

COURT FILE NO.:

2301- 02578

COURT

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

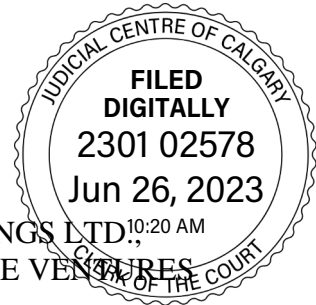
CALGARY

PLAINTIFF

ENZIO HOLDINGS LTD.

DEFENDANTS

CANDRE CANNABIS INC., FRONDIS HOLDINGS LTD.,  
CALYPTRA CULTIVATION INC. and JASMINE VENTURES  
LTD.



DOCUMENT

**ORDER (Discharge of Receiver and  
Other Relief)**

ADDRESS FOR  
SERVICE AND  
CONTACT  
INFORMATION  
OF PARTY  
FILING THIS  
DOCUMENT

**BENNETT JONES LLP**

Barristers and Solicitors  
4500, 855 – 2nd Street S.W.  
Calgary, Alberta T2P 4K7

Attention: Chris Simard and Michael W. Selnes  
Tel No.: 403-298-4485/3311  
Fax No.: 403-265-7219  
Client File No. 071752.4

Email: [simardc@bennettjones.com](mailto:simardc@bennettjones.com) and  
[selnesm@bennettjones.com](mailto:selnesm@bennettjones.com)

**DATE ON WHICH ORDER WAS PRONOUNCED:** June 22, 2023

**NAME OF JUSTICE WHO MADE THIS ORDER:** The Honourable G.A. Campbell

**LOCATION OF HEARING:** Calgary, AB (via Webex)

**UPON THE APPLICATION** of Alvarez & Marsal Canada Inc. ("**A&M**") in its capacity as court-appointed receiver (in such capacity, the "**Receiver**") of certain of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate (the "**Property**"), of Candre Cannabis Inc. ("**Candre**" or the "**Debtor**"), for an order approving, among other things: (i) the activities of the Receiver to date; the (ii) professional fees and disbursements incurred to date by the Receiver and its counsel Bennett Jones LLP; and (iii) the discharge of the Receiver;

**AND UPON HAVING** read the First Report of the Receiver dated March 15, 2023, the Amended Second Report of the Receiver, dated April 11, 2023 and the Third Report of the Receiver dated June 12, 2023 (the "**Third Report**") and the confidential appendix "1" to the Third Report (the "**Confidential Appendix**");

**AND UPON HEARING** from counsel to the Receiver, counsel to Enzo Holdings Ltd. and Censeo Capital Ltd., and counsel to any other interested party in attendance;

**IT IS HEREBY ORDERED AND DECLARED THAT:**

1. All capitalized terms not otherwise defined in this Order shall have the meaning ascribed to them in the Third Report, as applicable.

**Service**

2. Service of notice of this Application and supporting materials is hereby declared to be good and sufficient and time for service of the Application and supporting materials is hereby abridged to that actually given.

**Approval of Receiver's Activities**

3. The Receiver's actions, conduct and activities as reported in the Third Report are hereby ratified and approved.

**Approval of Professional Fees**

4. The Receiver's accounts for fees and disbursements as set out in the Third Report are hereby approved, without the necessity of a formal assessment of its accounts.
5. The accounts of the Receiver's legal counsel, Bennett Jones LLP, for its fees and disbursements as set out in the Third Report are hereby approved, without the necessity of a formal assessment of its accounts.

**Authorization to Assign Candre into Bankruptcy**

6. The Receiver is hereby authorized to assign Candre into bankruptcy, on such date as is determined by the Receiver.

**Discharge of the Receiver**

7. On the evidence before this Honourable Court, the Receiver has satisfied its obligations under and pursuant to the terms of the Orders granted in the within proceedings up to and including the date hereof, and the Receiver shall not be liable for any act or omission on its part including, without limitation, any act or omission pertaining to the discharge of its duties in the within proceedings, save and except for any liability arising out of any in fraud, gross negligence or willful misconduct on the part of the Receiver, or with leave of the Court. Subject to the foregoing any claims against the Receiver in connection with the performance of its duties are hereby stayed, extinguished and forever barred.
8. No action or other proceedings shall be commenced against the Receiver in any way arising from or relate to its capacity or conduct as Receiver, except with prior leave of this Court, on notice to the Receiver, and upon such terms as this Court may direct.
9. Upon the Receiver filing with the Clerk of the Court a certificate, substantially in the form attached as **Schedule "A"** hereto, confirming that all actions necessary for the administration of the Debtor's estate in these proceedings have been completed, the Receiver shall be discharged as Receiver of the Debtor and the Property, provided however that notwithstanding the Receiver's discharge herein:
  - (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein or these proceedings; and
  - (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in these proceedings, including all approvals, protections, and stays of proceedings in favour of the Receiver, in its capacity as Receiver.

### **Sealing of Confidential Appendix**

10. The Confidential Appendix shall be sealed on the Court file and shall not form part of the public record, until three months after the final closing of the Asset Purchase Agreement dated June 6, 2023.
11. The Clerk of this Honourable Court shall file the Confidential Appendix in a sealed envelope attached to a notice that sets out the style of cause of these proceedings and states:

THIS ENVELOPE CONTAINS CONFIDENTIAL MATERIALS FILED BY ALVAREZ & MARSAL CANADA INC. IN ITS CAPACITY AS COURT-APPOINTED RECEIVER OF CERTAIN OF THE CURRENT AND FUTURE ASSETS, UNDERTAKINGS AND PROPERTIES OF EVERY NATURE AND KIND WHATSOEVER, AND WHEREVER SITUATE OF CANDRE CANNABIS INC.

THE CONFIDENTIAL MATERIALS ARE SEAL PURSUANT TO THE SEALING ORDER ISSUED BY THE HONOURABLE G.A. CAMPBELL.

12. The Receiver is embowed and authorized, but not directed, to provide the Confidential Supplement (or any portion thereof, or information contained therein) to any interested party, entity or person that the Receiver considers reasonable in the circumstances subject to confidentiality arrangements satisfactory to the Receiver.


### **General**

13. The Receiver has leave to reapply to this Honourable Court for such further advice and directions as may be necessary.
14. Service of this Order shall be deemed good and sufficient by:
  - (a) Serving the same on:
    - (i) the persons listed on the service list created in these proceedings;
    - (ii) any other person served with notice of the application for this Order; and

(iii) any other parties attending or represented at the application for this Order;  
and

(b) Posting a copy of this Order on the Receiver's website at  
<http://alvarezandmarsal.com/candre>.

15. Service of this Order may be effected by facsimile, electronic mail, personal delivery, recorded mail or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

  
\_\_\_\_\_  
J.C.K.B.A.

**SCHEDULE "A"**  
**RECEIVER'S DISCHARGE CERTIFICATE**

COURT FILE NO.:	2301- 02578
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
PLAINTIFF	ENZIO HOLDINGS LTD.
DEFENDANTS	CANDRE CANNABIS INC., FRONDIS HOLDINGS LTD., CALYPTRA CULTIVATION INC. and JASMINE VENTURES LTD.
DOCUMENT	<b>ORDER (Approve Cannabis Destruction Process and Other Relief)</b>
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	<b>BENNETT JONES LLP</b> Barristers and Solicitors 4500, 855 – 2nd Street S.W. Calgary, Alberta T2P 4K7  Attention: Chris Simard and Michael W. Selnes Tel No.: 403-298-4485/3311 Fax No.: 403-265-7219 Client File No. 071752.4  Email: <a href="mailto:simardc@bennettjones.com">simardc@bennettjones.com</a> and <a href="mailto:selnesm@bennettjones.com">selnesm@bennettjones.com</a>

### **RECEIVER'S DISCHARGE CERTIFICATE**

1. All capitalized terms not otherwise defined in this Receiver's Discharge Certificate shall have the meaning ascribed to them in the Order issued by the Honourable Justice G.A. Campbell of the Court of King's Bench of Alberta, in the within proceedings, granted on June 22, 2023 (the "**Discharge Order**").
2. Pursuant to the Discharge Order, the Court provided for the discharge of the Receiver, upon the filing of this certificate, by the Receiver, confirming that all actions necessary for the administration of the Debtor's estate in these proceedings have been completed.

THE RECEIVER HEREBY CONFIRMS AND CERTIFIES THE FOLLOWING:

1. All actions necessary for the administration of the Debtor's estate in these proceedings have been completed.

DATED the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

Alvarez & Marsal Canada Inc., solely in its  
capacity as Receiver of the Property (as defined  
in the Order), and not in its personal capacity

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

Name:

Title: