to the DIP Financing Charge over the Collateral other than the Administration Charge and any Lien (A) in favour of any person that was not served with the application for the Initial Order and who is likely to be affected by the security or charge, or (B) arising pursuant to section 11.8(8) of the CCAA; and
 - (h) There shall be no Court Order that contravenes the Term Sheet, DIP Credit Agreement (if any) or any of the DIP Financing Credit Documents so as to adversely impact the rights or interests of the DIP Lender, as determined by the DIP Lender; and
 - (i) The Borrower shall have delivered a DIP Advance Request in respect of such DIP Advance:

For greater certainty, the DIP Lender shall not be obligated to make any DIP Advance or otherwise make available funds pursuant to this Term Sheet or the DIP Financing Credit Documents (if any) during Stage 1 unless and until all the foregoing conditions have been satisfied.

(2) The DIP Lender's agreement to make the DIP Facility available to the Borrower during Stage 2 and to make any DIP Advance to the Borrower during Stage 2 is subject to the satisfaction, as determined by the DIP Lender, of each of the following conditions precedent (each of which is for the benefit of the DIP Lender and may be waived by the DIP Lender):

- (a) All representations and warranties of the Borrower under this Term Sheet shall be true and correct in all respects;
- (b) The DIP Lender has approved, the quantum and use of the funds contemplated in the applicable DIP Budget and any Updated DIP Budget;
- (c) The Court shall have pronounced and issued the ARIO, in form and substance satisfactory to the DIP Lender, no later than 5:00 p.m. (Winnipeg time) on May 15, 2026, and such order shall not have been stayed, vacated or otherwise caused to be ineffective or amended, restated or modified in a manner that adversely impacts the rights and interests of the DIP Lender without the consent of the DIP Lender.
- (d) No Default or Event of Default shall have occurred or shall occur as a result of the requested DIP Advance or otherwise;
- (e) Such DIP Advance shall not cause the aggregate amount of all outstanding DIP Advances to exceed the Maximum Amount;
- (f) The continuation of the Borrower's cash management system, shall have been approved by the ARIO;
- (g) The Borrower shall have taken all necessary or advisable steps to maintain the DIP Financing Charge, as requested by the DIP Lender;
- (h) There shall be no Liens ranking *pari passu* with or in priority to the DIP Financing Charge over the Collateral, other than the Administration Charge and any Liens arising pursuant to section 11.8(8) of the CCAA;
- (i) There shall be no Court Order that contravenes the Term Sheet or any of the DIP Financing Credit Documents so as to adversely impact the rights or interests of the DIP Lender, as determined by the DIP Lender;
- (j) The Borrower shall have delivered (i) a DIP Advance Request in respect of such DIP Advance, and (ii) all applicable Variance Reports in accordance with Section 13 hereof, in each case, in accordance with this Term Sheet; and
- (k) The Borrower shall have delivered (i) a DIP Advance Request in respect of such DIP Advance, and (ii) all applicable Variance Reports in accordance with Section 13 hereof, in each case, in accordance with this Term Sheet.

For greater certainty, the DIP Lender shall not be obligated to make any DIP Advance or otherwise make available funds pursuant to this Term Sheet or any DIP Financing Credit Documents during Stage 2 unless and until all the foregoing conditions have been satisfied.

9. **COSTS AND EXPENSES:** The Borrower shall reimburse the DIP Lender for all reasonable and documented costs and expenses incurred by the DIP Lender, as applicable (including the fees and expenses of its counsel) (collectively, the **"Lender Expenses"**) in connection with the DIP Facility (including the negotiation, administration and enforcement of the DIP Facility) and the CCAA Proceedings. The Lender Expenses shall form part of the DIP Financing Obligations (as defined below), secured by the DIP Financing Charge.
10. **DIP FACILITY SECURITY:** The obligations of the Borrower (the **"DIP Financing Obligations"**) under this Term Sheet and the DIP Financing Credit Documents (if any) shall be secured against the Collateral by a super priority first ranking charge **"DIP Financing Charge"** (subject only to the Administration Charge and those claims contemplated by section 11.8(8) of the CCAA) pursuant to the ARIQ.
11. **PERMITTED LIENS AND PRIORITY:** Pursuant to the ARIQ, the DIP Financing Charge shall rank in priority to all Liens on the Collateral other than the Administration Charge and any Lien arising pursuant to section 11.8(8) of the CCAA
12. **REPAYMENT:** Unless otherwise agreed by the DIP Lender, the DIP Facility shall mature and the DIP Financing Obligations shall be due and repayable in full on the earlier of: (i) the occurrence of any Event of Default; (ii) the implementation of any CCAA plan of compromise and arrangement which is proposed and filed with the Court in the CCAA Proceedings (a **"Plan"**); (iii) the date on which the Borrower has completed the Liquidation Process and vacated all of its retail store locations; (iv) closing of one or more sales, leases or other type of transfer transaction of any nature or kind in respect of all or substantially all of the Property of the Borrower outside the ordinary course of business or the Liquidation Process, and (v) the Outside Date (the earliest of such dates being the **"Maturity Date"**). The Maturity Date may be extended from time to time at the request of the Borrower and with the prior written consent of the DIP Lender for such period and on such terms and conditions as the DIP Lender may agree. Upon repayment of the DIP Facility in full, the Borrower may terminate the DIP Facility with the consent of the Monitor and on three (3) Business Days notice.
- Without the prior written consent of the DIP Lender, no Court Order sanctioning a Plan, or the Plan itself, shall discharge or otherwise affect in any way the DIP Financing Obligations, other than after the permanent and indefeasible full repayment of the DIP Financing Obligations on or before the date such Plan is implemented.
13. **DIP BUDGET AND VARIANCE REPORTING:** The Borrower, in consultation with the Monitor, has prepared and delivered to the DIP Lender an initial cash flow budget which is in form and substance satisfactory to the DIP Lender (the **"DIP Budget"**). Such DIP Budget shall be the DIP Budget referenced in this Term Sheet unless and until such time as an Updated DIP Budget (as defined below) has been approved by the DIP Lender in accordance with this Section 13.
- (a) At the written request of the DIP Lender (including by email), or (b) upon a material change, or a material change reasonably anticipated by the Borrower, to any item set forth in the DIP Budget, the Borrower shall update and propose a revised DIP Budget to the DIP Lender (once

approved by the DIP Lender, the “**Updated DIP Budget**”). The DIP Lender may make such request at any time and from time to time, and if such request is made, the Borrower shall submit the Updated DIP Budget no later than three (3) Business Days following receipt of the request. Such Updated DIP Budget shall have been reviewed and approved by the Monitor, prior to submission to the DIP Lender. If the DIP Lender, determines that the Updated DIP Budget is not acceptable, it shall, within two (2) Business Days of receipt thereof, provide written notice (which may be provided by email) to the Borrower and the Monitor stating that the Updated DIP Budget is not acceptable and setting out the reasons why such Updated DIP Budget is not acceptable, and until the Borrower has delivered a revised Updated DIP Budget acceptable to the DIP Lender, the prior DIP Budget shall remain in effect and be the DIP Budget for the purpose of this Term Sheet.

Upon an Updated DIP Budget being accepted by the DIP Lender, such Updated DIP Budget shall constitute the DIP Budget for the purpose of this Term Sheet.

Commencing one week following the date of the Initial Order, and by no later than 5:00 p.m. on the Thursday of every week thereafter (provided that such day is a Business Day and, if not, on the next Business Day) the Borrower, with the assistance of the Monitor, shall deliver to the DIP Lender a variance report (the “**Variance Report**”) of the Borrower showing on a line-by-line basis actual receipts and disbursements as compared to the DIP Budget for (a) the preceding week, and (b) the cumulative period since the Filing Date, and such Variance Report shall include explanations for all material variances. For greater certainty, regardless of any variance, no DIP Advance is permitted under the DIP Facility that is not in compliance with the terms hereof.

The DIP Lender, Borrower and the Monitor shall hold weekly calls to review and discuss the most recent Variance Report.

**14. EVIDENCE OF
INDEBTEDNESS:**

The DIP Lender’s accounts and records constitute, in the absence of manifest error, *prima facie* evidence of the DIP Financing Obligations.

15. PREPAYMENTS

The Borrower may prepay the DIP Facility, in whole or in part, at any time prior to the Maturity Date. Subject to the Borrower’s compliance with the terms hereof, any amount repaid may be reborrowed on a revolving basis up to the maximum amount of the DIP Facility unless otherwise determined by the DIP Lender. For certainty, the DIP Lender may terminate the revolving nature of the DIP Facility at any time upon notice to the Borrower.

16. INTEREST RATE:

Interest shall be payable on the aggregate outstanding amount of the DIP Facility that has been advanced to the Borrower from the date of the funding thereof at a rate equal to 10% per annum for DIP Advances, compounded monthly and payable monthly in arrears in cash on the first Business Day of each month, with the first such payment being made on the first Business Day of the month following the date of the Initial Order.

Upon the occurrence and during the continuation of an Event of Default, all overdue amounts shall bear interest at the applicable interest rate plus

2% per annum payable on demand in arrears in cash. Whenever any interest is calculated on the basis of a period of time other than a calendar year, the annual rate of interest to which each rate of interest determined pursuant to such calculation is equivalent for the purposes of the *Interest Act* (Canada) is such rate as so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days used in the basis for such determination.

The parties shall comply with the following provisions to ensure that the receipt by the DIP Lender of any payments under this Term Sheet does not result in a breach of section 347 of the *Criminal Code* (Canada):

If any provision of this Term Sheet would obligate the Borrower to make any payment to the DIP Lender of an amount that constitutes “interest”, as such term is defined in the *Criminal Code* (Canada) and referred to in this section as “**Criminal Code Interest**”, during any one-year period after the date of the funding of the Maximum Amount in an amount or calculated at a rate which would result in the receipt by the DIP Lender of Criminal Code Interest at a criminal rate (as defined in the *Criminal Code* (Canada) and referred to in this section as a “**Criminal Rate**”), then, notwithstanding such provision, that amount or rate during such one-year period shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not result in the receipt by the DIP Lender during such one-year period of Criminal Code Interest at a Criminal Rate, and the adjustment shall be effected, to the extent necessary, as follows:

first, by reducing the amount or rate of interest required to be paid to the DIP Lender during such one-year period; and

thereafter, by reducing any other amounts (other than costs and expenses) (if any) required to be paid to the DIP Lender during such one-year period which would constitute Criminal Code Interest.

Any amount or rate of Criminal Code Interest referred to in this section shall be calculated and determined in accordance with generally accepted actuarial practices and principles as an effective annual rate of interest over the term that any portion of the DIP Facility remains outstanding on the assumption that any charges, fees or expenses that constitute Criminal Code Interest shall be *pro-rated* over the period commencing on the date of the advance of the Maximum Amount and ending on the relevant Maturity Date (as may be extended by the DIP Lender from time to time under this Term Sheet) and, in the event of a dispute, a certificate of a Fellow of the Canadian Institute of Actuaries appointed by the DIP Lender shall be conclusive for the purposes of such calculation and determination.

**17. JUDGMENT
CURRENCY:**

Intentionally deleted.

**18. REPRESENTATIONS
AND WARRANTIES:**

The Borrower represents and warrants to the DIP Lender, upon which the DIP Lender is relying in entering into this Term Sheet and the other DIP Financing Credit Documents, that:

- (a) Upon the granting of the Initial Order and, as applicable, the ARIO, the transactions contemplated by this Term Sheet and the other DIP

Financing Credit Documents:

- (i) are within the powers of the Borrower;
 - (ii) have been duly executed and delivered by or on behalf of the Borrower;
 - (iii) constitute legal, valid and binding obligations of the Borrower, enforceable against the Borrower in accordance with their terms;
 - (iv) do not require any authorization from, the consent or approval of, registration or filing with, or any other action by, any governmental authority or any third party; and
 - (v) will not violate the charter documents, articles by-laws or other constating documents of the Borrower or any Applicable Law relating to the Borrower;
- (b) The business operations of the Borrower has been and will continue to be conducted in material compliance with all laws of each jurisdiction in which the business has been or is carried out;
 - (c) The Borrower owns its assets and undertaking free and clear of all Liens other than the Permitted Liens;
 - (d) The Borrower has been duly formed and is validly existing under the laws of its jurisdiction of incorporation; and

**19. AFFIRMATIVE
COVENANTS:**

The Borrower agrees to do, or cause to be done, the following:

- (a) (i) allow representatives or advisors of the DIP Lender access to the books, records, financial information and electronic data rooms of or maintained by the Borrower and the Collateral of the Borrower; and
(ii) cause management, any financial advisor and/or legal counsel of the Borrower to cooperate with reasonable requests for information by the DIP Lender and its advisors, in each case subject to solicitor-client privilege, all Court Orders and applicable privacy laws, in connection with matters reasonably related to the DIP Facility, the Collateral, the CCAA Proceedings and/or compliance of the Borrower with its obligations pursuant to this Term Sheet;
- (b) Deliver to the DIP Lender the reporting and other information from time to time as requested by it and as set out in this Term Sheet, including, without limitation, updated DIP Budgets and Variance Reports at the times set out herein;
- (c) Use the proceeds of the DIP Facility only in accordance with the restrictions set out in this Term Sheet and pursuant to the DIP Budget and Court Orders;
- (d) Comply with the provisions of the Initial Order, the ARIO, and all other Court Orders;
- (e) Preserve, renew and keep in full force its corporate existence;

- (f) Preserve, renew and keep in full force and effect all licenses and permits necessary to carry on its business;
- (g) Conduct its business in accordance with and otherwise comply with the DIP Budget, subject to the Court Orders;
- (h) Promptly notify the DIP Lender of the occurrence of any Default or Event of Default or any event or circumstance that may materially affect the DIP Budget or the Collateral, including, without limitation, any material changes in its contractual arrangements or relationships with third parties;
- (i) Provide the DIP Lender and its counsel draft copies of all motions, applications, pleadings, proposed Court Orders and other materials or documents that the Borrower intends to file in the CCAA Proceedings at least two (2) Business Days prior to any such filing or, where it is not practically possible to do so within such time, as soon as possible and in any event not less than one (1) day prior to the date on which such motion, application, proposed order or other materials or documents are served on the service list in respect of the CCAA Proceedings, and any Court Order that affects the DIP Lender or the Collateral shall be satisfactory, in form and substance to the DIP Lender;
- (j) Take all actions necessary or available to defend the Court Orders that affect the DIP Lender and the Collateral from any appeal, reversal, modifications, amendment, stay or vacating, unless expressly agreed to in writing in advance by the DIP Lender;
- (k) Promptly provide notice to the DIP Lender and its counsel, and keep them otherwise apprised, of any material developments in respect of the Collateral, and of any material notices, orders, decisions, letters, or other documents, materials, information or correspondence received from any regulatory authority having jurisdiction over the Borrower;
- (l) Execute and deliver collateral security documentation including, without limitation, such security agreements, financing statements, discharges, opinions or other documents and information, in form and substance satisfactory to the DIP Lender and its counsel as may be reasonably requested by the DIP Lender;
- (m) Maintain insurance coverage in respect of the Borrower and the Collateral as is substantially consistent with the Borrower's insurance coverage as of the Filing Date;
- (n) Pay all Lender Expenses in accordance with the DIP Budget;
- (o) Consult with the DIP Lender with respect to any proposed termination or disclaimer of any Real Property Lease;
- (p) Promptly upon becoming aware thereof, provide details of the following to the DIP Lender:

- (i) any pending, or threatened claims, potential claims, litigation, actions, suits, arbitrations, other proceedings or notices received in respect of same, against the Borrower, by or before any court, tribunal, Governmental Authority or regulatory body, which are not stayed by Court Orders and would be reasonably likely to result individually or in the aggregate, in a judgment in excess of \$250,000; and
- (ii) any indications of interest, proposals or offers for any of the Borrower's business or the Property received by the Borrower or the Monitor, and copies of any of the foregoing received in writing; and
- (q) Maintain the cash management system as in existence on the Filing Date, unless otherwise permitted in writing by the DIP Lender.

20. NEGATIVE COVENANTS:

The Borrower covenants and agrees not to do, or cause not to be done, the following, other than with the prior consent of the DIP Lender:

- (a) Transfer, lease or otherwise dispose of all or any part of the Collateral outside of the ordinary course of business, except with the prior consent of the DIP Lender;
- (b) Transfer any cash or receipts of the Borrower into any account held by any Person other than the DIP Lender;
- (c) Transfer, distribute, lend or otherwise provide funds (whether arising from DIP Advances or otherwise) to an Affiliate other than pursuant to the terms of a Real Property Lease with such Affiliate;
- (d) Other than the Administration Charge, the Directors' Charge and the KERP Charge, seek or support an application by another party to provide to a third party a charge upon any Property without the prior consent of the DIP Lender;
- (e) Amend or seek to amend the Initial Order or the ARIO, except with the prior consent of the DIP Lender;
- (f) Seek or obtain a Court Order, or amend a Court Order in a manner that, that adversely affects the DIP Lender except with the prior consent of the DIP Lender;
- (g) Except as expressly set forth in this Term Sheet, make any payment with respect to a Pre-Filing Obligation other than with the prior consent of the DIP Lender;
- (h) (i) Create or permit to exist any indebtedness other than (A) the indebtedness existing as of the Filing Date, (B) the DIP Financing Obligations, (C) post-filing trade payables or other unsecured obligations incurred in the ordinary course of business on or following the Filing Date in accordance with the DIP Budget and the Initial Order or the ARIO, and (D) amounts owing or payable to the Consultant in connection with the Liquidation Process; or (ii) other than exists as at the Filing Date, make or give any financial assurances, in the form of bonds, letters of credit, financial guarantees or otherwise to any Person or Governmental Authority other than with

the prior consent of the DIP Lender;

- (i) Make (i) any distribution, dividend, return of capital or other distribution in respect of equity securities (in cash, securities or other property or otherwise); or (ii) a retirement, redemption, purchase or repayment or other acquisition of equity securities or indebtedness (including any payment of principal, interest, fees or any other payments thereon), other than with the prior consent of the DIP Lender;
- (j) Make any investments or acquisitions of any kind, direct or indirect, in any business or otherwise other than in accordance with the DIP Budget or with the prior consent of the DIP Lender;
- (k) Unless otherwise contemplated in a DIP Budget, pay, incur any obligation to pay, or establish any retainer with respect to the fees, expenses or disbursements of a legal, financial or other advisor of any party, other than (i) the Monitor and its legal counsel, (ii) the respective legal and financial advisors of the Borrower and the DIP Lender engaged as of the Filing Date; and (iii) the Consultant, unless such fees, expenses, disbursements or retainers are reviewed and approved in writing advance by the DIP Lender;
- (l) Create or permit to exist any Liens on any of the Collateral other than the Permitted Liens;
- (m) Challenge or fail to support the Liens and claims of the DIP Lender;
- (n) Create or establish any additional employee retention plan, employee incentive plan or similar benefit plan for any employees of the Borrower after the Filing Date other than as included in the DIP Budget or the KERP, except with the prior consent of the DIP Lender;
- (o) Make any payments or expenditures (including capital expenditures) other than in accordance with the DIP Budget or otherwise with the prior consent of the DIP Lender;
- (p) Amalgamate, consolidate with or merge into or sell all or substantially all of its assets to another entity, or change its corporate or capital structure (including its organizational documents) or enter into any agreement committing to such actions except with the prior consent of the DIP Lender or as authorized in accordance with the ARIO or the Liquidation Process;
- (q) Make an announcement in respect of, enter into any agreement or letter of intent with respect to, or attempt to consummate, or support an attempt to consummate by another party, any transaction or agreement outside the ordinary course of business, except with the prior consent of the DIP Lender;
- (r) Seek, obtain, support, make or permit to be made any Court Order or any change, amendment or modification to any Court Order in respect of any matter that affects the DIP Lender, except with the prior consent of the DIP Lender;
- (s) Enter into any settlement agreement or agree to any settlement

arrangements with any Governmental Authority or regulatory authority in connection with any claims, liabilities, litigation, arbitration, other investigations, proceedings or disputes or other similar proceedings which are threatened or pending against any one of them without the prior consent of the DIP Lender;

- (t) Without the approval of the Court or the prior consent of the DIP Lender, cease to carry on its business or activities or any component thereof as currently being conducted or modify or alter in any manner the nature and type of its operations or business; or
- (u) Seek, or consent to the appointment of an interim receiver, receiver, receiver manager, licensed insolvency trustee or any similar official in any jurisdiction.

21. EVENTS OF DEFAULT: The occurrence of any one or more of the following events shall constitute an event of default (each an “**Event of Default**”) under this Term Sheet:

- (a) Failure of the Borrower to pay principal, interest or other amounts when due pursuant to this Term Sheet or any other DIP Financing Credit Document;
- (b) Failure of the Borrower to perform or comply with any term, condition, covenant or obligation pursuant to this Term Sheet or any other DIP Financing Credit Document;
- (c) Any representation or warranty by the Borrower made or deemed to be made in this Term Sheet or any other DIP Financing Credit Document is or proves to be incorrect or misleading in any material respect as of the date made or deemed to be made;
- (d) Pronouncement of any Court Order (i) dismissing or terminating the CCAA Proceedings, (ii) lifting the stay of proceedings in the CCAA Proceedings to permit the enforcement of any security against the Borrower or in respect of the Collateral, the appointment of an interim receiver, receiver, receiver and manager, licensed insolvency trustee or similar official, an assignment in bankruptcy, or the making of a bankruptcy order or receivership order against or in respect of the Borrower, in each case which order is not stayed pending appeal thereof, (iii) granting any other Lien in respect of the Collateral that is in priority to or *pari passu* with the DIP Financing Charge other than as expressly permitted pursuant to this Term Sheet, (iv) modifying this Term Sheet or any other DIP Financing Credit Document without the prior consent of the DIP Lender; or (v) staying, reversing, vacating or otherwise modifying any Court Order relating to the DIP Facility or any other matter that affects the DIP Lender without the prior consent of the DIP Lender;
- (e) Unless consented to in writing by the DIP Lender, the expiry without further extension of the stay of proceedings provided for in the Initial Order or the ARIO;
- (f) a Variance Report or Updated DIP Budget is not delivered when due under this Term Sheet;

- (g) Any Variance Report delivered following the granting of the ARIQ shows a negative variance of the net cash flows of more than 15% compared to the DIP Budget on a cumulative basis since the Filing Date, provided that disbursements subject to the Administration Charge and the Lender Expenses shall be excluded from such calculation;
- (h) Unless the DIP Lender has consented thereto in writing, the filing by the Borrower of any motion or proceeding that (i) is inconsistent with any provision of this Term Sheet or any other DIP Financing Credit Document, or the Initial Order, or the ARIQ, as applicable, (ii) could otherwise be expected to have a material adverse effect on the interests of the DIP Lender or the Collateral, or (iii) seeks to continue any of the CCAA Proceedings under the jurisdiction of a court other than the Court with respect to the CCAA Proceedings;
- (i) The denial or repudiation by the Borrower of the legality, validity, binding nature or enforceability of this Term Sheet or any other DIP Financing Credit Documents;
- (j) Any creditor, encumbrancer or other Person seizes or levies upon any material Collateral or exercises any right of distress, execution, foreclosure or similar enforcement process against any material Collateral;
- (k) The entry of one or more final judgments, writs of execution, garnishment or attachment representing a claim in excess of \$250,000 in the aggregate, against any Collateral, or the Borrower.

**22. UNAFFECTED
CREDITOR STATUS:**

The DIP Lender shall at all times be treated as an “unaffected creditor” and “unimpaired” in the CCAA Proceedings, including in any plan of compromise or arrangement filed pursuant thereto and/or in any other insolvency, restructuring, reorganization and/or arrangement proceeding with respect to the Borrower thereafter, including, without limitation, proceedings under the CCAA, the *Bankruptcy and Insolvency Act* (Canada) or any other legislation of any jurisdiction pertaining to insolvency or creditors’ rights.

23. REMEDIES:

Upon the occurrence of an Event of Default, the DIP Lender may:

- (a) elect to terminate the commitments hereunder and declare the DIP Financing Obligations to be immediately due and payable and refuse to permit further DIP Advances;
- (b) on application to Court, apply for the appointment of a receiver, an interim receiver or a receiver and manager over the Borrower or the Collateral, or for the appointment of a trustee in bankruptcy of the Borrower;
- (c) on application to Court, set-off or combine any amounts then owing by the DIP Lender to the Borrower against the DIP Financing Obligations;
- (d) upon application to Court, exercise the powers and rights of a secured party under the *Personal Property Security Act* (Manitoba) or any

other federal, provincial, state or territorial legislation of similar effect; and

- (e) exercise all such other rights and remedies under this Term Sheet, any other DIP Financing Credit Document, the Court Orders and Applicable Law.

24. DIP LENDER APPROVALS:

All consents, approvals, agreements and/or waivers of the DIP Lender hereunder shall be determined and made in its sole discretion and must be in writing to be effective against the DIP Lender. Any consent, approval, instruction or other expression of the DIP Lender to be delivered in writing may be delivered by a written instrument, including by way of electronic mail by the DIP Lender or its counsel.

25. INDEMNITY AND RELEASE:

The Borrower agrees to indemnify and hold harmless the DIP Lender and its respective directors, officers, employees, agents, advisors, attorneys, counsel and their respective advisors (all such Persons and entities being referred to hereafter as “**Indemnified Persons**”) from and against any and all actions, suits, proceedings, claims, losses, damages, liabilities or expenses of any kind or nature whatsoever (excluding indirect or consequential damages and claims for lost profits) which may be incurred by or asserted against any Indemnified Person as a result of or arising out of or in any way related to the CCAA Proceedings, DIP Facility, this Term Sheet and any other DIP Financing Credit Document (collectively, “**Claims**”) and, upon demand, to pay and reimburse any Indemnified Person for any reasonable legal or other expenses incurred in connection with investigating, defending or preparing to defend any such Claims, which payment or reimbursement obligation shall form part of the DIP Financing Obligations, *provided, however*, that the Borrower shall not be obligated to indemnify an Indemnified Person against any Claim (a) to the extent it resulted from the gross negligence or willful misconduct of such Indemnified Person; or (b) to the extent arising from any dispute solely among Indemnified Persons other in respect of any Claims arising from any act or omission of the Borrower.

Notwithstanding anything to the contrary herein, the indemnities granted under this Term Sheet shall survive any termination of the DIP Facility.

26. TAXES:

All payments by the Borrower to the DIP Lender, including the payment of any DIP Financing Obligations and any payments required to be made from and after the exercise of any remedies available to the DIP Lender upon an Event of Default, shall be made free and clear of, and without reduction for or on account of, any present or future taxes, levies, imposts, duties, charges, fees, deductions or withholdings of any kind or nature whatsoever or any interest or penalties payable with respect thereto now or in the future imposed, levied, collected, withheld or assessed by any Governmental Authority country or any political subdivision of any country (collectively “**Taxes**”); provided, however, that if any Taxes are required by Applicable Law to be withheld (“**Withholding Taxes**”) from any amount payable to the DIP Lender under this Term Sheet, the amount so payable to the DIP Lender shall be increased by an amount necessary to yield to the DIP Lender on a net basis after payment of all Withholding Taxes, the amount payable under this Term Sheet at the rate or in the amount specified herein and the Borrower shall provide evidence

satisfactory to the DIP Lender that the Withholding Taxes have been so withheld and remitted.

This Section 26 shall not be construed to require the DIP Lender to make available its tax returns (or any other information relating to its Taxes that it deems confidential) to the Borrower or any other Person.

27. **FURTHER ASSURANCES:** The Borrower shall, at its expense, from time to time do, execute and deliver, or will cause to be done, executed and delivered, all such further acts, documents (including, without limitation, certificates, declarations, affidavits, reports and opinions) and things as the DIP Lender may request, for the purpose of giving effect to this Term Sheet.
28. **ENTIRE AGREEMENT; CONFLICT:** This Term Sheet, including the schedules hereto and any other DIP Financing Credit Documents delivered in connection with this Term Sheet, constitute the entire agreement between the parties relating to the subject matter hereof.
29. **AMENDMENTS, WAIVERS, ETC.:** No waiver or delay on the part of the DIP Lender in exercising any right or privilege hereunder will operate as a waiver hereof or thereof unless made in writing (including by e-mail) by the DIP Lender and delivered in accordance with the terms of this Term Sheet, and then such waiver shall be effective only in the specific instance and for the specific purpose given.
30. **ASSIGNMENT:** The DIP Lender may assign this Term Sheet and its rights and obligations hereunder, in whole or in part, to (i) an Affiliate, provided that the DIP Lender has provided the Monitor with reasonable evidence that such Affiliate has the financial capacity to fulfill the obligations of the DIP Lender hereunder, or (ii) any other Person with the consent of the Monitor, and provided further that any assignee shall provide written notice to the Borrower to confirm such assignment. Neither this Term Sheet nor any right or obligation hereunder may be assigned by the Borrower.
31. **NO THIRD-PARTY BENEFICIARY:** No Person, other than the Borrower, the DIP Lender, the Indemnified Persons or the Monitor, is entitled to rely upon this Term Sheet and the parties expressly agree that this Term Sheet does not confer rights upon any other party.
32. **COUNTERPARTS AND SIGNATURES:** This Term Sheet may be executed in any number of counterparts and delivered by electronic transmission including "pdf email", each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same instrument.
33. **NOTICES:** Any notice, request or other communication hereunder to any of the parties shall be in writing and be well and sufficiently given if delivered by email to such Person at its email address as set out below in this Section 33. Any such notice, request or other communication hereunder shall be concurrently sent to the Monitor and its counsel.
- (a) If to the Borrower, to: Warehouse One Clothing Ltd., c/o Shamsh Kassam (skassam@sternpartners.com) and to its counsel c/o Catherine Howden (howden@pitblado.com)
- (b) If to the DIP Lender, to: Highgate Capital Ltd. c/o Andrew Bull (abull@sternpartners.com) and its counsel c/o JJ Burnell

(JBurnell@mltaikins.com)

and in each case, with a copy to the Monitor c/o Josh Nevsky (jnevsky@alvarezandmarsal.com) and its counsel c/o Bradley Wiffen (bwiffen@goodmans.ca).

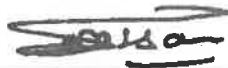
Any such notice shall be deemed to be given and received when received, unless received after 5:00 p.m. (Winnipeg time) or on a day other than a Business Day, in which case the notice shall be deemed to be received the next Business Day.

34. **ENGLISH LANGUAGE:** The parties hereto confirm that this Term Sheet and all related documents have been drawn up in the English language at their request. *Les parties aux présentes confirment que le présent acte et tous les documents y relatifs furent rédigés en anglais à leur demande.*
35. **GOVERNING LAW AND JURISDICTION:** This Term Sheet shall be governed by, and construed in accordance with, the laws of the Province of Manitoba and the federal laws of Canada applicable therein. Without prejudice to the ability of the DIP Lender to enforce this Term Sheet in any other proper jurisdiction, the Borrower irrevocably submits and attorns to the exclusive jurisdiction of the Court.
36. **COUNTERPARTS AND SIGNATURES:** This Term Sheet may be executed in any number of counterparts and delivered by electronic transmission including "pdf email", each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same instrument.

IN WITNESS HEREOF, the parties hereby execute this Term Sheet as at the date first above mentioned.

WAREHOUSE ONE CLOTHING LTD.

Per:



Name: SHAMSH KASSAM
Title: DIRECTOR

HIGHGATE CAPITAL LTD.

Per:



Name: RONALD N. STERN
Title: DIRECTOR

SCHEDULE "A"

DEFINED TERMS

"Administration Charge" means a priority charge over the Collateral granted by the Court pursuant to the Initial Order or the ARIO, as applicable, with the priority as set out herein and in an amount not to exceed \$750,000 or otherwise approved by the DIP Lender, to secure the fees and expenses of (i) the legal counsel of the Borrower, and (ii) the Monitor and its counsel, in each case, in connection with the CCAA Proceedings.

"Affiliate" of a Person means any other Person that directly controls, is controlled by or is under common control with such Person, where "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

"Applicable Law" means, in respect of any Person, property, transaction or event, all applicable laws, statutes, rules, by-laws and regulations and all applicable official directives, orders, judgments and decrees of any Governmental Authority having the force of law.

"ARIO" means an Amended and Restated Initial Order to be pronounced and issued by the Court in the CCAA Proceedings in form and substance acceptable to the DIP Lender, which shall, among other things, approve the Liquidation Process.

"Borrower" has the meanings given thereto in Section 1.

"Business Day" means any day other than a Saturday, Sunday or any other day on which banks in Winnipeg, Manitoba are not open for business.

"Canadian Dollars" refer to the lawful money of Canada.

"CCAA" has the meaning given thereto in the Recitals.

"CCAA Proceedings" has the meaning given thereto in the Recitals.

"Claims" has the meaning given thereto in Section 25.

"Collateral" means all present and future assets, undertakings and properties, of any kind, of the Borrower, real and personal, tangible or intangible, including all proceeds thereof, wherever situated.

"Consultant" means the liquidation consultant assisting with the conduct of the Liquidation Process as approved by the Court pursuant to the ARIO, which consultant shall be engaged pursuant to a consulting agreement in form and substance acceptable to the DIP Lender.

"Court" has the meaning given thereto in the recitals.

"Court Orders" means the orders, judgments, directions, endorsements or opinions pronounced and issued by the Court in the CCAA Proceedings and **"Court Order"** means any one of them.

"Criminal Code Interest" has meaning given thereto in Section 16.

"Criminal Rate" has meaning given thereto in Section 16.

"Default" means an event or circumstance which, after the giving of notice or the passage of time, or both, will result in an Event of Default.

"DIP Advance" has the meaning given thereto Section 5.

"DIP Advance Request" has the meaning given thereto in Section 5.

"DIP Budget" means the weekly financial projections prepared by the Borrower, which shall be in form and substance acceptable to the DIP Lender, which financial projections may be amended from time to time in accordance with Section 13. For greater certainty, for purposes of this Term Sheet, the DIP Budget shall include all supporting documentation provided in respect thereof to the DIP Lender.

"DIP Credit Agreement" has the meaning given thereto in Section 7.

"DIP Facility" has the meaning given thereto in Section 5.

"DIP Financing Credit Documents" has the meaning given thereto in Section 7.

"DIP Financing Obligations" means, collectively, all obligations owing by the Borrower pursuant to this Term Sheet and the other DIP Financing Credit Documents, including, without limitation, all principal, interest, fees, costs, expenses, disbursements and Lender Expenses.

"DIP Lender" has the meaning given thereto in Section 2.

"Directors' Charge" means a priority charge over the Collateral granted by the Court pursuant to the Initial Order or the ARIO, as applicable, in an amount not to exceed \$1,675,000, to secure the indemnity granted by the Borrower to its directors and officers pursuant to the Initial Order or the ARIO, as applicable.

"Event of Default" has the meaning given thereto in Section 21.

"Filing Date" has the meaning given thereto in the recitals.

"Governmental Authority" means any federal, provincial, state, municipal, local or other government, governmental or public department, commission, board, bureau, agency or instrumentality, domestic or foreign and any subdivision, agent, commission, board or authority of any of the foregoing.

"Indemnified Persons" has the meaning given thereto in Section 25.

"Initial Order" means the Initial Order to be pronounced and issued by the Court in the CCAA Proceedings in form and substance acceptable to the DIP Lender.

"KERP Charge" means a priority charge over the Collateral granted by the Court pursuant to the ARIO, in an amount agreed to by the DIP Lender, to secure the Borrower's obligations under a key employee retention plan.

"Lender Expenses" has the meaning given thereto in Section 9.

"Liens" means (i) all liens, hypothecs, charges, mortgages, deeds of trusts, trusts, deemed trusts (statutory or otherwise), constructive trusts, encumbrances, security interests, and statutory preferences of every kind and nature whatsoever, (ii) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement (or any financing lease having substantially the same

economic effect as any of the foregoing) relating to such asset, and (iii) in the case of securities, any purchase option, call or similar right of a third party with respect to such securities.

"Liquidation Process" means a liquidation process approved by the DIP Lender to sell the Borrower's inventory, merchandise and furniture, fixtures and equipment.

"Maturity Date" has the meaning given thereto in Section 12.

"Maximum Amount" has the meaning given thereto in Section 5.

"Monitor" has the meaning given thereto in the Recitals.

"Outside Date" means August 31, 2026.

"Permitted Liens" means, unless otherwise permitted by an Order of the Court: (i) the DIP Financing Charge; (ii) the Administration Charge; (iii) the Directors' Charge; (iv) the KERP Charge; (v) any other charges created under the Initial Order, ARIO, or other Court Order which rank behind the DIP Financing Charge and are approved in writing by the DIP Lender; (vi) Liens existing prior to the Filing Date; and (vii) inchoate statutory Liens arising after the Filing Date in respect of any accounts payable arising after the Filing Date in the ordinary course of business, subject to the obligation to pay all such amounts as and when due.

"Person" means an individual, partnership, corporation, business trust, joint stock company, limited liability company, trust, unincorporated association, joint venture, Governmental Authority or other entity of whatever nature.

"Plan" has the meaning given thereto in Section 12.

"PPSA" means the *Personal Property Security Act* (Manitoba) or similar relevant legislation of any other jurisdiction applicable to the Collateral, including without limitation, the *Civil Code of Quebec*, the laws of which are required by such legislation to be applied in connection with the issue, perfection, enforcement, validity or effect of security interests.

"Pre-Filing Obligations" means any obligation of the Borrower arising or relating to the period prior to the Filing Date.

"Property" means any and all of present and after-acquired undertaking, property or assets of the Borrower.

"Real Property Lease" means a lease of real property of the Borrower.

"Stage 1" means the period from when the Initial Order is pronounced until the commencement of Stage 2.

"Stage 1 Amount" has the meaning given thereto in Section 5.

"Stage 2" means the period from when the ARIO is pronounced until the Maturity Date.

"Taxes" has the meaning given thereto in Section 26.

"Updated DIP Budget" has the meaning given thereto in Section 13.

“Variance Report” has the meaning given thereto in Section 13.

“Withholding Taxes” has the meaning given thereto in Section 26.

SCHEDULE "B"
FORM OF DIP ADVANCE REQUEST

NOTICE OF BORROWING

Highgate Capital Ltd.
Suite 2650 – 733 Seymour Street
Vancouver, BC V6B 0S6 Floor

Attention: [●]

BORROWING NOTICE

We refer to the DIP Financing Term Sheet dated as of May 1, 2026, as amended, restated, supplemented, replaced or otherwise modified from time to time the "**DIP Term Sheet**"; capitalized terms used herein but not otherwise defined shall have the meanings set forth in the DIP Term Sheet), among Warehouse One Clothing Ltd., as borrower (the "**Borrower**") and Highgate Capital Ltd., as lender (the "**DIP Lender**").

We hereby instruct and authorize the DIP Lender to make advances to our disbursement account(s), subject to and in accordance with the terms and provisions of the DIP Term Sheet to the account numbers specified below and to charge the Borrower's loan account as DIP Advances with each such advance(s).

The Borrower hereby requests an advance (the "**DIP Advance**") be made under the DIP Term Sheet as follows:

A. the Borrowing Amount under the DIP Facility:

Canadian Dollars (Cdn\$): _____

B. the Drawdown Date: _____

Notice requirements as stated in the DIP Term Sheet are:

- 10:00 AM (Winnipeg time) on the requested Drawdown Date for Canadian Dollar Loans,

Proceeds of the DIP Advance are to be directed as follows:

Bank Name: _____

Account Name: _____

Branch #: _____

Account Number: CAD# _____

The Borrower hereby acknowledges that the DIP Lender will make payments strictly on the basis of the account number furnished herein even if such account number identifies a party other than the name of the account listed above. In the event the above account number is incorrect, we hereby agree to be fully liable for any and all losses, costs, and expenses arising therefrom.

The Borrower hereby confirms as follows:

- (a) Each of the representations and warranties made by the Borrower in or pursuant to the DIP Term Sheet and the other DIP Financing Credit Documents are true and correct on and as of the date hereof as if made on and as of the date hereof, except where such representation and warranty refers to a different date;
- (b) No Default or Event of Default has occurred and is continuing on the date hereof or will occur after the making of the DIP Advance(s) requested hereunder;
- (c) Except as may have been otherwise agreed to from time to time by the DIP Lender and the Borrower in writing, after making the DIP Advance(s) requested to be made by the Borrower hereunder the aggregate DIP Financing Obligations will not exceed (i) the Stage 1 Amount if such DIP Advance is made during Stage 1 or (ii) the Maximum Amount if such DIP Advance is made during Stage 2; and
- (d) Except as may have been otherwise agreed to from time to time by the DIP Lender, in writing, all DIP Advance(s) requested to be made to the Borrower shall be used in accordance with the terms of the DIP Budget.

DATED this day of _____, 2026.

Yours truly,

WAREHOUSE ONE CLOTHING LTD.

By: _____

Name:

Title: