Clerk's Stamp:

COURT FILE NUMBER	2401-09688
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
	IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, RSC 1985, c C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF DELTA 9 CANNABIS INC., DELTA 9 LOGISTICS INC., DELTA 9 BIO-TECH INC., DELTA 9 LIFESTYLE CANNABIS CLINIC INC. and DELTA 9 CANNABIS STORE INC.
MOVING PARTY	2759054 ONTARIO INC. O/A FIKA HERBAL GOODS.
DOCUMENT	**APPLICATION**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	**Miller Thomson LLP** Barristers and Solicitors 43rd Floor, 525 – 8th Avenue SW Calgary, AB T2P 1G1 Attention: Larry Ellis / James W. Reid Phone: (416) 597-4311/ (403) 298-2418 Email: lellis@millerthomson.com / jwreid@millerthomson.com File No. 0283153.0006

NOTICE TO RESPONDENT(S):

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

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

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

Date	November 1, 2024
Time	2:00 p.m. MDT
Where	Calgary Courts Centre
Before Whom	The Honourable Justice M.D. Marion

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

Remedy claimed or sought:

1. 2759054 Ontario Inc. o/a Fika Herbal Goods ("**Fika**" or the "**Plan Sponsor**") seeks an Order (the "**Creditors' Meeting Order**") substantially in the form attached as **Schedule "A"**, among other things:

   (a) accepting the filing of the plan of compromise and arrangement of Delta 9 Cannabis Inc Delta 9 Cannabis Inc. ("**Delta Parent**"), Delta 9 Logistics Inc. ("**Logistics**"), Delta 9 Lifestyle Cannabis Clinic Inc. ("**Lifestyle**") and Delta 9 Cannabis Store Inc. ("**Store**"; together with Logistics, Lifestyle and Delta Parent, the "**Plan Entities**") dated October 21, 2024 (as may be amended from time to time, the "**Plan**");

   (b) authorizing the Plan Entities and Delta 9 Bio-Tech Inc. ("**Bio-Tech**", and collectively with the Plan Entities, the "**Applicants**" or the "**Delta 9 Group**") to establish a single class of creditors for the purpose of considering and voting on the Plan, namely, the "**Affected Creditors Class**", as described in the Plan;

   (c) authorizing the Applicants to call, hold and conduct a virtual meeting of the Affected Creditors Class (the "**Creditors' Meeting**") to consider and vote on a resolution to approve the Plan, and approving procedures to be followed with respect to the Creditors' Meeting;

   (d) setting a date in the week of December 9, 2024, for the hearing of the application for an order sanctioning the Plan (the "**Plan Sanction Hearing**"), should the Plan be approved for filing and approved by the requisite majorities of creditors at the Creditors' Meeting; and

   (e) such further and other relief as counsel may request and this Honourable Court may deem appropriate.

2. All terms used but not otherwise defined herein have the meanings given to such terms in the Plan.

Grounds for making this Application:

Background

3. The Delta 9 Group is a vertically integrated group of companies in the business of cannabis wholesale distribution and retail sales. Bio-Tech Inc. holds cannabis licences from Health Canada and the CRA pursuant to the *Excise Act, 2001*.

4. On July 15, 2024, the Honourable Justice D.R. Mah granted an Initial Order pursuant to the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 (the "**Initial Order**") which, among other things, appointed Alvarez & Marsal Canada Inc. as the Monitor of the Applicants (in such capacity, the "**Monitor**").

5. On July 24, 2024 (the "**Comeback Hearing**"), the Honourable Associate Chief Justice K.G. Nielsen granted the following orders:

   (a) an Amended and Restated Initial Order (the "**ARIO**"), among other things:

      (i) extending the stay of proceedings under the Initial Order from July 25, 2024 to September 15, 2024 (the "**Stay Extension**");

      (ii) approving the break-fee of $1,500,000 (the "**Break Fee**") set out in the Restructuring Term Sheet dated July 12, 2024 between the Plan Sponsor and the Applicants (the "**Restructuring Term Sheet**") and granting a charge (the "**Plan Sponsor Protection Charge**") to secure the Break Fee;

      (iii) approving an interim financing loan agreement between the Applicants and the Plan Sponsor dated July 18, 2024 (the "**Interim Financing Agreement**") and a charge securing the Interim Financing Agreement not exceeding the principal sum of $16,000,000, plus interest, costs and expenses in favour of the Plan Sponsor, as security for any advances made by the Plan Sponsor pursuant to the Interim Financing Agreement (the "**Interim Financing Charge**");

      (iv) approving a key employee retention plan (the "**KERP**") and corresponding charge to secure obligations under the KERP up to the amount of $655,000 (the "**KERP Charge**");

      (v) approving an increase to the Administration Charge from $350,000 to $750,000 and the Directors' Charge from $300,000 to $900,000; and

(vi) appointing Mark Townsend as the chief restructuring officer (in such capacity, the "**CRO**") of the Applicants;

(b) an Order (the "**SISP Order**") approving the sales and investment solicitation process ("**SISP**") in respect of a going-concern sale of the assets and/or shares of Bio-Tech Inc.;

(c) an Order (the "**Claims Procedure Order**"), approving a claims procedure with respect to the Applicants (the "**Claims Procedure**"); and

(d) an Order (the "**Sealing Order**") sealing the confidential appendix of the First Report of the Monitor dated July 18, 2024, comprising of an unredacted copy of the KERP.

6. On September 11, 2024 (the "**Second Stay Extension and Approval Hearing**"), the Honourable Justice C.D. Simard granted a Stay Extension and Approval Order, among other things:

(a) extending the Stay Period, as defined in the ARIO up to and including November 1, 2024;

(b) approving Amendment No. 1 to the Interim Financing Term Sheet (the "**Amended Interim Financing Term Sheet**"), attached as Schedule "A" to the Second Report of the Monitor;

(c) authorizing the Delta 9 Group to borrow up to $17,500,000 from the Plan Sponsor under the Amended Interim Financing Term Sheet and approving the increase of the Interim Financing Charge, as defined in paragraph 35 of the ARIO, to the amounts outstanding under the Amended Interim Financing Term Sheet;

(d) approving the accounts of the Monitor's legal counsel, Burnet, Duckworth & Palmer LLP, for its fees and disbursements, as set out in the Second Report; and

(e) approving the Monitor's activities, actions and conduct, as set out in the Pre-Filing Report, the First Report and the Second Report.

7. Since the Comeback Hearing, the Applicants, the CRO and the Monitor have worked to, among other things, carry out the SISP (in respect of the sale of Bio-Tech Inc.'s assets and/or shares) and the Claims Procedure in accordance with the SISP Order and Claims Procedure Order, respectively.

CCAA Plan

8. Pursuant to the ARIO, this Court approved the Restructuring Term Sheet between the Applicants and the Plan Sponsor.

9. The Restructuring Term Sheet contemplates the acquisition of the Applicants' retail cannabis operations by the Plan Sponsor through a plan of arrangement with the concurrent goal of monetizing Bio-Tech Inc.'s business as a going-concern through the SISP.

10. The Plan Sponsor, in consultation with the Applicants and the Monitor, developed the Plan to, among other things: (i) facilitate and implement the restructuring in accordance with the Restructuring Term Sheet; (ii) effect a compromise, settlement, release and discharge of all Affected Claims in exchange for distributions to Affected Creditors; and (iii) ensure the continuation of the Applicants and their retail operations for the benefit of all stakeholders.

11. The proposed Plan was developed by Fika and the Delta 9 Group, in consultation with the Monitor and the CRO.

12. The proposed Plan provides that all Affected Claims shall constitute a single class and shall vote as a single class as they share a commonality of interest in that they are all unsecured creditors of the Applicants.

13. If approved by the Required Majority (as defined in the Plan) and sanctioned by the Court, the Plan will result in significant recoveries to the Applicants' unsecured creditors and other stakeholders.

14. The Monitor has confirmed that a greater benefit is expected to be derived from the approval of the Plan and the continued operation of the Delta 9 Group's retail business than would result in a bankruptcy or liquidation of the Applicants.

15. The Plan Sponsor seeks the Creditors' Meeting Order permitting the filing of the Plan for consideration by Affected Creditors.

Creditors' Meeting Order

16. Capitalized terms used in this section have the meanings given to them in the Creditors' Meeting Order.

17. The proposed Creditors' Meeting Order authorizes the Plan Entities to convene a meeting of the Affected Creditors to consider and vote on the Plan, to be held virtually by Microsoft Teams on November 25, 2024 (the "**Meeting Date**").

18. The Creditors' Meeting Order provides for comprehensive notification of the Creditors' Meeting to the Affected Creditors and contemplates, among other things, that:

    (a) The Monitor shall, within two (2) business days following the date of the Creditors' Meeting Order, serve the Meeting Materials on the Service List and post electronic copies of the Meeting Materials on the Monitor's website;

    (b) The Monitor shall, not later than the 5th Business Day following the date of the Creditors' Meeting Order, deliver the Meeting Materials by pre-paid ordinary mail, courier, personal delivery or email to each Affected Creditor at the address set out in such Affected Creditor's Proof of Claim (or in any other written notice that has been received by the Monitor in advance of such date regarding a change of address for an Affected Creditor).

19. The Creditors' Meeting Order also provides for, among other things:

    (a) procedures that will govern the conduct of the meeting, including the Monitor will preside as chairperson of the Creditors' Meeting, and will determine all matters relating to the conduct of the Creditors' Meeting;

    (b) voting procedures;

    (c) the process by which the Monitor will keep a separate record of votes cast by Affected Creditors holding Disputed Claims;

    (d) the requirements for approval of the Plan, including an affirmative vote by the Required Majority;

    (e) the process and requirements for the Assignment of Claims; and

    (f) the ability of the Applicants and/or the Plan Sponsor to make amendments to the Plan.

20. The proposed Creditors' Meeting Order establishes fair, expeditious and transparent procedures for the noticing, conduct of, and voting at the Creditors' Meeting. It is fair and reasonable in the circumstances, appropriately balances competing views and interests, and will facilitate the consideration by Affected Creditors of the Plan.

Material or evidence to be relied on:

21. The First Arbuthnot Affidavit, filed on July 12, 2024;

22. The Second Arbuthnot Affidavit sworn on July 18, 2024;

23. The Second Affidavit of Mark Townsend, sworn October 21, 2024, to be filed;

24. The Third Report of the Monitor, and all previous reports filed by the Monitor in these proceedings; and

25. Such further and other materials as counsel may advise and this Honourable court may permit.

Applicable rules

26. The *Alberta Rules of Court,* Alta Reg 124/2010, including rules 1.3, 6.3(1), and 6.9(1)(b); and

27. Such other Rules as counsel may refer to or that this Honourable Court may permit.

Applicable Acts and regulations:

28. The provisions of the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, including sections 4, 5, and 22; and

29. Such further and other Acts and Regulations as counsel may advise and this Honourable Court may permit.

Any irregularity complained of or objection relied on:

30. None.

How the application is proposed to be heard or considered:

31. On the Commercial List, via Webex before the Honourable Justice M.A. Marion.

WARNING

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

SCHEDULE "A"

Proposed form of Creditors' Meeting Order

COURT FILE NUMBER	2401-09688
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
	IN THE MATTER OF *THE COMPANIES, CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, as amended AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF DELTA 9 CANNABIS INC., DELTA 9 LOGISTICS INC., DELTA 9 BIO-TECH INC., DELTA 9 LIFESTYLE CANNABIS CLINIC INC. and DELTA 9 CANNABIS STORE INC.
DOCUMENT	**ORDER (Creditors' Meeting Order)**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	**MILLER THOMSON LLP** Barristers and Solicitors 525-8th Avenue SW, 43rd Floor Calgary, AB, Canada T2P 1G1 Attention: Larry Ellis / James W. Reid Phone: (416) 597-4311/ (403) 298-2418 Email: lellis@millerthomson.com / jwreid@millerthomson.com File No. 0283153.0006

DATE ON WHICH ORDER WAS PRONOUNCED: November 1, 2024

NAME OF JUDGE WHO MADE THIS ORDER: The Honourable Justice M.D. Marion

LOCATION OF HEARING: Calgary Courts Centre

UPON the application (the "**Application**") of 2759054 Ontario Inc. o/a Fika Herbal Goods ("**Fika**" or the "**Plan Sponsor**"), for an Order, among other things: (i) accepting the filing of the Plan of Compromise and Arrangement dated October 21, 2024, attached hereto as Schedule "1", as it may be amended, restated, supplemented, or modified (the "**Plan**") of Delta 9 Cannabis Inc. ("**Delta Parent**"), Delta 9 Logistics Inc. ("**Logistics**"), Delta 9 Lifestyle Cannabis Clinic Inc. ("**Lifestyle**") and Delta 9 Cannabis Store Inc. ("**Store**"; and collectively, the "**Plan Entities**") and Delta 9 Bio-Tech Inc. ("**Bio-Tech**", and collectively with the Plan Entities, the "**Applicants**", or the "**Delta 9 Group**"), (ii) authorizing the classification of creditors for purposes of voting on the Plan; (iii) authorizing and directing Delta 9 to call, hold and conduct a meeting of Affected Creditors to vote on a resolution to approve the Plan; (iv) authorizing and directing the mailing and distribution of the Meeting Materials; (v) approving the procedures to be followed with

respect to the creditors' Meeting; and (vi) setting a date for the hearing of the application for a Sanction Order;

AND UPON reading the Application, the Second Affidavit of Mark Townsend, sworn October 21, 2024, the Third Report dated [●], 2024 (the "**Monitor's Report**") of Alvarez & Marsal Canada Inc. in its capacity as monitor of Delta 9 (the "**Monitor**");

AND UPON hearing from counsel for the Delta 9 Group, the Plan Sponsor, the Monitor, and such other parties present;

IT IS HEREBY ORDERED AND DECLARED THAT:

DEFINED TERMS

1. All capitalized terms used but not otherwise defined herein having the meanings ascribed to such terms in the Plan.

THE PLAN

2. The Plan is hereby accepted for filing and the Delta 9 Group is hereby authorized and directed to call the Meeting for the purpose of having the Eligible Voting Creditors vote on the Plan in the manner set out herein.

3. The Delta 9 Group may, at any time prior to or at the Meeting, amend, restate, modify and/or supplement the Plan (each a "**Plan Modification**"), in consultation with the Monitor, provided that:

(a) prior to the Meeting, notice of any Plan Modification shall be posted on the Monitor's Website; and

(b) during the Meeting, notice of any Plan Modification shall be given to all Affected Creditors present (or deemed present) at such meeting in person or by Proxy, promptly posted on the Monitor's Website and filed with the Court as soon as practicable following the Meeting.

4. After the Meeting (and both prior to and subsequent to the obtaining of any Sanction Order), the Delta 9 Group may at any time and from time to time, in consultation with the Monitor, effect a Plan Modification (a) pursuant to an Order of the Court, or (b) where such Plan Modification concerns a matter which, in the opinion of the Delta 9 Group, is of an administrative nature required to give effect to the implementation of the Plan and the Sanction Order, or to cure any errors, omissions, or ambiguities, and in either case is not materially prejudicial to the financial or economic interests of the Affected Creditors. The Monitor shall forthwith post on the Monitor's Website any such Plan Modification.

FORMS OF DOCUMENTS

5. The (i) Notice to Affected Creditors substantially in the form attached as Schedule "2" hereto (the "**Notice to Affected Creditors**"), (ii) Affected Creditor Proxy substantially in the form attached as Schedule "3" hereto (the "**Affected Creditor Proxy**"), and (iii) Convenience Election Notice substantially in the form attached as Schedule "4" hereto (the "**Convenience Election Notice**"), as each may be amended, supplemented or restated, are hereby approved and the Delta 9 Group, with the consent of the Monitor, is hereby authorized to make changes to such forms as may be necessary to conform the contents thereof to the terms of the Plan or this Meeting Order.

CLASSIFICATION OF CREDITORS

6. For the purposes of considering and voting on the Plan, there will be one (1) class of Creditors: the Affected Creditor Class.

NOTICE TO GENERAL UNSECURED CREDITORS

7. The Monitor shall, within two (2) Business Days following the date of the granting of this Meeting Order, serve copies on the Service List and post electronic copies of meeting materials (the "**Meeting Materials**") comprising the following on the Monitor's Website:

(a) the Notice to Affected Creditors;

(b) this Meeting Order;

(c) a blank form of Affected Creditor Proxy, to be submitted to the Monitor by any Eligible Voting Creditor who wishes to vote at the Meeting, whether in person or by proxy; and

(d) the Convenience Election Notice.

8. The Monitor shall, not later than the fifth (5^{th}) Business Day following the date of the granting of this Meeting Order, deliver the Meeting Materials by pre-paid ordinary mail, courier, personal delivery or e-mail to each Affected Creditor, at the address set out in such Affected Creditor's Proof of Claim (or in any other written notice that has been received by the Monitor in advance of such date regarding a change of address for a Affected Creditor).

MONITOR'S REPORT ON PLAN

9. No later than seven (7) Business Days before the date of the Meeting, the Monitor shall serve a report regarding the Plan pursuant to section 23(1)(d.1) of the CCAA by serving a copy of same on the Service List and posting such report on the Monitor's Website.

CONDUCT AT CREDITORS' MEETING

10. The Delta 9 Group is hereby authorized to call, hold and conduct the Meeting on November 25, 2024 at 10:00 a.m. (Calgary time) for the purpose of considering and voting on, with or without variation, the Plan.

11. The Delta 9 Group is authorized to hold the Meeting entirely by electronic means.

12. A representative of the Monitor shall act as chairperson (the "**Chairperson**") of the Meeting and, subject to any further Order of this Court, shall decide all matters relating to the conduct of the Meeting.

13. The Monitor may appoint one or more scrutineers for the supervision and tabulation of the attendance at, quorum at and votes cast at the Meeting. One or more people designated by the Monitor shall act as secretary at the Meeting.

14. The quorum required at the Meeting shall be at least one Affected Creditor with an Allowed Affected Claim, present at the Meeting in person (by electronic means) or by proxy.

15. If the requisite quorum is not present at the Meeting, the Chairperson may adjourn the meeting, provided that any such adjournment or adjournments must be for a period of not more than seven days in total, unless otherwise agreed to by the Delta 9 Group, the Plan Sponsor, and the Monitor. In the event of any such adjournment, the Delta 9 Group and the Monitor will not be required to deliver any notice of adjournment of the Meeting or adjourned Meeting provided that the Monitor shall forthwith post notice of the adjournment on the Monitor's Website. Any Affected Creditor Proxy validly delivered in connection with the Meeting will be accepted as a proxy in respect of any adjourned Meeting.

16. The only Persons entitled to attend the Meeting are (i) the Affected Creditors entitled to vote at the Meeting (or, if applicable, any Person holding a valid Affected Creditor Proxy on behalf of one or more such Affected Creditors) and any such Affected Creditor's legal counsel; (ii) Convenience Class Creditors; (iii) the Chairperson, the scrutineers and the secretary; (iv) the Monitor and the Monitor's legal counsel; (v) one or more representatives of the Board and/or senior management of the Delta 9 Group and the Delta 9 Group's legal counsel; and (vi) one or more representatives of the Plan Sponsor and the Plan Sponsor's

legal counsel. Any other person may be admitted to the Meeting on invitation of the Delta 9 Group, in consultation with the Monitor.

ASSIGNMENT OF AFFECTED CLAIMS PRIOR TO MEETING

17. Any Affected Creditor may transfer the whole of its Claim prior to the Meeting in accordance with the Plan and this Meeting Order. The Monitor is not obligated to deal with the transferee of such Claim as an Affected Creditor in respect thereof, including allowing such transferee to vote at the Meeting, unless and until actual notice of the transfer or assignment, together with satisfactory evidence of such transfer or assignment ("**Proof of Assignment**") has been given to the Delta 9 Group, the Plan Sponsor and the Monitor prior to the commencement of the Meeting, and has been received and acknowledged by the Monitor in writing no later than 5:00 p.m. on the day that is at least ten (10) Business Days prior to the date of the Meeting. If the Monitor receives and acknowledges such Proof of Assignment in accordance with this Meeting Order and the Plan (i) the transferor of the applicable Claim shall no longer constitute an Affected Creditor in respect of such Claim, and (ii) the transferee or assignee of the applicable Claim shall constitute an Affected Creditor in respect of such Claim and shall be bound by any and all notices previously given to the transferor or assignor in respect thereof and any Affected Creditor Proxy duly submitted in accordance with this Meeting Order. For greater certainty, the Monitor and the Plan Entities shall not recognize partial transfers or assignments of Affected Claims, under any provision of this Order or the Plan.

CONDUCT AND VOTING AT THE MEETING

A. General Voting Procedures

18. At the Meeting, the Chairperson shall direct a vote using the voting options available at the Meeting or by proxy on a resolution to approve the Plan and any amendments thereto.

B. Affected Creditors

19. Affected Creditors (other than Convenience Class Creditors) with Allowed Affected Claims shall be entitled to one (1) vote as part of the Affected Creditor Class in the amount equal to their Allowed Affected Claim.

20. An Affected Creditor with Affected Claim exceeding an aggregate of $4,000 may elect to be treated as a Convenience Class Creditor and to receive $4,000 in full satisfaction of such Allowed Affected Claim in accordance with the Plan (to the extent implemented and in accordance with the terms thereof) by submitting a Convenience Election Notice to the Monitor by no later than two (2) Business Days before the

Meeting, subject to a later date as the Delta 9 Group and the Plan Sponsor, in consultation with the Monitor, may agree in the event of an adjournment, postponement or other rescheduling of the Meeting.

21. Any Affected Creditor that is entitled to vote at the Meeting must: (i) duly complete and sign an Affected Creditor Proxy; (ii) specify in the Affected Creditor Proxy the name of the Person with the power to attend and vote at the Meeting on behalf of such Affected Creditor; and (iii) deliver such Affected Proxy to the Monitor so that it is received at or prior to 5:00 p.m. on the day that is two (2) Business Days before the Meeting and such delivery must be made in accordance with the instructions accompanying such Affected Creditor Proxy.

22. In the event that an Affected Creditor validly submits an Affected Creditor Proxy to the Monitor and subsequently attends the Meeting in person (electronically) and votes inconsistently, such Affected Creditor's vote at the Meeting shall supersede and revoke the earlier received Affected Creditor Proxy.

23. Notwithstanding anything else in in this Meeting Order, the Chairperson shall have the discretion to accept for voting purposes any Affected Creditor Proxy submitted to the Monitor in accordance with this Meeting Order.

C. Convenience Creditors

24. Notwithstanding anything else in this Meeting Order, each Convenience Creditor will be deemed to vote as part of the Affected Class in favour of the Plan. Each vote shall have a value equal to such Convenience Creditor's Convenience Claim. Convenience Creditors shall not be entitled to vote at the Meeting, whether in person or by proxy.

25. Any Affected Creditor with an Allowed Affected Claim greater than $4,000 may elect to receive a Convenience Amount in full satisfaction of its Allowed Affected Claim by filing a Convenience Election by no later than five (5) Business Days prior to the Meeting Date (the "**Convenience Election Deadline**").

VOTING OF DISPUTED CLAIMS

26. Each Affected Creditor with a Disputed Claim against the Delta 9 Group as at the Meeting Date shall be entitled to attend the Meeting and shall be entitled to one vote at said Meeting in respect of such Disputed Claim. Any vote cast in respect of a Disputed Claim shall be dealt with in accordance with paragraph 27 hereof, unless and until (and then only to the extent that) such Disputed Claim is ultimately determined to be: (i) an Allowed Affected Claim, in which case such vote shall have the dollar value attributable to such Allowed Affected Claim; or (ii) a Disallowed Claim (as defined in the Claims Procedure Order), in which case such vote shall be disregarded and not counted for any purpose.

27. The Monitor shall keep a separate record of votes cast by Affected Creditors with Disputed Claims and shall report to the Court with respect thereto at the Sanction Hearing. If approval or non-approval of the Plan by Affected Creditors would be affected by the votes cast in respect of Disputed Claims, such result shall be reported to the Court as soon as reasonably practicable after the Meeting.

28. The Delta 9 Group, the Plan Sponsor and the Monitor shall have the right to seek the assistance of the Court at any time in valuing any Disputed Claim if required to ascertain the result of any vote on the Plan.

APPROVAL OF THE PLAN

29. The Plan must receive an affirmative vote of the Required Majority at the Meeting in accordance with section 6 of the CCAA in order to be approved by the Affected Creditors. Following the votes at the Meeting, the scrutineers shall tabulate the votes and the Monitor shall determine whether the Plan has been accepted by the Required Majority.

30. The result of any vote at the Meeting shall be binding on all Affected Creditors, regardless of whether such Affected Creditor was present at or voted at the Meeting or was entitled to be present or vote at the Meeting.

PLAN SANCTION

31. The Monitor shall provide a Monitor's Report to the Court as soon as practicable after the Meeting with respect to:

(a) the results of voting at the Meeting;

(b) whether the Required Majority has approved the Plan;

(c) the separate tabulation for Disputed Claims required by this Meeting Order; and

(d) in its discretion, any other matters relating to the requested Sanction Order.

32. An electronic copy of the Monitor's Report regarding the Meeting and a copy of the materials filed in respect of the application by the Delta 9 Group for the Sanction Order (the "**Sanction Application**") shall be served on the Service List and posted on the Monitor's Website prior to the Sanction Application.

33. In the event the Plan is approved by the Required Majority, the Sanction Application shall be held on December 9, 2024, or such later date as shall be acceptable to the Delta 9 Group, the Monitor and the

Plan Sponsor, and as scheduled by this Court upon application by the Delta 9 Group, the Monitor, or the Plan Sponsor (the "**Sanction Hearing Date**").

34. Any Affected Creditor that wishes to oppose the sanctioning of the Plan must serve on the Delta 9 Group, the Plan Sponsor, the Monitor and the service list established in these proceedings (the "**Service List**") copies of all evidence, written argument and/or other materials to be used by the Affected Creditor to oppose the Sanction Application by no later than 5:00 p.m. (Calgary time) on the date that is three (3) Business Days prior to the Sanction Hearing Date.

35. In the event that the Sanction Application is adjourned, only those Persons appearing on the Service List shall be served with notice of the adjourned date.

GENERAL PROVISIONS

36. Notwithstanding anything contained in this Meeting Order, the Delta 9 Group may decide not to call, hold and conduct the Meeting, provided that:

(a) in the case of a decision not to conduct a Meeting, the Monitor, the Delta 9 Group or the Chairperson shall communicate such decision to Affected Creditors prior to any vote being taken at the Meeting;

(b) the Delta 9 Group shall forthwith provide notice to the Service List of any such decision and shall file a copy thereof with the Court forthwith and in any event prior to the Sanction Application; and

(c) the Monitor shall post an electronic copy of any such decision on the Monitor's Website forthwith and in any event prior to the Sanction Application.

37. Nothing in this Meeting Order has the effect of determining Allowed Affected Claims for purposes of distributions or payments under the Plan.

38. The Monitor, in addition to its prescribed rights and obligations under the CCAA and the Initial Order, shall assist the Delta 9 Group in connection with the matters described herein, and is hereby authorized and directed to take such other actions and fulfill such other roles as are contemplated by this Meeting Order. The Monitor shall work with the third-party service provider to facilitate the implementation of the Meeting by telephonic or electronic means to the extent necessary or desirable in the sole opinion of the Monitor.

39. The Delta 9 Group and the Monitor shall use reasonable discretion as to the adequacy of compliance with respect to the manner in which any forms hereunder are completed and executed and the time in which they are submitted and may waive strict compliance with the requirements of this Meeting Order, including with respect to the completion, execution and time of delivery of required forms.

40. The Monitor may, if necessary, apply to this Court for advice and directions regarding its obligations under this Meeting Order.

41. Any notices or other communications to be given under this Meeting Order by any Person to the Monitor or the Delta 9 Group shall be in writing in substantially the form, if any, provided in this Meeting Order and will be deemed sufficiently given only if given by prepaid ordinary mail, registered mail, courier, personal delivery, facsimile, or email addressed to:

The Plan Sponsor's Counsel:	**MILLER THOMSON LLP** Barristers and Solicitors 525-8th Avenue SW, 43rd Floor Calgary, AB, Canada T2P 1G1 Attention: Larry Ellis / James Reid Telephone: 416.597.4311 / 403.298.2418 Email: lellis@millerthomson.com / jwreid@millerthomson.com
Delta 9 Group's Counsel:	**MLT AIKINS LLP** 222 – 3rd Avenue SW Calgary, AB T2P 0B4 Attention: Ryan Zahara / Molly McIntosh Telephone: 403.693.5420 Email: rzahara@mltaikins.com/ mmcintosh@mltaikins.com

Monitor:	**ALVAREZ & MARSAL CANADA INC.** Bow Valley Square IV Suite 1110, 250 – 6th Avenue SW Calgary, Alberta T2P 2R9 Attention: Orest Konowalchuk / Duncan MacRae Telephone: 403.538.4736 / 7514 Email: okonowalchuk@alvarezandmarsal.com/ dmacrae@alvarezandmarsal.com
Monitor's Counsel:	**BURNET, DUCKWORTH & PALMER LLP** 2400, 525 – 8th Avenue SW Calgary, AB T2P 1G1 Attention: David LeGeyt / Ryan Algar Telephone: 403.260.0210 / 0126 Email: dlegeyt@bdplaw.com / ralgar@bdplaw.com

42. Any such notice or communication shall be deemed to have been received: (a) if sent by prepaid ordinary mail or registered mail, on the third Business Day after mailing in Alberta, the fifth Business Day after mailing in Canada (other than within Alberta), and the tenth Business Day after mailing internationally; (b) if sent by courier or personal delivery, on the date of actual delivery; and (c) if delivered by facsimile transmission or email by 5:00 p.m. on a Business Day, on such Business Day and if delivered after 5:00 p.m. or other than a Business Day, on the following Business Day.

43. In the event that the day on which any notice or communication required to be delivered pursuant to this Meeting Order is not a Business Day, then such notice or communication shall be required to be delivered on the next Business Day.

44. If, during any period in which notices or other communications are being given pursuant to this Meeting Order, a postal strike or postal work stoppage of general application should occur, such notices or other communications sent by ordinary or registered mail shall not, absent further Order of this Court, be effective and notices and other communications given hereunder during the course of any postal strike or work stoppage of general application shall only be effective if given by courier, personal delivery, facsimile transmission or email in accordance with this Meeting Order.

45. All references to time herein shall mean prevailing local time in Calgary, Alberta, and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m. on such Business Day, unless otherwise indicated.

46. References to the singular herein shall include the plural, references to the plural shall include the singular, and any gender shall include the other gender.

47. Subject to any further Order of the Court, in the event of any conflict, inconsistency, ambiguity or difference between the provisions of the Plan and this Meeting Order, the provisions of the Plan shall govern and be paramount, and any such provision of this Meeting Order shall be deemed to be amended to the extent necessary to eliminate any such conflict, inconsistency, ambiguity or difference.

48. This Meeting Order shall have full force and effect in all provinces and territories in Canada.

49. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative bodies, having jurisdiction in Canada or in the United States of America, to give effect to this Meeting Order and to assist the Delta 9 Group, the Monitor, and their respective representatives and agents in carrying out the terms of this Meeting Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Delta 9 Group and the Monitor, as an officer of this Court, as may be reasonably necessary or desirable to give effect to this Order.

_____

Justice of the Court of King's Bench of Alberta

SCHEDULE "1"

Plan of Compromise or Arrangement

See attached.

Clerk's stamp:

COURT FILE NUMBER	2401-09688
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
APPLICANT	IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT,* RSC 1985, c C-36, as amended AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF DELTA 9 CANNABIS INC., DELTA 9 LOGISTICS INC., DELTA 9 BIO-TECH INC., DELTA 9 CANNABIS STORE INC., and DELTA 9 LIFESTYLE CANNABIS CLINIC INC.
DOCUMENT	**PLAN OF COMPROMISE OR ARRANGEMENT**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	**MILLER THOMSON LLP** Suite 5800, 40 King Street West Toronto, Ontario M5H 3S1 43rd Floor, 525 – 8th Avenue SW Calgary, Alberta T2P 1G1 Attention: Larry Ellis / James Reid Telephone: (416) 597-4311 / (403) 298-2418 Email: lellis@millerthomson.com / jwreid@millerthomson.com

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PLAN OF COMPROMISE OR ARRANGEMENT

WHEREAS:

A. Pursuant to the order of the Honourable Justice D.R. Mah of the Court of King's Bench of Alberta (the "**Court**") issued July 15, 2024 (as amended and restated on July 24, 2024, and as may be further amended and restated, the "**Initial Order**"), Delta 9 Cannabis Inc. ("**Delta Parent**"), Delta 9 Cannabis Store Inc. ("**Delta Retail**"), Delta 9 Lifestyle Cannabis Clinic Inc. ("**Delta Lifestyle**") and Delta 9 Logistics Inc. ("**Delta Logistics**", and together with Delta Parent, Delta Retail and Delta Lifestyle, the "**Applicants**") commenced proceedings under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") and Alvarez & Marsal Canada Inc. was appointed Monitor of the Applicants (in such capacity, the "**Monitor**") for the proceedings commenced by the Initial Order (the "**CCAA Proceedings**");

B. Delta 9 Bio-Tech Inc. ("**Bio-Tech**"), a wholly owned subsidiary of Delta Parent, is a licensed producer of cannabis and is subject to the CCAA Proceedings. Bio-Tech has generated losses of approximately $26 million over the past two years. On July 24, 2024, the Court issued an order approving, and authorizing the Monitor to conduct, a sales and investment solicitation process for the business and/or assets of Bio-Tech (the "**Bio-Tech-SISP**").

C. The Applicants and Bio-Tech are parties to a binding term sheet dated July 12, 2024, pursuant to which 2759054 Ontario Inc. o/a Fika Herbal Goods (the "**Plan Sponsor**") agreed to develop, submit and present a plan of compromise or arrangement to the Applicants' creditors for the purpose of, among other things, effecting a transaction whereby the Plan Sponsor would provide consideration of approximately $51,000,000 to the creditors and stakeholders of the Applicants and Bio-Tech and acquire 100% of the issued and outstanding equity of the Applicants, along with the proceeds of sale resulting from the monetization of Bio-Tech's business and/or assets (through the Bio-Tech SISP or in accordance with the terms set out herein).

D. The Plan Sponsor hereby proposes and presents this Plan to the Affected Creditors (as defined below) under and pursuant to the CCAA.

ARTICLE 1
INTERPRETATION

Section 1.1 Definitions

In this Plan, including the recitals herein, unless otherwise stated or unless the subject matter otherwise requires, all capitalized terms used shall have the meanings, and grammatical variations of such words and phrases shall have the corresponding meanings, set out below:

"**Administration Charge**" has the meaning set out in the Initial Order.

"**Administration Expenses**" has the meaning set out in Section 4.2.

"**Administrative Expense Reserve**" means an amount to be determined as between the Plan Sponsor and the Monitor, each acting reasonably.

"**Affected Claim**" means any Claim that is not an Unaffected Claim.

"**Affected Creditor**" means any Creditor of the Applicants with an Affected Claim, but only with respect to and to the extent of such Affected Claim.

"**Affected Creditor Class**" means the class consisting of the Affected Creditors established under and for the purposes of the Plan, including voting in respect thereof.

"**Allowed Affected Claims**" means any Affected Claim of a Creditor against the Applicants, or such portion thereof, that is not barred by any provision of the Claims Procedure Order and which has been finally accepted and allowed for the purposes of voting at the Meeting and receiving distributions under the Plan, in accordance with the provisions of the Claims Procedure Order or any other Final Order of the Court in the CCAA Proceedings.

"**Applicable Law**" means any law, statute, order, decree, judgment, rule, regulation, ordinance or other pronouncement having the effect of law whether in Canada or any other country, or any domestic or foreign state, county, province, city or other political subdivision of any Governmental Entity.

"**Applicants**" has the meaning set out in the recitals hereto.

"**Approval and Vesting Order**" means an order by the Court, substantially in the form attached hereto as Schedule "**C**", among other things: (a) approving and authorizing the Bio-Tech Transaction; (b) vesting in the Plan Sponsor all right, title and interest in and to the New Delta Parent Common Shares, free and clear from any Encumbrances; (c) cancelling all of the Existing Delta Parent Common Shares; and (d) seeking a release of the directors and officers of Bio-Tech.

"**Articles**" means the articles of incorporation of the Applicants and Bio-Tech, as applicable.

"**Assessments**" means Claims of His Majesty the King in Right of Canada or of any Province or Territory or Municipality or any other taxation authority in any Canadian or foreign jurisdiction, including, without limitation, amounts which may arise or have arisen under any notice of assessment, notice of reassessment, notice of appeal, audit, investigation, demand or similar request from any taxation authority.

"**BIA**" means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended.

"**Bio-Tech**" has the meaning set out in the recitals hereto.

"**Bio-Tech Certificate**" has the meaning set out in Section 10.4.

"**Bio-Tech Closing Date**" means the date of the closing and consummation of the Bio-Tech Transaction, being the date that the Monitor files the Bio-Tech Certificate in accordance with Section 10.4.

"**Bio-Tech Excess**" has the meaning set out in Section 10.5(c).

"**Bio-Tech Restructuring Steps Supplement**" has the meaning set out in Section 10.1(b).

"**Bio-Tech SISP**" has the meaning set out in the recitals hereto.

"**Bio-Tech Threshold**" means an amount equal to the outstanding indebtedness on Tranche 1 and Tranche 3 as of the date on which a Successful Bid closes, such amount being $23,592,036.25 as of July 31, 2024.

"**Bio-Tech Transaction**" has the meaning set out in Section 10.1.

"**Bio-Tech Transaction Effective Time**" means 12:01 a.m. (Calgary time) on the Bio-Tech Closing Date or such other time on such date as the Plan Sponsor may determine.

"**Business Day**" means a day on which banks are open for business in Calgary, Alberta but does not include a Saturday, Sunday or statutory holiday in the Province of Alberta.

"**Bylaws**" means the bylaws of the Applicants and Bio-Tech, as applicable.

"**Canadian Tax Act**" means the *Income Tax Act*, R.S.C. 1985, c. 1 (5th Supp), as amended.

"**Cash Payment**" means the entitlement of an Eligible Voting Creditor to receive such Creditor's Pro-Rata Share of the Creditor Cash Pool.

"**CCAA**" has the meaning set out in the recitals hereto.

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

"**Charges**" means the Administration Charge, the Directors' Charge, the KERP Charge, the Interim Lender's Charge and the Plan Sponsor Protection Charge.

"**Claim**" means any or all Pre-Filing Claims, Restructuring Period Claims and D&O Claims, including any Claim arising through subrogation against any Applicant or any Director or Officer.

"**Claims Bar Date**" has the meaning provided for in the Claims Procedure Order.

"**Claims Procedure Order**" means the Order of the Court granted on July 24, 2024, establishing a claims procedure in respect of the Applicants, as same may be further amended, restated or varied from time to time.

"**Conditions Precedent**" has the meaning set out in Section 8.1.

"**Continuing Contract**" means a contract, arrangement, or other agreement (oral or written) for which a notice of disclaimer pursuant to section 32 of the CCAA has not been sent by any of the Applicants.

"**Convenience Amount**" means, in respect of any Allowed Affected Claim that is a Convenience Claim, the lesser of: (a) a cash amount equal to $4,000; and (b) the amount of such Allowed Affected Claim.

"**Convenience Claim**" means any Affected Claim that is equal to or less than $4,000, provided that: (a) any Claim denominated in a foreign currency will be converted to Canadian dollars at the Bank of Canada noon spot exchange rate (if available) or the spot exchange rate in effect on the Filing Date for the sole purpose of determining whether or not it is less than or equal to$4,000; (b) Creditors shall not be entitled to divide a Claim for the purpose of qualifying such Claim as a Convenience Claim; and (c) Creditors shall be permitted to make a Convenience Election to reduce the amount of their Allowed Affected Claim to $4,000 to qualify as a Convenience Claim and shall be deemed to have released and waived the balance of any such Allowed Affected Claim.

"**Convenience Creditor**" means an Affected Creditor having a Convenience Claim.

"**Convenience Election**" means an election made by an Affected Creditor with an Allowed Affected Claim greater than $4,000 by delivery of a duly completed and executed Convenience Election Notice to the Plan Sponsor, the Applicants and the Monitor by no later than the Convenience Election Deadline, electing to receive the Convenience Amount in full satisfaction of its Allowed Affected Claim.

"**Convenience Election Deadline**" has the meaning ascribed thereto in the Meeting Order.

"**Convenience Election Notice**" means a notice substantially in the form attached to the Meeting Order.

"**Court**" has the meaning set out in the recitals hereto.

"**Creditor**" means any Person having a Claim, but only with respect to and to the extent of such Claim, including the transferee or assignee of a transferred Claim that is recognized as a Creditor in accordance with the Claims Procedure Order or a trustee, executor, liquidator, receiver, receiver and manager, or other Person acting on behalf of or through such Person.

"**Creditor Cash Pool**" means the amount of $750,000.

"**Creditor Equity Pool**" means 270,270 Class "A" voting common shares in the capital of the Plan Sponsor.

"**CRO**" has the meaning set out in the Initial Order.

"**Crown Claims**" means any Claim of His Majesty in Right of Canada or any Governmental Entity of a kind that could be subject to demand under section 6(3) of the CCAA that were outstanding at the Filing Date and which have not been paid by the Retail Implementation Date.

"**D&O Claims**" means any or all Pre-Filing D&O Claims and Restructuring Period D&O Claims.

"**D&O Indemnity Claims**" means any existing or future right of any Director or Officer against any of the Applicants which arose or arises as a result of any D&O Claim for which such Director or Officer is entitled to be indemnified by any of the Applicants.

"**Delta Lifestyle**" has the meaning set out in the recitals hereto.

"**Delta Lifestyle Shares**" means all of the issued and outstanding shares of Delta Lifestyle that are owned by Bio-Tech and the Plan Sponsor.

"**Delta Logistics**" has the meaning set out in the recitals hereto.

"**Delta Logistics Shares**" means all of the issued and outstanding shares of Delta Logistics that are owned by Delta Parent.

"**Delta Parent**" has the meaning set out in the recitals hereto.

"**Delta Retail**" has the meaning set out in the recitals hereto.

"**Delta Retail Shares**" means all of the issued and outstanding shares of Delta Retail that are owned by Delta Parent.

"**Delta Retail Entities**" means, collectively, Delta Lifestyle, Delta Retail and Delta Logistics.

"**Disallowed Claims**" means any Claim of a Creditor against the Applicants, or such portion thereof, that has been barred or finally disallowed in accordance with the Claims Procedure Order or any other Final Order of the Court in the CCAA Proceedings.

"**Directors**" means anyone who is or was or may be deemed to be or have been, whether by statute, operation of law or otherwise, a director or *de facto* director of any of the Applicants.

"**Directors' Charge**" has the meaning set out in the Initial Order.

"**Disputed Claim**" means an Affected Claim (including a contingent Affected Claim that may crystallize upon the occurrence of an event or events occurring after the Filing Date) or such portion thereof which is not barred by any provision of the Claims Procedure Order, which has not been allowed as an Allowed Affected Claim, which is validly disputed for distribution purposes in accordance with the Claims Procedure Order and which remains subject to adjudication for distribution purposes in accordance with the Claims Procedure Order.

"**Eligible Voting Creditors**" means Affected Creditors with Allowed Affected Claims that are not Convenience Claims.

"**Employee**" means an individual who is employed by an Applicant, whether on a full-time or a part-time basis, and includes an employee on disability leave.

"**Employee Priority Claims**" means:

(a) Claims equal to the amounts that such Employees and former employees would have been entitled to receive under paragraph 136(l)(d) of the BIA if the Applicants had become bankrupt on the Filing Date; and

(b) Claims for wages, salaries, commissions or compensation for services rendered by such Employees and former employees after the Filing Date and on or before the Retail Implementation Date together with disbursements properly incurred by them in and about the Applicants' business during the same period.

"**Employment Agreements**" means, collectively, the employment agreements, the management compensation plans, and indemnification agreements of, or for the benefit of, the Directors, Officers, and employees of any of the Applicants that were in effect as at the Filing Date.

"**Encumbrance**" means any security interest, lien, claim, charge, hypothec, reservation of ownership, pledge, encumbrance, mortgage, adverse claim or right of a third party of any nature or kind whatsoever and any agreement, option or privilege (whether by law, contract or otherwise) capable of becoming any of the foregoing, (including any conditional sale or title retention agreement, or any capital or financing lease).

"**Equity Claims**" means any or all Claims that meet the definition of "equity claim" in section 2(1) of the CCAA.

"**Equity Claimant**" means any Person with an Equity Claim or holding Existing Equity, in such capacity.

"**Equity Interest**" has the meaning ascribed thereto in section 2(1) of the CCAA but, for certainty, does not include the Purchased Retail Common Shares or the New Delta Parent Common Shares.

"**Equity Payment**" means the entitlement of an Eligible Voting Creditor to receive such Creditor's Pro-Rata Share of the equity comprising the Creditor Equity Pool.

"**Existing Common Shareholders**" means all Persons holding Existing Delta Parent Common Shares immediately prior to the Retail Restructuring Effective Time.

"**Existing Delta Parent Common Shares**" means any and all common shares in the capital of Delta Parent that are duly issued and outstanding immediately prior to the Retail Restructuring Effective Time and, for certainty, do not include: (a) the New Delta Parent Common Shares; or (b) any other form of Existing Delta Parent Equity other than th**e** common shares in the capital of Delta Parent.

"**Existing Delta Parent Equity**" means: (a) all Existing Delta Parent Common Shares; (b) all other Equity Interests in Delta Parent, including all options, warrants, rights, or similar instruments, derived from, relating to, or exercisable, convertible, or exchangeable therefor; and (c) all instruments whose value is based upon or determined by reference to any Equity Interest in Delta Parent, whether or not such instrument is exercisable, convertible, or exchangeable for such an Equity Interest, and, in all such cases, which are issued and outstanding immediately prior to the Retail Restructuring Effective Time.

"**Existing Equity**" means, collectively, Existing Delta Parent Equity and Existing Retail Equity.

"**Existing Retail Equity**" means: (a) any and all common shares in the capital of the Delta Retail Entities that are duly issues and outstanding immediately prior to the Retail Restructuring Effective Time, save and except for the Purchased Retail Common Shares; (b) all other Equity Interests in the Delta Retail Entities, including all options, warrants, rights, or similar instruments, derived from, relating to, or exercisable, convertible, or exchangeable therefor; and (c) all instruments whose value is based upon or determined by reference to any Equity Interest in the Delta Retail Entities, whether or not such instrument is exercisable, convertible, or exchangeable for such an Equity Interest, and, in all such cases, which are issued and outstanding immediately prior to the Retail Restructuring Effective Time.

"**Filing Date**" means July 15, 2024.

"**Final Order**" means any order, ruling or judgment of the Court, or any other court of competent jurisdiction: (a) that is in full force and effect; (b) that has not been reversed, modified or vacated and is not subject to any stay; and (c) in respect of which all applicable appeal periods have expired and any appeals therefrom have been finally disposed of, leaving such order, ruling or judgment wholly operable.

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

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

"**Intercompany Claim**" means any claim that may be asserted against any of the Applicants by or on behalf of any other Applicant or any of their affiliated companies, partnerships, or other corporate entities.

"**Interim Lender's Charge**" has the meaning set out in the Initial Order.

"**KERP**" has the meaning set out in the Initial Order.

"**KERP Charge**" has the meaning set out in the Initial Order.

"**KERP Prepayment**" has the meaning set out in Section 5.5(d)(iv).

"**Licence Termination**" has the meaning set out in Section 10.1(a).

"**List of Claims**" has the meaning set out in the Meeting Order.

"**Material**" means a fact, circumstance, change, effect, matter, action, condition, event, occurrence or development that, individually or in the aggregate, is, or would reasonably be expected to be, material to the business, affairs, results of operations or financial condition of the Applicants, taken as a whole.

"**Meeting**" means a meeting of Affected Creditors to be held on the Meeting Date called for the purpose of considering and voting on the Plan pursuant to the CCAA, and includes any adjournment, postponement or other rescheduling of such meeting in accordance with the Meeting Order.

"**Meeting Date**" means the date on which the Meeting is held in accordance with the Meeting Order.

"**Meeting Order**" means the Order of the Court granted in these CCAA Proceedings, among other things, setting the date for the Meeting, as same may be amended, restated or varied from time to time, in form and substance satisfactory to the Plan Sponsor.

"**Monitor**" has the meaning set out in the recitals hereto.

"**Monitor's Website**" means www.AlvarezandMarsal.com/Delta9.

"**New Boards**" means the board of directors of the Delta Retail Entities, as applicable, to be appointed on the Retail Implementation Date, as determined by the Plan Sponsor in its sole discretion.

"**New Delta Parent Common Shares**" means the common shares issued by Delta Parent to the Plan Sponsor pursuant to Article 10 of the Plan and the Bio-Tech Restructuring Steps Supplement, which will constitute all of the issued and outstanding shares of Delta Parent from and after the Bio-Tech Transaction Effective Time.

"**Notice to Known Claimants**" means a notice that shall be referred to in the Claims Procedure Order, advising each known Creditor of its Claim against an Applicant as determined by the Monitor based on the books and records of the Applicants.

"**Officers**" means anyone who is or was or may be deemed to be or have been, whether by statute, operation of law or otherwise, an officer or *de facto* officer of any of the Applicants, in such capacity.

"**Order**" means any order of the Court made in connection with the CCAA Proceeding.

"**Outside Date**" means January 31, 2025, or such later date as agreed to by the Applicants and the Plan Sponsor, with the consent of the Monitor.

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

"**Plan**" means this Plan of Compromise or Arrangement filed by the Plan Sponsor pursuant to the CCAA, as it may be amended, supplemented or restated from time to time in accordance with the terms hereof.

"**Plan Implementation Fund**" has the meaning set out in Section 4.1.

"**Plan Sponsor**" has the meaning set out in the recitals hereto.

"**Plan Sponsor Protection Charge**" has the meaning set out in the Initial Order.

"**Post-Filing Claim**" means any or all indebtedness, liability, or obligation of the Applicants of any kind that arises during and in respect of the period commencing on the Filing Date and ending on the day immediately preceding the Retail Implementation Date in respect of services rendered or supplies provided to the Applicants during such period or under or in accordance with any Continuing Contract; provided that, for certainty, such amounts are not a Restructuring Period Claim or a Restructuring Period D&O Claim.

"**Pre-Filing Claim**" means any or all right or claim of any Person against any of the Applicants, whether or not asserted, in connection with any indebtedness, liability or obligation of any kind whatsoever of any such Applicant to such Person, in existence on the Filing Date, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including any right or claim with respect to any Assessment, or contract, or by reason of any Equity Interest, right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and any right or ability of any Person to advance a claim for contribution or indemnity or otherwise against any of the Applicants with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, which right or claim, including in connection with indebtedness, liability or obligation, is based in whole or in part on facts that existed prior to the Filing Date, including for greater certainty any Equity Claim, any claim brought by any proposed or confirmed representative plaintiff on behalf of a class in a class action, and any D&O Indemnity Claim.

"**Pre-Filing D&O Claim**" means any or all right or claim of any Person against one or more of the Directors and/or Officers arising based in whole or in part on facts that existed prior to the Filing Date, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including any Assessments, any claim brought by any proposed or confirmed representative plaintiff on behalf of a class in a class action, and any right or ability of any Person to advance a claim for contribution, indemnity or otherwise against any of the Directors and/or Officers with respect to any matter, action, cause or chose in action, whether existing at present or arising or commenced in the future, for which any Director or Officer is alleged to be, by statute or otherwise by law or equity, liable to pay in his or her capacity as a Director or Officer.

"**Pro-Rata Share**" means, as at any relevant date of determination, the percentage that each Eligible Voting Creditor's Allowed Affected Claim bears to the aggregate of all Allowed Affected Claims and Disputed Claims (for certainty, valued at the amounts asserted by the Affected Creditors holding such Disputed Claims).

"**Proof of Claim**" means the Proof of Claim referred to in the Claims Procedure Order to be filed by unknown Creditors.

"**Purchased Retail Common Shares**" means the Delta Lifestyle Shares, the Delta Retail Shares, and the Delta Logistics Shares, which will constitute all of the issued and outstanding shares of such entities from and after the Retail Restructuring Effective Time.

"**Qualifying Existing Common Shareholders**" means all Existing Common Shareholders holding 50,000 or more Existing Delta Parent Common Shares immediately prior to the Retail Restructuring Effective Time.

"**Qualifying Existing Common Shares**" means the Existing Delta Parent Common Shares held by the Qualifying Existing Common Shareholders that are duly issued and outstanding immediately prior to the Retail Restructuring Effective Time and, for certainty, do not include the New Delta Parent Common Shares.

"**Released Claims**" has the meaning set out in Section 9.2.

"**Released Parties**" means, collectively, and in their capacities as such: (a) the Applicants; (b) the past and current employees, legal and financial advisors, and other representatives of the Applicants; (c) the Directors and Officers; (d) the Monitor and its legal advisors; (e) the Plan Sponsor; and (f) any other Person who is the beneficiary of a release under the Plan.

"**Required Majority**" means a majority in number of Affected Creditors representing at least two thirds in value of the Allowed Affected Claims of Affected Creditors who are entitled to vote at the Meeting in accordance with the Meeting Order and who are present and voting in person or by proxy on the resolution approving the Plan at the Meeting.

"**Restructuring Period Claim**" means any or all right or claim of any Person against any of the Applicants in connection with any indebtedness, liability or obligation of any kind whatsoever owed by any such Applicant to such Person arising out of the restructuring, disclaimer, resiliation, termination or breach by such Applicant on or after the Filing Date of any contract, lease or other agreement, whether written or oral, and including any right or claim with respect to any Assessment.

"**Restructuring Period D&O Claim**" means any or all right or claim of any Person against one or more of the Directors and/or Officers arising after the Filing Date, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including any Assessments and any right or ability of any Person to advance a claim for contribution, indemnity or otherwise against any of the Directors and/or Officers with respect to any matter, action, cause or chose in action, whether existing at present or arising or commenced in the future, for which any Director or Officer is alleged to be, by statute or otherwise by law or equity, liable to pay in his or her capacity as a Director or Officer.

"**Retail Implementation Date**" means the Business Day on which the Plan becomes effective in respect of the Retail Restructuring, which shall be the Business Day on which, pursuant to Section 8.3, the Plan Sponsor (or its counsel) delivers written notice to the Applicants (or their counsel) and the Monitor (or its counsel) that the Plan Sponsor Conditions Precedent set out in Section 8.1 have been satisfied or waived in accordance with the terms hereof.

"**Retail Restructuring**" means the restructuring contemplated by this Plan, whereby the Plan Sponsor will acquire 100% ownership of the Delta Retail Entities in accordance with the terms and conditions of this Plan, the Retail Restructuring Steps Supplement and the Sanction Order.

"**Retail Restructuring Effective Time**" means 12:01 a.m. (Calgary time) on the Retail Implementation Date or such other time on such date as the Plan Sponsor may determine.

"**Retail Restructuring Steps Supplement**" has the meaning set out in Section 6.2.

"**Sanction Order**" means an Order of the Court sanctioning and approving the Plan, as it may be amended by the Court, in form and substance satisfactory to the Plan Sponsor.

"**Secured Claim**" means any or all Claims of a "secured creditor" as defined in section 2(1) of the CCAA.

"**Shareholder Equity Pool**" means 135,135 Class "A" voting common shares in the capital of the Plan Sponsor.

"**SNDL**" means SNDL Inc.

"**SNDL Claim**" means all amounts owing by the Applicants and Bio-Tech to SNDL under the SNDL Credit Agreement, plus all accrued and outstanding pre-filing fees, costs, interest, or other amounts confirmed to be owing pursuant to the SNDL Credit Agreement pursuant to a Final Order or agreement between the Plan Sponsor and SNDL.

"**SNDL Credit Agreement**" means the Commitment Letter dated February 1, 2022 among Connect First Credit Union Ltd., as lender, Delta Parent, as borrower, and Bio-Tech, Delta Lifestyle and Delta Retail, as guarantors, pursuant to which Connect First Credit Union Ltd. made available to Delta Parent a commercial mortgage loan in the maximum principal amount of $23,000,000, a commercial mortgage loan in the maximum principal amount of $5,000,000, and an authorized overdraft facility in the maximum principal amount of $4,000,000; as assigned to SNDL on July 5, 2024.

"**SNDL Security**" means any and all security granted by the Applicants and Bio-Tech to secure the obligations existing under the SNDL Credit Agreement.

"**Stalking Horse Purchase Agreement**" means a stalking horse purchase agreement to be negotiated among the Applicants and the Plan Sponsor, to be settled no later than 15 days prior to the Meeting Date and to be attached hereto as Schedule "**D**".

"**Successful Bid**" has the meaning set out in the Bio-Tech SISP.

"**Termination Notice**" has the meaning set out in Section 10.1(b).

"**Tranche 1**" means the commercial mortgage loan in the maximum principal amount of $23,000,000 made by Connect First Credit Union Ltd. to Delta Parent pursuant to the SNDL Credit Agreement.

"**Tranche 3**" means the authorized overdraft facility in the maximum principal amount of $4,000,000 made by Connect First Credit Union Ltd. to Delta Parent pursuant to the SNDL Credit Agreement.

"**Unaffected Claims**" means any and all:

(a) Claims against Bio-Tech in accordance with Section 2.6;

(b) Post-Filing Claims;

(c) Crown Claims;

(d) Secured Claims;

(e) Claims secured by a Charge;

(f) Employee Priority Claims;

(g) Intercompany Claims, subject to Section 5.5(f);

(h) D&O Claims that cannot be compromised pursuant to the provisions of Section 5.1(2) of the CCAA; and

(i) Claims that cannot be compromised pursuant to the provisions of section 19(2) of the CCAA.

and for certainty, shall include any Unaffected Claim arising through subrogation.

"**Unaffected Creditor**" means a Creditor who has an Unaffected Claim, but only in respect of and to the extent of such Unaffected Claim.

"**Undeliverable Distribution**" has the meaning set out in Section 5.10.

"**Voting Trust**" means an equity voting trust to be established by the Plan Sponsor, into which the Creditor Equity Pool and Shareholder Equity Pool shall be deposited, held by the Voting Trustee, for the benefit of the Existing Common Shareholders and the Eligible Voting Creditors.

"**Voting Trustee**" means a Person agreed upon by the Applicants and the Plan Sponsor, to act as trustee of the Voting Trust.

"**Withholding Obligation**" has the meaning set out in Section 5.12.

Section 1.2 Interpretation Not Affected by Headings, etc.

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

Section 1.3 General Construction.

The terms "this Plan", "hereof", "herein" and "hereunder" and similar expressions refer to this Plan and not to any particular section hereof. The expression "Section" or reference to another subdivision followed by a number mean and refer to the specified Section or other subdivision of this Plan.

Section 1.4 Extended Meanings

Words importing the singular include the plural and vice versa and words importing gender include all genders. The term "including" means "including, without limitation," and such terms as "includes" have similar meanings.

Section 1.5 Currency

All references in this Plan to dollars, monetary amounts or to $ are expressed in the lawful currency of Canada unless otherwise specifically indicated.

Section 1.6 Statutes

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

Section 1.7 Date and Time for any Action

For purposes of the Plan:

(a) in the event that any date on which any action is required to be taken under the Plan by any Person is not a Business Day, that action shall be required to be taken on the next succeeding day which is a Business Day, and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m. on such Business Day; and

(b) unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next succeeding Business Day if the last day of the period is not a Business Day.

Section 1.8 Schedules

The following Schedules are incorporated in and form part of this Plan:

Schedule "**A**"	Retail Restructuring Steps Supplement
Schedule "**B**"	Bio-Tech Restructuring Steps Supplement
Schedule "**C**"	Approval and Vesting Order
Schedule "**D**"	Stalking Horse Purchase Agreement

ARTICLE 2
PURPOSE AND EFFECT OF PLAN

Section 2.1 Purpose

(a) The purpose of the Plan is to effect the Retail Restructuring on the Retail Implementation Date pursuant to the terms and conditions of this Plan and the Retail Restructuring Steps Supplement, and to:

(i) effect a compromise, settlement, release and discharge of all Affected Claims in exchange for distributions to Affected Creditors with Allowed Affected Claims;

(ii) facilitate the distribution of the Creditor Cash Pool and the Creditor Equity Pool to Affected Creditors with Allowed Affected Claims;

(iii) facilitate the distribution of the Shareholder Equity Pool to Existing Common Shareholders;

(iv) ensure the continuation of the operations of the Delta Retail Entities;

to ensure that Persons with a valid economic interest in the Applicants will, collectively, derive a greater benefit from the implementation of this Plan than they would derive from a bankruptcy or liquidation of the Applicants.

(b) The Plan also allows for the closing and consummation of the Bio-Tech Transaction on the Bio-Tech Closing Date, pursuant to the terms of Article 10 of this Plan, the Bio-Tech Restructuring Steps Supplement and the Approval and Vesting Order.

(c) The Monitor will report to Affected Creditors and the Court regarding the Plan prior to the date Affected Creditors are to vote on the Plan. Creditors wishing to review copies of Court orders and other materials filed in these proceedings, including copies of the Monitor's reports, are directed to the Monitor's Website.

(d) All Creditors should review this Plan and the Monitor's report on the Plan before voting to accept or to reject this Plan.

Section 2.2 Persons Affected

(a) The Plan provides for, among other things, the compromise, discharge and release of all Affected Claims, and the settlement of, and consideration for, all Allowed Affected Claims.

(b) The Retail Restructuring will become effective at the Retail Restructuring Effective Time on the Retail Implementation Date in accordance with the terms and conditions contained herein, and in the sequence set forth in the Retail Restructuring Steps Supplement, and shall be binding on and enure to the benefit of the Applicants, the Affected Creditors, the Plan Sponsor and all other Persons directly or indirectly named, referred to in, subject to, or receiving the benefit of, the Plan, and each of their respective heirs, executors, administrators, legal representatives, successors and assigns in accordance with the terms hereof.

Section 2.3 Persons Not Affected by the Plan

This Plan does not affect the Unaffected Creditors with respect to and to the extent of their Unaffected Claims. Nothing in this Plan shall affect the Applicants' rights and defences, both legal and equitable, with respect to any Unaffected Claims including all rights with respect to legal and equitable defences or entitlements to set-offs or recoupments against such Unaffected Claims.

Section 2.4 Equity Claimants

(a) On the Retail Implementation Date, the Plan will be binding on all Equity Claimants, including the Existing Common Shareholders. Equity Claimants, including the Existing Common Shareholders, shall not be entitled to vote on the Plan in respect of their Equity Claims or Existing Equity or attend the Meeting.

(b) On the Retail Implementation Date, in accordance with the steps and sequences set forth in the Retail Restructuring Steps Supplement, all Existing Retail Equity (other than, for certainty, the Purchased Retail Common Shares purchased by the Plan Sponsor on the Retail Implementation Date in accordance with the Retail Restructuring Steps Supplement) shall be cancelled and extinguished and all Equity Claims shall be fully, finally, irrevocably and forever compromised, released, discharged and barred without any compensation of any kind whatsoever.

(c) From and after the Retail Implementation Date, the rights of Existing Common Shareholders shall be subject to the balance of the terms and provisions of this Plan and, for certainty, Existing Delta Parent Common Shares will be cancelled pursuant to the Bio-Tech Transaction and the Approval and Vesting Order.

Section 2.5 Treatment of Employment Agreements

Unless otherwise expressly required by the terms of this Plan or agreed to in writing by and between the Plan Sponsor and the applicable Employee (or Employees) affected by any change or modification, each of the Employment Agreements that have not been disclaimed prior to the Retail Implementation Date will remain in place from and after the Retail Implementation Date.

Section 2.6 Bio-Tech

As a result of the decision to sell or liquidate Bio-Tech, creditors of Bio-Tech shall not be considered Creditors for the purposes of this Plan, and shall not be entitled to vote on this Plan.

ARTICLE 3
CLASSIFICATION OF CREDITORS, VOTING AND TREATMENT OF CLAIMS

Section 3.1 Claims Procedure

The procedure for determining the validity and quantum of the Affected Claims and for resolving Disputed Claims for voting and distribution purposes under the Plan shall be governed by the Claims Procedure Order, the Meeting Order, the CCAA, the Plan and any further Order of the Court.

Section 3.2 Classification of Creditors

In accordance with the Meeting Order, for the purposes of considering and voting on the Plan and receiving a distribution hereunder, the Affected Creditors shall constitute one class of Creditors, being the Affected Creditors Class.

Section 3.3 Meeting

The Meeting shall be held in accordance with the Plan, the Meeting Order, the Claims Procedure Order and any further Order of the Court in the CCAA Proceedings. The only Persons entitled to attend the Meeting, are representatives of the Applicants, the Monitor, the Plan Sponsor and their respective legal counsel and advisors, and Eligible Voting Creditors or their respective duly appointed proxyholders and their respective legal counsel and advisors. Any other Person may be admitted on invitation of the chair of the Meeting or as permitted under the Meeting Order or any further Order of the Court.

Section 3.4 Voting

Pursuant to and in accordance with the Meeting Order, each of the following Creditors shall be entitled to vote on the Plan at the Meeting for the Affected Creditors Class:

(a) Convenience Creditors. Each Affected Creditor with an Allowed Affected Claim or a Disputed Claim that constitutes a Convenience Claim, including Affected Creditors that have made a Convenience Election, shall be deemed to vote in favour of the Plan.

(b) Affected Creditors Class. Each Affected Creditor with an Allowed Affected Claim that does not constitute a Convenience Claim shall be entitled to one vote for the purpose of determining a majority in number, in the amount equal to such Creditor's Allowed Affected Claim. For voting purposes only, the dollar value of an Allowed Affected Claim held by an Affected Creditor shall be:

(i) the amount shown as owing to such Affected Creditor as of the Filing Date (to the extent such amount continues to remain unpaid), as set out in the List of Claims;

(ii) if the Affected Creditor does not appear on the List of Claims, then the amount shown on the applicable Applicant's books and records as currently due or which but for the Plan would become due to such Affected Creditor as a Restructuring Period Claim as a result of the disclaimer or resiliation by an Applicant of any agreement to which such Applicant is a party, as applicable; or

(iii) the amount agreed to between such Affected Creditor and the Applicants, and consented to by the Monitor.

Section 3.5 Treatment of Affected Claims

An Affected Creditor shall receive distributions as set forth below only to the extent that such Affected Creditor's Claim is an Allowed Affected Claim and has not been paid, released, or otherwise satisfied prior to the Retail Implementation Date. In accordance with the steps and sequence set forth in the Retail Restructuring Steps Supplement, under the supervision of the Monitor, and in full and final satisfaction of all Affected Claims, each Affected Creditor with an Allowed Affected Claim will receive the following consideration:

(a) with respect to Affected Creditors with Allowed Affected Claims that constitute Convenience Claims, including Affected Creditors that have made a Convenience Election, each such Convenience Creditor shall receive a cash payment on the Retail Implementation Date equal to the Convenience Amount; and

(b) with respect to Affected Creditors with Allowed Affected Claims that do not constitute Convenience Claims, each such Eligible Voting Creditor shall receive a Cash Payment and an Equity Payment on the Retail Implementation Date.

All Affected Claims shall be fully, finally, irrevocably and forever compromised, released, discharged, cancelled and barred on the Retail Implementation Date.

Section 3.6 Treatment of Unaffected Claims

Unaffected Claims shall not be compromised, released, discharged, cancelled or barred by the Plan. Unaffected Creditors will not receive any consideration or distributions under the Plan in respect of their Unaffected Claims, unless specifically provided for under and pursuant to the Plan, and they shall not be entitled to vote on the Plan at the Meeting in respect of their Unaffected Claims.

Section 3.7 Treatment of Intercompany Claims

On the Retail Implementation Date and in accordance with the steps and sequence as set forth herein, all Intercompany Claims shall be preserved or extinguished at the election of the Plan Sponsor. For certainty, if the Plan Sponsor elects to extinguish the Intercompany Claims, the structure for extinguishing such claims shall be at the discretion of the Plan Sponsor.

Section 3.8 Treatment of D&O Claims

All D&O Claims shall be fully, finally, and irrevocably compromised, released, discharged, cancelled, extinguished and barred on the Retail Implementation Date. All D&O Indemnity Claims shall be treated

for all purposes under the Plan as Pre-Filing Claims and shall be fully, finally, and irrevocably compromised, released, discharged, cancelled, extinguished and barred on the Retail Implementation Date. Any D&O Claims that cannot be compromised pursuant to the provisions of Section 5.1(2) of the CCAA shall constitute Unaffected Claims and shall continue to exist against the Directors or Officers of the Applicants, as applicable; provided that in no event shall such D&O Claims become obligations or liabilities of the Applicants, Bio-Tech or the Plan Sponsor.

Section 3.9 Treatment of SNDL Claim

As a Secured Claim, the SNDL Claim shall constitute an Unaffected Claim under the Plan. Subject to the terms and conditions of the Plan, from and after the Retail Implementation Date, the SNDL Claim shall constitute valid outstanding indebtedness of the Applicants, which shall be serviced in the ordinary course in accordance with the terms of the SNDL Credit Agreement. The SNDL Credit Agreement and the SNDL Security shall constitute Continuing Contracts which shall remain in place, unaffected by the implementation of the Plan. For certainty:

(a) The SNDL Security will remain valid and effective as against the Applicants and Bio-Tech, unaffected by the Plan in all respects, and shall be discharged upon the full and final satisfaction of the SNDL Claim.

(b) From and after the Retail Implementation Date, the Plan Sponsor will service the SNDL Claim in the ordinary course and in accordance with the terms of the SNDL Credit Agreement. The Plan Sponsor will keep the SNDL Credit Agreement in good standing and, if necessary, will provide a guarantee of the outstanding obligations of the Applicants and Bio-Tech under the SNDL Credit Agreement.

(c) The Plan Sponsor will execute such documents and other agreements as SNDL may reasonably require to acknowledge and confirm the continued validity of the SNDL Security following and notwithstanding the Retail Implementation Date.

(d) In the event that the Plan Sponsor acquires the assets and/or equity of Bio-Tech in accordance with Section 10 of this Plan, the SNDL Security will remain valid and effective against the assets of Bio-Tech following and notwithstanding the issuance of the Bio-Tech Certificate, and the Plan Sponsor agrees that it shall execute such documents and other agreements as SNDL may reasonably require to confirm the continued validity and enforceability of the SNDL Security.

Section 3.10 Disputed Claims

An Affected Creditor with a Disputed Claim shall not be entitled to receive a distribution under the Plan in respect of such Disputed Claim or any portion thereof unless and until, and then only to the extent that, such Disputed Claim becomes an Allowed Affected Claim in accordance with the Meeting Order and the Claims Procedure Order. Distributions pursuant to and in accordance with this Plan shall be paid or distributed in respect of any Disputed Claim that is finally determined to be an Allowed Affected Claim in accordance with this Plan and the Meeting Order.

Section 3.11 Extinguishment of Claims

On the Retail Implementation Date, in accordance with the terms and in the steps and sequence set forth in the Retail Restructuring Steps Supplement and in accordance with the provisions of the Sanction Order, the treatment of Affected Claims, as set forth herein, shall be final and binding on the Applicants and all

Affected Creditors (and, in each case, their respective heirs, executors, administrators, legal personal representatives, successors and assigns), and all Affected Claims shall be fully, finally, irrevocably and forever released, discharged, cancelled and barred, and the Applicants shall thereupon have no further obligation whatsoever in respect of the Affected Claims; provided that nothing herein releases the Applicants or any other Person from their obligations to make distributions in the manner and to the extent provided for in the Plan and provided further that such discharge and release of the Applicants shall be without prejudice to the right of a Creditor in respect of a Disputed Claim to prove such Disputed Claim in accordance with the Claims Procedure Order so that such Disputed Claim may become an Allowed Affected Claim entitled to receive consideration under Section 3.5 hereof.

Section 3.12 Guarantees and Similar Covenants

No Person who has a Claim under any guarantee, surety, indemnity or similar covenant in respect of any Claim that is compromised and released under the Plan, or who has any right to claim over in respect of or to be subrogated to the rights of any Person in respect of a Claim that is compromised under the Plan, shall be entitled to any greater rights than the Person whose Claim is compromised under the Plan.

Section 3.13 Set-Off

The law of set-off applies to all Affected Claims.

ARTICLE 4
PLAN IMPLEMENTATION FUND; ADMINISTRATIVE EXPENSE RESERVE

Section 4.1 Plan Implementation Fund

On or prior to the Retail Implementation Date, the Plan Sponsor shall deliver, or cause to be delivered, to the Monitor, an amount equal to the Creditor Cash Pool, together with funding sufficient to satisfy the Allowed Affected Claims of Convenience Creditors (the "**Plan Implementation Fund**"). The Plan Implementation Fund shall be held by the Monitor in a segregated account of the Monitor, and shall be used by the Monitor to pay, on behalf of the Plan Sponsor and the Applicants, all amounts payable to Eligible Voting Creditors and Convenience Creditors under the Plan.

Section 4.2 Administrative Expense Reserve

On or prior to the Retail Implementation Date, the Plan Sponsor shall pay to the Monitor the Administrative Expense Reserve. From and after the Retail Implementation Date, the Monitor shall pay from the Administrative Expense Reserve, the reasonable and documented fees and disbursements (plus any applicable taxes thereon) for any post-Retail Implementation Date services incurred by the Applicants and Bio-Tech and their legal counsel, the CRO, the Monitor, its legal counsel, and any other Persons from time to time retained or engaged by the Monitor, in connection with administrative and estate matters (collectively, the "**Administration Expenses**"). Any unused portion of the Administrative Expense Reserve shall be transferred by the Monitor to the Plan Sponsor.

ARTICLE 5
DISTRIBUTIONS AND PAYMENTS

Section 5.1 Distributions Generally

All distributions to be effected pursuant to the Plan shall be made pursuant to this Article 5 and shall occur in the manner set forth herein. All cash distributions to be made under the Plan to Convenience Creditors

and Eligible Voting Creditors shall be made by the Monitor on behalf of the Plan Sponsor and the Applicants by cheque or by wire transfer and: (a) in the case of a cheque, will be sent, via regular mail, to such Creditor to the address specified in the Proof of Claim filed by such Creditor or such other address as the Creditor may from time to time notify the Monitor in writing in accordance with Section 11.9; or (b) in the case of a wire transfer, shall be sent to an account specified by such Creditor to the Monitor in writing to the satisfaction of the Monitor. Notwithstanding any other provision of the Plan, an Affected Creditor holding a Disputed Claim shall not be entitled to receive a distribution under the Plan in respect of any portion thereof unless and until such Disputed Claim becomes an Allowed Affected Claim.

Section 5.2 Distributions to Convenience Creditors

If the Plan is approved by the Required Majority of the Affected Creditor Class and the Sanction Order is granted by the Court, then the Monitor, on behalf of the Plan Sponsor and the Applicants, shall make a payment to each Convenience Creditor on the Retail Implementation Date equal to such Convenience Creditor's Convenience Amount, and such payment shall be in full consideration for the irrevocable, full and final compromise and satisfaction of such Convenience Creditor's Affected Claim.

Section 5.3 Distributions to Eligible Voting Creditors

If the Plan is approved by the Required Majority of the Affected Creditor Class and the Sanction Order is granted by the Court, then each Eligible Voting Creditor shall be entitled to receive their Cash Payment and Equity Payment on the Retail Implementation Date, and such distributions shall be in full consideration for the irrevocable, full and final compromise and satisfaction of such Affected Creditor's Affected Claim. All shares issued on account of Equity Payments will be deposited into the Voting Trust on the Retail Implementation Date.

Section 5.4 Distribution to Existing Common Shareholders; Shareholder Equity Pool

(a) In addition to the distributions described in Section 5.3, if this Plan is approved by the Required Majority of the Affected Creditor Class and the Sanction Order is granted by the Court, the Plan Sponsor shall establish the Shareholder Equity Pool, consisting of voting common shares in the capital of the Plan Sponsor with an aggregate value of $2,000,000 at a valuation that has been agreed to among the Applicants and the Plan Sponsor, with the approval of the Monitor.

(b) The equity comprising the Shareholder Equity Pool shall be distributed to the Qualifying Existing Common Shareholders in proportion to their holdings of Qualifying Existing Common Shares as of the Filing Date. All shares issued on account of the Shareholder Equity Pool will be deposited into the Voting Trust on the Retail Implementation Date. The Plan Sponsor and the Monitor shall be entitled to rely on the register maintained by the Applicants' transfer agent in determining the Qualifying Existing Common Shares held by Qualifying Existing Common Shareholders.

Section 5.5 Distributions, Payments and Settlements of Unaffected Claims

(a) Post-Filing Claims;

All Post-Filing Claims outstanding as of the Retail Implementation Date, if any, shall be paid by the applicable Applicant in the ordinary course consistent with past practice.

(b) Crown Claims;

On or as soon as reasonably practicable following the Retail Implementation Date, the applicable Applicant shall pay or cause to be paid in full all Crown Claims, if any, outstanding as at the Filing Date or related to the period ending on the Filing Date, to the applicable Governmental Entity.

(c) SNDL Claim;

All amounts owing to SNDL as of the Retail Implementation Date under or in connection with the SNDL Claim shall be paid by the Applicants in the ordinary course consistent with past practice and in accordance with the terms of the SNDL Credit Agreement.

(d) Claims secured by a Charge;

(i) Administration Charge

On the Retail Implementation Date, in accordance with the steps and sequences set forth in the Retail Restructuring Steps Supplement, all outstanding obligations, liabilities, fees, and disbursements secured by the Administration Charge which are evidenced by invoices of the beneficiaries thereof delivered to the Plan Sponsor as at the Retail Implementation Date, shall be fully paid by the Plan Sponsor. Following such payment, the Administration Charge shall be and be deemed to be fully and finally satisfied and discharged from and against any and all assets of the Delta Retail Entities and the Plan Implementation Fund, but shall continue to exist in respect of, and attach to any and all assets of, Delta Parent and Bio-Tech, to be released and discharged in accordance with the Bio-Tech Restructuring Steps Supplement. Following the Retail Implementation Date, Administrative Expenses shall be paid from the Administrative Expense Reserve.

(ii) Directors Charge

On the Retail Implementation Date, all D&O Claims shall be fully, finally, and irrevocably compromised, released, discharged, cancelled, extinguished, and barred in accordance with Article 9 and the Directors' Charge shall be and be deemed to be fully and finally satisfied and discharged from and against any and all assets of the Delta Retail Entities and the Plan Implementation Fund, but shall continue to exist in respect of, and attach to any and all assets of, Delta Parent and Bio-Tech, to be released and discharged in accordance with the Bio-Tech Restructuring Steps Supplement.

(iii) Interim Lender's Charge

On the Retail Implementation Date, all outstanding amounts secured by the Interim Lender's Charge shall remain in place, unaffected by the Plan, and the Interim Lenders' Charge shall be discharged from and against any and all assets of the Delta Retail Entities and the Plan Implementation Fund, but shall continue to exist in respect of, and attach to any and all assets of, Delta Parent and Bio-Tech, to be released and discharged in accordance with the Bio-Tech Restructuring Steps Supplement.

(iv) KERP Charge

On the Retail Implementation Date, the Plan Sponsor will pay the lesser of $655,000 and the maximum possible payment remaining pursuant to the KERP, to the Monitor, in trust (the "**KERP Prepayment**"), and following such payment the KERP Charge shall be and be deemed to be fully and finally satisfied and discharged from and against any and all assets of the Applicants, Bio-Tech and the Plan Implementation Fund. The Monitor shall, from the KERP Prepayment, make all KERP Payments, as defined in the KERP, upon such payments becoming due and payable under the KERP. Any unused portion of the KERP Prepayment shall be transferred by the Monitor to the Plan Sponsor.

(v) Plan Sponsor Protection Charge

Upon the Retail Implementation Date, the Plan Sponsor Protection Charge shall be and be deemed to be fully and finally satisfied and discharged from and against any and all assets of the Applicants, Bio-Tech and the Plan Implementation Fund.

(e) Employee Priority Claims

On the Retail Implementation Date, applicable Applicants shall pay or cause to be paid in full all Employee Priority Claims due and accrued to the Retail Implementation Date, to each holder of an Employee Priority Claim to the full amount of his, her, or their respective Employee Priority Claim.

(f) Intercompany Claims

On or prior to the Retail Implementation Date, Intercompany Claims shall be set-off, cancelled, maintained, re-instated, contributed or distributed, or otherwise addressed, in each case, as set forth on the books and records of, and/or in documents executed by, the applicable Applicant (provided that any such documents shall be in form and substance satisfactory to the Plan Sponsor, acting reasonably), and in accordance with the terms and in the steps and sequences set forth in the Retail Restructuring Steps Supplement, all of which, in the manner directed by the Plan Sponsor.

Section 5.6 Fractional Interests

No fractional interests of shares will be issued or allocated to Eligible Voting Creditors or Existing Common Shareholders on account of the Creditor Equity Pool or the Shareholder Equity Pool, and any legal, equitable, contractual and any other rights or claims of any Person with respect to any fractional interest shall be rounded down to the nearest whole number without compensation therefor.

Section 5.7 Cancellation of Instruments Evidencing Affected Claims

On the Retail Implementation Date, in accordance with the terms and in the steps and sequences set forth in the Retail Restructuring Steps Supplement, except as otherwise expressly provided for herein, all debentures, indentures, notes, certificates, agreements, invoices, guarantees, pledges and other instruments evidencing Affected Claims and Existing Retail Equity shall: (a) not entitle any holder thereof to any compensation or participation other than as expressly provided for in the Plan; and (b) be cancelled and will be null and void (other than, for certainty, the Purchased Retail Common Shares). Notwithstanding the foregoing, the Continuing Contracts (including the SNDL Credit Agreement) shall continue in full force and effect in accordance with the terms hereof.

Section 5.8 Interest

Interest shall not accrue or be paid on Affected Claims on or after the Filing Date (other than interest accruing on the Secured Claim), and no holder of an Affected Claim shall be entitled to interest accruing on or after the Filing Date.

Section 5.9 Allocation of Distributions

All distributions made to Affected Creditors pursuant to the Plan shall be allocated first towards the repayment of the principal amount in respect of such Affected Creditor's Claim and second, if any, towards the repayment of all accrued but unpaid interest in respect of such Affected Creditor's Claim.

Section 5.10 Treatment of Undeliverable Distributions

If any Creditor's distribution under this Article 6 is returned as undeliverable or is not cashed (an "**Undeliverable Distribution**"), no further distributions to such Creditor shall be made unless and until the Applicants and the Monitor are notified by such Creditor of such Creditor's current address, at which time all past distributions shall be made to such Creditor. All claims for Undeliverable Distributions must be made on or before the date that is six months following the Retail Implementation Date, after which date any entitlement with respect to such Undeliverable Distribution shall be forever discharged and forever barred, without any compensation therefor, notwithstanding any federal, state or provincial laws to the contrary, at which time any such Undeliverable Distributions shall be returned to the relevant Applicant. Nothing contained in the Plan shall require the Applicants or the Monitor to attempt to locate any Person to whom a distribution is payable. No interest is payable in respect of an Undeliverable Distribution.

Section 5.11 Assignment of Claims for Voting and Distribution Purposes

(a) Assignment of Claims Prior to Meeting

Subject to any restrictions contained in Applicable Laws, Affected Creditors may transfer or assign the whole of their Claims prior to the Meeting provided that the Applicants, the Plan Sponsor and the Monitor shall not be obliged to deal with any transferee or assignee as an Affected Creditor in respect thereof unless and until actual notice of the transfer or assignment, together with satisfactory evidence of such transfer or assignment has been given to the Applicants, the Plan Sponsor and the Monitor prior to the commencement of the Meeting. In the event of such notice of transfer or assignment prior to the Meeting, the transferee or assignee shall, for all purposes, be treated as the Affected Creditor of the assigned or transferred Claim, will be bound by any and all notices previously given to the transferor or assignor in respect of such Claim and shall be bound, in all respects, by any and all notices given and by the Orders of the Court in the CCAA Proceeding. For greater certainty, other than as described above, the Applicants shall not recognize partial transfers or assignments of Claims.

(b) Assignment of Claims Subsequent to Meeting

Subject to any restrictions contained in Applicable Laws, Affected Creditors may transfer or assign the whole of their Claims after the Meeting provided that the Applicants, the Plan Sponsor and the Monitor shall not be obliged to deal with any transferee or assignee as an Affected Creditor and the Monitor shall not be obliged to make any distributions to the transferee or assignee in respect thereof unless and until actual notice of the transfer or assignment, together with evidence of the transfer or assignment and a letter of direction executed by the transferor or assignor, all satisfactory to the Applicants, the Plan Sponsor and the Monitor, has been given to the Applicants, the Plan Sponsor and the Monitor by 5:00 p.m. on the day that is at least one (1) Business Day immediately prior to the Retail Implementation Date, or such other date as the Monitor may agree. Thereafter, the transferee or assignee shall, for all purposes, be treated as the Affected Creditor of the assigned or transferred Claim, will be bound by any notices previously given to the transferor or assignor in respect of such Claim and shall be bound, in all respects, by notices given and steps taken, and by the orders of the Court in the CCAA Proceedings.

Section 5.12 Withholding Rights

The Applicants, the Plan Sponsor and the Monitor shall be entitled to deduct and withhold consideration otherwise payable to an Affected Creditor in such amounts (a "**Withholding Obligation**") as the Applicants, the Plan Sponsor or Monitor, as the case may be, is required or entitled to deduct and withhold with respect to such payment under the Canadian Tax Act or any other provision of any Applicable Law. To the extent that amounts are so deducted or withheld and remitted to the applicable Governmental Entity

or as required by Applicable Law, such amounts deducted or withheld shall be treated for all purposes of the Plan as having been paid to such Person as the remainder of the payment in respect of which such withholding and deduction were made. For greater certainty, and notwithstanding any other provision of the Plan: (a) each Affected Creditor that is to receive a distribution pursuant to the Plan shall have sole and exclusive responsibility for the satisfaction and payment of any Withholding Obligations imposed by any Governmental Entity on account of such distribution; and (b) no consideration shall be paid to or on behalf of a holder of an Allowed Affected Claim pursuant to the Plan unless and until such Person has made arrangements satisfactory to the Applicants, the Plan Sponsor or the Monitor, as the case may be, for the payment and satisfaction of any Withholding Obligations imposed on the Applicants, the Plan Sponsor or the Monitor by any Governmental Entity.

ARTICLE 6
RETAIL RESTRUCTURING TRANSACTION

Section 6.1 Corporate Actions

The adoption, execution, delivery, implementation and consummation of all matters contemplated under the Plan in connection with the Retail Restructuring and involving corporate actions of the Applicants will occur and be effective as of the Retail Implementation Date (or such later date as may be contemplated by the Plan or the Retail Restructuring Steps Supplement), and shall be deemed to be authorized and approved under the Plan and by the Court as part of the Sanction Order in all respects and for all purposes without any requirement of further action by the shareholders, Directors or Officers of the Applicants. All necessary approvals to take such actions shall be deemed to have been obtained from the Directors, Officers or the shareholders of the Applicants, as applicable, including the deemed passing by any class of shareholders of any resolution or special resolution and any shareholders' agreement or agreement between a shareholder and another Person limiting in any way the right to vote shares held by such shareholder or shareholders with respect to any of the steps contemplated by the Plan shall be deemed to have no force or effect.

Section 6.2 Retail Implementation Date Transactions

The steps and compromises and releases to be effected in the implementation of the Plan shall occur, and be deemed to have occurred in the order and manner to be set out in Schedule "**A**", attached hereto (the "**Retail Restructuring Steps Supplement**") (which shall be finalized on or before the date that is 15 days prior to the Meeting Date). The Retail Restructuring Steps Supplement may be updated by the Plan Sponsor prior to the Retail Implementation Date in accordance with Section 11.3, without any further act or formality, provided that in no event will any revision to the Retail Restructuring Steps Supplement be materially prejudicial to the interests of any Creditors under the other sections of this Plan.

Section 6.3 Issuance Free and Clear

Any transfer or issuance of any securities or other consideration pursuant to the Plan, including the Purchased Retail Common Shares, will be free and clear of any Encumbrances, except as otherwise provided herein.

ARTICLE 7
COURT SANCTION

Section 7.1 Application for Sanction Order

If the Required Majority of Affected Creditors approves the Plan, the Applicants shall apply to the Court for the Sanction Order.

Section 7.2 Sanction Order

The Applicants shall seek a Sanction Order that is in form and substance satisfactory to the Plan Sponsor and, among other things:

(a) declares that the Meeting was duly called and held in accordance with the Meeting Order;

(b) declares that the Plan Sponsor was authorized to present the Plan;

(c) declares that: (i) the Plan has been approved by the Required Majority in conformity with the CCAA; (ii) the activities of the Applicants have been in good faith and in reasonable compliance with the provisions of the CCAA and the Orders of the Court made in this CCAA Proceedings in all respects; (iii) the Court is satisfied that the Applicants have not done or purported to do anything that is not authorized by the CCAA; and (iv) the Plan and the transactions contemplated thereby are fair and reasonable;

(d) declares that as of the Retail Restructuring Effective Time, the Plan and all associated steps, compromises, transactions, arrangements, releases and reorganizations effected thereby are approved pursuant to section 6 of the CCAA, binding and effective as herein set out upon and with respect to the Applicants, the Plan Sponsor, all Affected Creditors, the Directors and Officers and all other Persons named or referred to in or subject to the Plan and their respective heirs, executors, administrators and other legal representatives, successors and assigns;

(e) declares that the steps to be taken and the compromises and releases to be effective on the Retail Implementation Date are deemed to occur and be effected in the sequential order contemplated by the Retail Restructuring Steps Supplement on the Retail Implementation Date, beginning at the Retail Restructuring Effective Time;

(f) declares that the releases effected by this Plan shall be approved and declared to be binding and effective as of the Retail Implementation Date upon all Affected Creditors and all other Persons affected by this Plan and shall enure to the benefit of such Persons;

(g) declares that, except as provided in the Plan, all obligations, agreements or leases to which the Applicants are a party on the Retail Implementation Date, including all Continuing Contracts, shall be and remain in full force and effect, unamended, as at the Retail Implementation Date, except as they may have been amended by the parties thereto subsequent to the Filing Date, and no party to any such obligation or agreement shall on or following the Retail Implementation Date, accelerate, terminate, refuse to renew, rescind, refuse to perform or otherwise disclaim or resiliate its obligations thereunder, or enforce or exercise (or purport to enforce or exercise) any right (including any right of set-off, option, dilution or other remedy) or remedy under or in respect of any such obligation or agreement, by reason:

(i) of any event which occurred prior to, and is not continuing after, the Retail Implementation Date, or which is or continues to be suspended or waived under the Plan, which would have entitled such party to enforce those rights or remedies;

(ii) that the Applicants have sought or obtained relief or have taken steps as part of the Plan or under the CCAA, or that the Plan has been implemented;

(iii) of any default or event of default arising as a result of the financial condition or insolvency of the Applicants;

(iv) of the effect upon the Applicants of the completion of any of the transactions contemplated by the Plan, including any change of control of the Applicants arising from the implementation of the transactions contemplated by the Plan; or

(v) of any compromises, settlements, restructuring, recapitalizations, reorganizations or steps effected pursuant to the Plan;

and declares that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any non-competition agreement or obligation, provided that such agreement shall terminate or expire in accordance with the terms thereof or as otherwise agreed by the Applicants and the applicable Persons;

(h) authorizes the establishment of the Plan Implementation Fund with the Monitor and authorizes the Monitor to perform its functions and fulfil its obligations under the Plan and to facilitate the implementation of the Plan on and after the Retail Implementation Date, including matters relating to the Bio-Tech Transaction, resolution of the Disputed Claims, distributions and payments from the Plan Implementation Fund and the termination of the CCAA Proceedings;

(i) subject to payment of any amounts secured thereby, declares that each of the Charges shall be dealt with as set out in Section 5.5(d) effective on the Retail Implementation Date;

(j) declares all Allowed Affected Claims and Disallowed Claims determined in accordance with the Claims Procedure Order are final and binding on the Applicants and all Creditors and that all Encumbrances of Affected Creditors (other than Encumbrances in respect of Unaffected Claims), including all security registrations in respect thereof, are discharged and extinguished, and the Applicants or their counsel shall be authorized and permitted to file discharges and full terminations of all related filings (whether pursuant to personal property security legislation or otherwise) against the Applicants in any jurisdiction without any further action or consent required whatsoever;

(k) confirms the releases contemplated in Article 9;

(l) declares that the Plan Sponsor, the Applicants or the Monitor may apply to the Court for advice and direction in respect of any matters arising from or under the Plan; and

(m) such other relief which the Plan Sponsor, the Applicants or the Monitor may request.

ARTICLE 8
CONDITIONS PRECEDENT & IMPLEMENTATION

Section 8.1 Conditions Precedent to Retail Implementation in favour of Plan Sponsor

The implementation of the Plan shall be conditional upon the satisfaction of the following conditions (the "**Plan Sponsor Conditions Precedent**") prior to or at the Retail Restructuring Effective Time, each of which is for the benefit of the Plan Sponsor and may be waived only by the Plan Sponsor in writing:

(a) the Plan shall have been approved by the Required Majority in accordance with the CCAA;

(b) the Retail Restructuring Steps Supplement and the treatment of the Intercompany Claims pursuant to the Plan shall have been finally determined by the Plan Sponsor in its sole discretion;

(c) the Sanction Order shall have been issued by the Court on terms acceptable to the Plan Sponsor, and it shall have become a Final Order by a date acceptable to the Plan Sponsor;

(d) there shall not be in effect any preliminary or final decision, order or decree by a Governmental Entity, no application shall have been made to any Governmental Entity, and no action or investigation shall have been announced, threatened or commenced by any Governmental Entity, in consequence of or in connection with the Plan that restrains, impedes or prohibits (or if granted could reasonably be expected to restrain, impede or inhibit) the Plan or any part thereof or requires or purports to require a variation of the Plan;

(e) all agreements, resolutions, documents, and other instruments, which are reasonably necessary to be executed and delivered by the Applicants in order to implement the Plan or perform their respective obligations under the Plan or the Sanction Order, shall have been executed and delivered, and shall be in form and in content satisfactory to the Plan Sponsor;

(f) all Material filings under Applicable Laws shall have been made and any regulatory consents or approvals that are required in connection with the Plan shall have been obtained and, in the case of waiting or suspensory periods, such waiting or suspensory periods shall have expired or been terminated, and the Plan Sponsor shall be satisfied that the Applicants have the requisite approvals, permissions and authorizations to operate subsequent to the Retail Implementation Date and in accordance with the Plan; and

(g) the New Boards shall have been appointed.

Section 8.2 Conditions Precedent to Retail Implementation in favour of Applicants

The implementation of the Plan shall be conditional upon the satisfaction of the following conditions precedent (the "**Applicants' Conditions Precedent**" and together with the Plan Sponsor Conditions Precedent, collectively, the "**Conditions Precedent**") prior to or at the Retail Restructuring Effective Time, each of which is for the benefit of the Applicants and may be waived only by the Applicants in writing:

(a) the Plan shall have been approved by the Required Majority in accordance with the CCAA;

(b) the Sanction Order shall have been issued by the Court, and it shall have become a Final Order;

(c) the Plan Implementation Fund and Administrative Expense Reserve shall have been paid to the Monitor;

(d) the Voting Trust, Creditor Equity Pool and Shareholder Equity Pool shall have been established to the satisfaction of the Applicants and such shares shall be authorized for issuance on the Retail Implementation Date;

(e) there shall not be in effect any preliminary or final decision, order or decree by a Governmental Entity, no application shall have been made to any Governmental Entity, and no action or investigation shall have been announced, threatened or commenced by

any Governmental Entity, in consequence of or in connection with the Plan that restrains, impedes or prohibits (or if granted could reasonably be expected to restrain, impede or inhibit) the Plan or any part thereof or requires or purports to require a variation of the Plan;

(f) all agreements, resolutions, documents, and other instruments, which are reasonably necessary to be executed and delivered by the Plan Sponsor in order to implement the Plan or perform its respective obligations under the Plan or the Sanction Order, shall have been executed and delivered, and shall be in form and in content satisfactory to the Applicants; and

(g) all Material filings under Applicable Laws shall have been made and any regulatory consents or approvals that are required in connection with the Plan shall have been obtained and, in the case of waiting or suspensory periods, such waiting or suspensory periods shall have expired or been terminated, and the Applicants shall be satisfied that the Applicants or Plan Sponsor, as applicable, each have the requisite approvals, permissions and authorizations to operate subsequent to the Retail Implementation Date and in accordance with the Plan.

Section 8.3 Failure to Satisfy Conditions Precedent

If the Conditions Precedent are not satisfied or waived on or before the Outside Date, or if the Plan Sponsor determines that the satisfaction of any Condition Precedent is not achievable, the applicable Party may provide written notice to the other Party and the Monitor that such Party is revoking or withdrawing the Plan and, upon delivery of such notice: (a) the Plan shall be null and void in all respects; (b) any settlement or compromise embodied in the Plan and any document or agreement executed pursuant to the Plan shall be deemed null and void; and (c) in the case that the Plan Sponsor is the revoking party, the Plan Sponsor and the Applicants shall execute the Stalking Horse Purchase Agreement and shall pursue a Court-supervised sale and investment solicitation process in respect of the Applicants.

Section 8.4 Monitor's Certificate

Upon delivery of written notice from the each Party of the satisfaction or waiver of the conditions set out in Section 8.1 and Section 8.2, the Monitor shall forthwith deliver to the Plan Sponsor and the Applicants a certificate stating that the Retail Implementation Date has occurred and that the Plan, as it relates to the Retail Restructuring, is effective in accordance with its terms and the terms of the Sanction Order. As soon as practicable following the Retail Implementation Date, the Monitor shall file such certificate with the Court.

ARTICLE 9
EFFECT OF PLAN; RELEASES

Section 9.1 Binding Effect of the Plan

The Plan (including, without limitation, the releases and injunctions contained herein), upon being sanctioned and approved by the Court pursuant to the Sanction Order, will become effective and binding at the Retail Restructuring Effective Time, and the sequence of steps set out in the Retail Restructuring Steps Supplement will be implemented, and the Plan will be binding on all Persons irrespective of the jurisdiction in which the Persons reside or in which the Claims arose and shall constitute:

(a) full, final and absolute settlement of all rights of any Affected Creditor; and

(b) an absolute release, extinguishment and discharge of all indebtedness, liabilities and obligations of the Applicants in respect of any Affected Creditor, except as otherwise provided herein.

Section 9.2 Released Parties

Subject to Section 9.3, in consideration of the distribution described herein to Affected Creditors, and other good and valuable consideration from the Applicants and the Plan Sponsor pursuant, or in relation, to this Plan, from and after the Retail Restructuring Effective Time, each of the Released Parties will be released and discharged from any and all demands, claims, actions, causes of action, counterclaims, suits, debts, sums of money, accounts, covenants, damages, judgments, expenses, executions, liens and other recoveries on account of any indebtedness, liability, obligation, demand or cause of action of whatever nature that any Affected Creditors (including any Person who may claim contribution or indemnification against or from them) may be entitled to assert, including any and all claims in respect of statutory liabilities of Directors and Officers other than as set out in Section 9.3 below, whether known or unknown, matured or unmatured, direct, indirect or derivative, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place on or prior to the Retail Restructuring Effective Time or, with respect to the time of such matters, relating to, arising out of or in connection with any claim, including without limitation any claim arising out of: (i) the restructuring, disclaimer, resiliation, breach or termination of any contract, lease, agreement or other arrangement, whether written or oral, by the Applicants; (ii) the business of the Applicants; (iii) the Plan, including any transaction referenced in and relating to the Plan; and (iv) the CCAA Proceedings (collectively, the "**Released Claims**").

Except for those claims described in Section 9.3, from and after the Retail Restructuring Effective Time, in accordance with the steps and sequences set forth in the Retail Restructuring Steps Supplement, all Persons, along with their respective affiliates, present and former officers, directors, employees, partners, associated individuals, auditors, financial advisors, legal counsel, other professionals, sureties, insurers, indemnities, agents, dependents, heirs, representatives and assigns, as applicable, are permanently and forever barred, estopped, stayed, and enjoined, on and after the Retail Restructuring Effective Time, with respect to any and all Released Claims against the Released Parties, from:

(c) commencing, conducting or continuing in any manner, directly or indirectly, any action, claim, suit, demand or other proceedings of any nature or kind whatsoever (including, without limitation, any proceeding in a judicial, arbitral, administrative or other forum) against the Released Parties;

(d) enforcing, levying, attaching, collecting or otherwise recovering or enforcing by any manner or means, directly or indirectly, any judgment, award, decree or order against the Released Parties or their property;

(e) commencing, conducting or continuing in any manner, directly or indirectly, any action, claim, suit or demand, including without limitation by way of contribution or indemnity or other relief, in common law, or in equity, breach of trust or breach of fiduciary duty or under the provisions of any statute or regulation, or other proceedings of any nature or kind whatsoever (including, without limitation, any proceeding in a judicial, arbitral, administrative or other forum) against any Person who makes such a claim or might reasonably be expected to make such a claim in any manner or forum, against one or more of the Released Parties;

(f) creating, perfecting, asserting or otherwise enforcing, directly or indirectly, any Lien or Encumbrance of any kind against the Released Parties or their property; or

(g) taking any actions to interfere with the implementation or consummation of the Plan or the transactions contemplated therein.

All Persons who have previously commenced a Released Claim in any court, which has not been finally determined, discontinued or dismissed prior to the Retail Restructuring Effective Time shall, forthwith after the Retail Restructuring Effective Time take all steps necessary to discontinue or dismiss such Released Claim, without costs.

Section 9.3 Claims Not Released

For clarity, nothing in Sections Section 9.1 and 9.2 will release or discharge:

(a) the Applicants from or in respect of any Unaffected Claim or its obligations to Affected Creditors under the Plan or under any order of the Court made in the CCAA Proceedings;

(b) a Released Party if,

(i) in connection with a Released Claim, the Released Party is adjudged by the express terms of a judgment rendered on a final determination on the merits to have committed a breach of trust (whether common law or statutory), fraud or willful misconduct or to have been grossly negligent; or

(ii) in the case of Directors, in respect of any claim referred to in Section 5.1(2) of the CCAA.

Section 9.4 Consents and Agreements at the Retail Restructuring Effective Time

At the Retail Restructuring Effective Time, each Affected Creditor will be deemed to have consented and agreed to all of the provisions of the Plan, in its entirety. Without limitation to the foregoing, each Affected Creditor will be deemed:

(a) to have executed and delivered to the Applicant all consents, assignments, releases and waivers, statutory or otherwise, required to implement and carry out the Plan in its entirety;

(b) to have waived any default by or rescinded any demand for payment against the Applicant that has occurred on or prior to the Retail Restructuring Effective Time; and

(c) to have agreed that, if there is any conflict between the provisions, express or implied, of any agreement or other arrangement, written or oral, existing between such Affected Creditor and the Applicant with respect to an Affected Claim as at the Retail Restructuring Effective Time and the provisions of the Plan, then the provisions of the Plan take precedence and priority and the provisions of such agreement or other arrangement are amended accordingly; and

Section 9.5 Waiver of Defaults

From and after the Retail Implementation Date, all Persons shall be deemed to have waived any and all defaults of the Applicants (except under the Plan) then existing or previously committed or caused by the Applicants, or any Applicant, the commencement of the CCAA Proceedings, any matter pertaining to the

CCAA Proceedings, any of the provisions in the Plan or steps or transactions contemplated in the Plan, or any non-compliance with any covenant, warranty, representation, term, provision, condition or obligation, expressed or implied, in any contract, instrument, credit document, indenture, note, lease, guarantee, agreement for sale or other agreement, written or oral, and any and all amendments or supplements thereto, existing between such Person and the Applicants, or any Applicant, and any and all notices of default and demands for payment or any step or proceeding taken or commenced in connection therewith shall be deemed to have been rescinded and of no further force or effect, provided that nothing shall be deemed to excuse the Applicants from performing their obligations under the Plan or be a waiver of defaults by the Applicants under the Plan and the related documents.

ARTICLE 10
BIO-TECH TRANSACTION

Section 10.1 Bio-Tech Transaction

The Plan Sponsor shall, subject to Section 10.5(b), acquire a 100% equity interest in Delta Parent regardless of the outcome of the Bio-Tech SISP in accordance with this Article 10, the Bio-Tech Restructuring Steps Supplement and the Approval and Vesting Order (the "**Bio-Tech Transaction**"). The consideration for the Bio-Tech Transaction shall be the commitment noted in Section 10.5(b), the payment of all amounts noted in this Plan, the retention by the Applicants, and guarantee by the Plan Sponsor, of the SNDL Claim, and the retention by the Applicants of all obligations and indebtedness outstanding under Interim Lender's Charge.

The Bio-Tech Transaction shall proceed in accordance with the following:

(a) As soon as practicable following the conclusion of the Bio-Tech SISP, subject to Section 10.5 of this Plan, Bio-Tech shall take the steps necessary to discontinue and surrender its cannabis licenses in a manner approved by the Plan Sponsor in its sole discretion (the "**Licence Termination**").

(b) Upon receipt of written confirmation from Health Canada confirming that the Licence Termination has occurred (the "**Termination Notice**"), the Plan Sponsor and Delta Parent shall proceed to close the Bio-Tech Transaction in accordance with the steps and sequences described in Schedule "**B**" hereto (the "**Bio-Tech Restructuring Steps Supplement**") and the Approval and Vesting Order.

(c) Notwithstanding anything else in this Plan, as a component of the Bio-Tech Transaction the Plan Sponsor shall support a third-party release of Claims against (i) Bio-Tech; (ii) the past and current employees, legal and financial advisors, and other representatives of Bio-Tech; (c) Bio-Tech's directors and officers; (iv) the Monitor and its legal advisors; (v) and the Plan Sponsor; and such release shall be in substance similar to the releases contained in Article 9 hereof.

Section 10.2 Conditions Precedent in favour of the Plan Sponsor

The closing and consummation of the Bio-Tech Transaction shall be conditional upon the satisfaction of the following conditions, each of which is for the benefit of the Plan Sponsor and may be waived only by the Plan Sponsor in writing:

(a) the Plan shall have been approved by the Required Majority in accordance with the CCAA;

(b) the Bio-Tech Restructuring Steps Supplement shall have been finally determined by the Plan Sponsor in its sole discretion;

(c) the Termination Notice shall have been received in a form satisfactory to the Plan Sponsor in its sole discretion;

(d) the Sanction Order and the Approval and Vesting Order shall have been issued by the Court on terms acceptable to the Plan Sponsor, and shall have become Final Orders by a date acceptable to the Plan Sponsor;

(e) the Bio-Tech SISP shall have concluded, and, if applicable, any and all vesting orders required to close the transaction(s) contemplated by the Successful Bid in the Bio-Tech SISP shall have been granted by the Court, and such transaction(s) shall have closed;

(f) all agreements, resolutions, documents, and other instruments, which are reasonably necessary to be executed and delivered by Delta Parents in order to implement the Bio-Tech Transaction or perform its obligations in connection therewith, shall have been executed and delivered, and shall be in form and in content satisfactory to the Plan Sponsor; and

(g) all Material filings under Applicable Laws shall have been made and any regulatory consents or approvals that are required or desirable (in the Plan Sponsor's discretion) in connection with the Bio-Tech Transaction shall have been obtained and, in the case of waiting or suspensory periods, such waiting or suspensory periods shall have expired or been terminated, and the Plan Sponsor shall be satisfied that the Applicants have the requisite approvals, permissions and authorizations to operate subsequent to the Bio-Tech Closing Date.

Section 10.3 Conditions Precedent in favour of Delta Parent

The closing and consummation of the Bio-Tech Transaction shall be conditional upon the satisfaction of the following conditions, each of which is for the benefit of the Applicants and may be waived only by the Applicants in writing:

(a) the Plan shall have been approved by the Required Majority in accordance with the CCAA;

(b) the Sanction Order and the Approval and Vesting Order shall have been issued by the Court, and shall have become Final Orders;

(c) the applicable consideration shall have been received by the Applicants;

(d) the Bio-Tech SISP shall have concluded, and, if applicable, any and all vesting orders required to close the transaction(s) contemplated by the Successful Bid(s) in the Bio-Tech SISP shall have been granted by the Court, and such transaction(s) shall have closed;

(e) all agreements, resolutions, documents, and other instruments, which are reasonably necessary to be executed and delivered by the Plan Sponsor in order to implement the Bio-Tech Transaction or perform its obligations in connection with the Bio-Tech Transaction, shall have been executed and delivered, and shall be in form and in content satisfactory to the Delta Parent; and

(f) all Material filings under Applicable Laws shall have been made and any regulatory consents or approvals that are required in connection with the Plan shall have been obtained and, in the case of waiting or suspensory periods, such waiting or suspensory periods shall have expired or been terminated, and the Applicants shall be satisfied that the Applicants or Plan Sponsor, as applicable, each have the requisite approvals, permissions and authorizations to operate subsequent to the closing of the Bio-Tech Transaction and in accordance with the Plan.

Section 10.4 Bio-Tech Certificate

Upon delivery of written notice from the Plan Sponsor and Delta Parent of the satisfaction or waiver of the conditions set out in Section 10.2 and Section 10.3, the Monitor shall forthwith deliver to the Plan Sponsor and Delta Parent a certificate in the form appended to the Approval and Vesting Order (the "**Bio-Tech Certificate**"), and the Bio-Tech Transaction shall be effected and closed in accordance with its terms and the terms of this Article 10, the Bio-Tech Restructuring Steps Supplement and the Approval and Vesting Order. As soon as practicable thereafter, the Monitor shall file the Bio-Tech Certificate with the Court.

Section 10.5 Successful Bid in Bio-Tech SISP

(a) Notwithstanding the foregoing, in the event that the Bio-Tech SISP results in a Successful Bid from a Person other than the Plan Sponsor or an affiliate, the Plan Sponsor, the Applicants and Bio-Tech, as applicable, shall move to close such transaction as soon as practicable.

(b) Following the closing of a Successful Bid, the proceeds of such transaction shall be paid to the Monitor in trust for the benefit of the applicable parties in accordance with the terms of this Plan, the applicable transaction agreement(s) and the applicable orders of the Court, and the Plan Sponsor may, at its sole discretion and subject to the conditions set out herein, acquire Delta Parent in accordance with the steps and sequences described in this Article 10 and the Bio-Tech Restructuring Steps Supplement.

(c) If the Bio-Tech SISP results in a Successful Bid providing cash proceeds greater than the Bio-Tech Threshold (such cash proceeds in excess of the Bio-Tech Threshold being the "**Bio-Tech Excess**") then the Bio-Tech Excess will be paid to SNDL up to the amount of the SNDL Claim, and the Plan Sponsor shall fund an amount equal to 50% of the Bio-Tech Excess to the Monitor, to be distributed to Bio-Tech's other creditors in accordance with their respective priorities under Applicable Law. It is expected that the primary beneficiary of such contribution will be the Canada Revenue Agency.

ARTICLE 11
GENERAL

Section 11.1 Claims Bar Date

Nothing in this Plan extends or shall be interpreted as extending or amending the Claims Bar Date or gives or shall be interpreted as giving any rights to any Person in respect of Affected Claims that have been barred or extinguished pursuant to the Claims Procedure Order.

Section 11.2 Deeming Provisions

In the Plan, the deeming provisions are not rebuttable and are conclusive and irrevocable.

Section 11.3 Modification of the Plan

(a) The Plan Sponsor reserves the right, at any time and from time to time, to amend, restate, modify and/or supplement the Plan with the agreement of the Applicants and the Monitor, provided that any such amendment, restatement, modification or supplement must be contained in a written document which is filed with the Court and: (i) if made prior to or at the Meeting, communicated to the Affected Creditors prior to or at the Meeting; and (ii) if made following the Meeting, approved by the Court following notice to the Affected Creditors. For certainty, the Plan Sponsor may increase the consideration payable or otherwise provided under this Plan upon notice to the Applicants and Monitor and without their consent.

(b) Notwithstanding Section 11.3(a), any amendment, restatement, modification or supplement may be made by the Plan Sponsor with the consent of the Applicants and Monitor, without further Court Order or approval, provided that it: (i) concerns a matter which, in the opinion of the Plan Sponsor, acting reasonably, is of an administrative nature required to better give effect to the implementation of the Plan and the Sanction Order; (ii) cures any errors, omissions or ambiguities and is not materially adverse to the financial or economic interests of the Affected Creditors; or (iii) increases the consideration payable or otherwise provided to one or more Affected Creditors hereunder and does not decrease any consideration payable or otherwise provided to any Affected Creditor.

(c) Any amended, restated, modified or supplementary plan or plans of compromise or arrangement filed with the Court and, if required by this Section, approved by the Court, shall, for all purposes, be and be deemed to constitute the Plan.

(d) Subject to the terms herein, in the event that this Plan is amended, the Monitor shall post such amended Plan on the Monitor's Website and such posting shall constitute adequate notice of such amendment.

Section 11.4 Paramountcy

From and after the Retail Restructuring Effective Time, any conflict between:

(a) the Plan or any Order in the CCAA Proceeding; and

(b) the covenants, warranties, representations, terms, conditions, provisions or obligations, expressed or implied, of any contract, mortgage, security agreement, indenture, trust indenture, note, loan agreement, commitment letter, agreement for sale, lease or other agreement, written or oral and any and all amendments or supplements thereto existing between one or more of the Affected Creditors and the Applicants as at the Retail Implementation Date or the Articles or Bylaws of the applicable Applicant at the Retail Implementation Date,

will be deemed to be governed by the terms, conditions and provisions of the Plan, which shall take precedence and priority, provided that any settlement agreement executed by any applicable Applicant and any Person asserting a Claim that was entered into from and after the Filing Date shall be read and interpreted in a manner that assumes such settlement agreement is intended to operate congruously with, and not in conflict with, the Plan.

Section 11.5 Severability of Plan Provisions

If, prior to the date of the Sanction Order, any term or provision of the Plan is held by the Court to be invalid, void or unenforceable, the Court, at the request of the Plan Sponsor and Applicants, shall have the power to either: (a) sever such term or provision from the balance of the Plan and provide the Plan Sponsor and the Applicants with the option to proceed with the implementation of the balance of the Plan as of and with effect from the Retail Implementation Date; or (b) alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration or interpretation, and provided that the Plan Sponsor and the Applicants proceed with the implementation of the Plan, the remainder of the terms and provisions of the Plan shall remain in full force and effect and shall in no way be affected, impaired or invalidated by such holding, alteration or interpretation.

Section 11.6 Reviewable Transactions

Section 36.1 of the CCAA, Sections 38 and 95 to 101 of the BIA and any other federal or provincial law relating to preferences, fraudulent conveyances or transfers at undervalue, shall not apply to this Plan or to any payments made in connection with transactions entered into by the Applicants or the Plan Sponsor after the Filing Date, including to any and all of the payments and transactions contemplated by and to be implemented pursuant to this Plan.

Section 11.7 Responsibilities of the Monitor

Alvarez & Marsal Canada Inc. is acting in its capacity as Monitor in the CCAA Proceeding with respect to the Applicants, the CCAA Proceeding and this Plan and not in its personal or corporate capacity, and will not be responsible or liable for any obligations of the Applicants or the Plan Sponsor under the Plan or otherwise.

Section 11.8 Different Capacities

Persons who are affected by the Plan may be affected in more than one capacity. Unless expressly provided to the contrary herein, a Person will be entitled to participate hereunder in each such capacity. Any action taken by a Person in one capacity will not affect such Person in any other capacity, unless expressly agreed by the Applicants and the Person in writing or unless its Claims overlap or are otherwise duplicative.

Section 11.9 Notice

(a) Any notice or other communication under this Agreement shall be in writing and may be delivered personally, by courier or by email, addressed:

If to the Applicants:

Delta 9 Cannabis Inc.
PO Box 68096 Osborne Village
Winnipeg, MB R3L 2V9

Attention: John Arbuthnot
Email: john.arbuthnot@delta9.ca

with a copy to:

MLT Aikins LLP
2100 Livingston Place
222 3 Ave SW
Calgary, AB T2P 0B4

Attention: Ryan Zahara / Chris Nyberg
Email: rzahara@mltaikins.com / cnyberg@mltaikins.com

If to the Monitor:

Alvarez & Marsal Canada Inc.
202 6 Ave SW
Calgary, AB T2P 2R9

Attention: Orest Konowalchuk
Email: okonowalchuk@alvarezandmarsal.com

with a copy to:

Burnet, Duckworth & Palmer LLP
525 8 Ave SW #2400
Calgary, AB T2P 1G1

Attention: David LeGeyt / Ryan Algar
Email: dlegeyt@bdplaw.com / ralgar@bdplaw.com

If to the Plan Sponsor:

2759054 Ontario Inc. o/a Fika Herbal Goods
40 King Street West, Suite 3410
Toronto, ON M5H 3Y2

Attention: Mark Vasey
Email: mark.vasey@fikasupply.com

with a copy to:

Miller Thomson LLP
40 King Street West, Suite 5800
Toronto, ON M5H 3S1

Attention: Larry Ellis / Sam Massie
Email: lellis@millerthomson.com / smassie@millerthomson.com

If to an Affected Creditor:

To the mailing address, facsimile address or email address provided on such Affected Creditor's Notice to Known Claimants or Proof of Claim;

or to such other address as any party may from time to time notify the others in accordance with this Section.

(b) Any such notice or other communication, if given by personal delivery or by courier, will be deemed to have been given on the day of actual delivery thereof and, if transmitted by email before 5:00 p.m. (Calgary time) on a Business Day, will be deemed to have been given on such Business Day, and if transmitted by email after 5:00 p.m. (Calgary time) on a Business Day, will be deemed to have been given on the Business Day after the date of the transmission.

(c) Sending a copy of a notice or other communication to a Party's legal counsel as contemplated above is for information purposes only and does not constitute delivery of the notice or other communication to that Party. The failure to send a copy of a notice or other communication to legal counsel does not invalidate delivery of that notice or other communication to a Party.

(d) If, during any period during which notices or other communications are being given pursuant to this Plan, a postal strike or postal work stoppage of general application should occur, such notices or other communications sent by ordinary mail and then not received shall not, absent further Order of the Court, be effective and notices and other communications given hereunder during the course of any such postal strike or work stoppage of general application shall only be effective if given by courier, personal delivery or electronic or digital transmission in accordance with this Section.

Section 11.10 Further Assurances

Each of the Persons directly or indirectly named or referred to in, or subject to, this Plan will execute and deliver all such documents and instruments and do all such acts and things as may be necessary or desirable to carry out the full intent and meaning of the Plan and to give effect to the transactions contemplated herein.

DATED as of the 21st day of October, 2024.

SCHEDULE "A"
RETAIL RESTRUCTURING STEPS SUPPLEMENT

To be completed and finalized on or before the date that is 15 days prior to the Meeting Date.

SCHEDULE "B"
BIO-TECH RESTRUCTURING STEPS SUPPLEMENT

To be completed and finalized on or before the date that is 15 days prior to the Meeting Date.

SCHEDULE "C"
APPROVAL AND VESTING ORDER

To be completed and finalized on or before the date that is 15 days prior to the Meeting Date

SCHEDULE "D"
STALKING HORSE PURCHASE AGREEMENT

To be completed and finalized on or before the date that is 15 days prior to the Meeting Date.

SCHEDULE "2"

NOTICE TO AFFECTED CREDITORS

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

PROPOSED PLAN OF COMPROMISE OR ARRANGEMENT

NOTICE OF CREDITORS' MEETING

TO: The Affected Creditors of Delta 9 Cannabis Inc. ("**Delta Parent**"), Delta 9 Cannabis Store Inc. ("**Delta Retail**"), Delta 9 Lifestyle Cannabis Clinic Inc. ("**Delta Lifestyle**") and / or Delta 9 Logistics Inc. ("**Delta Logistics**", and together with Delta Parent, Delta Retail and Delta Lifestyle, the "**Delta 9 Group**")

NOTICE IS HEREBY GIVEN that a virtual meeting (not an "in person" meeting) of the Affected Creditor Class will be held on November 25, 2024 at 10:00. a.m. (Calgary time) by live audio webcast online or by telephone at:

Dial in by phone: +1 647-749-7010

Phone conference ID: 789 278 331#

(the "**Creditors' Meeting**") for the following purposes:

to consider and, if deemed advisable, to pass, with or without variation, a resolution of the Affected Creditors (the "**CCAA Plan Resolution**") approving the Plan of Compromise or Arrangement of the Delta 9 Group pursuant to the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**") dated October 21, 2024 (as may be amended, restated, supplemented or modified from time to time in accordance with the terms thereof, the "**CCAA Plan**"); and

to transact such other business as may properly come before the Creditors' Meeting or any adjournment or postponement thereof.

The Creditors' Meeting is being held pursuant to an order (the "**Creditors' Meeting Order**") of the Court of King's Bench of Alberta (the "**Court**") made on November 1, 2024. Capitalized but undefined terms are defined in the CCAA Plan or the Creditors' Meeting Order.

The CCAA Plan contemplates a compromise or arrangement of the Claims of Affected Creditors. The Creditors' Meeting Order has established that quorum for the Creditors' Meeting is the presence, in person (by electronic means) or by proxy of at least one member of the Affected Creditor Class with an Allowed Affected Claim.

In order for the CCAA Plan to be approved and binding in accordance with the CCAA, the CCAA Plan Resolution must be approved by a required majority of the Affected Creditor Class who validly vote, in person "virtually", or by proxy, or were deemed to do so, at the Creditors' Meeting.
Each Affected Creditor with an Allowed Affected Claim that does not constitute a Convenience Claim shall be entitled to one vote for the purpose of determining a majority in number, in the amount equal to such

Creditor's Allowed Affected Claim.[1]

If the CCAA Plan is approved at the Creditors' Meeting, the CCAA Plan must then be sanctioned by the Court before it can be implemented. Subject to Court sanction and the satisfaction of the other conditions precedent to implementation of the CCAA Plan, all Affected Creditors will then receive the treatment set forth in the CCAA Plan.

Attendance at the Creditors' Meeting

The Creditors' Meeting will be a virtual meeting, rather than an "in person" meeting, conducted by way of live audio webcast online or by telephone at**:**

Dial in by phone: +1 647-749-7010

Phone conference ID: 789 278 331#

Affected Creditors with an Allowed Affected Claim and a duly appointed proxy holder will be able to attend the virtual meeting, submit questions and vote in real time, provided they are connected by telephone.

It is the Affected Creditors' and proxy holders' responsibility to ensure internet and/or phone connectivity for the duration of the Creditors' Meeting and you should allow ample time to log in to the meeting online or dial into the meeting by phone before it begins.

Proxy Form

An Affected Creditor entitled to vote at the Creditors' Meeting may attend at the applicable Creditors' Meeting using the information above or may appoint another person as its proxyholder by inserting the name of such person in the space provided in the form of proxy (the "Affected Creditor Proxy" or "Affected Creditor Proxies") provided to Affected Creditors by the Monitor. Persons appointed as proxyholders need not be Affected Creditors.

In order to be effective, Affected Creditor Proxies must be received by the Monitor by 5:00 p.m. (Calgary time) on the day that is two (2) Business Days before the Creditors' Meeting.
The address of the Monitor is:

Alvarez & Marsal Canada Inc.
Bow Valley Square IV
Suite 1110, 250 – 6th Avenue SW
Calgary, Alberta T2P 3H7
Attention: Orest Konowalchuk
Duncan MacRae

E-mail: okonowalchuk@alvarezandmarsal.com
dmacrae@alvarezandmarsal.com

If an Affected Creditor specifies a choice with respect to voting on the CCAA Plan Resolution on a Affected Creditor Proxy, the Affected Creditor Proxy will be voted in accordance with the specification so made. **In absence of such specification, an Affected Creditor Proxy will be voted FOR the CCAA Plan**

[1] Each Affected Creditor with an Allowed Affected Claim or a Disputed Claim that constitutes a Convenience Claim, including Affected Creditors that have made a Convenience Election, shall be deemed to vote in favour of the Plan.

Resolution provided that the proxyholder does not otherwise exercise its right to vote at the Creditors' Meeting.

NOTICE IS ALSO HEREBY GIVEN that if the CCAA Plan is approved at the Creditors' Meeting, the Delta 9 Group intends to bring an application before the Court on December 9, 2024 at 2:00PM (Calgary time) or such later date (the "**Sanction Hearing Date**") as may be posted on the Monitor's Website and on the CaseLines Filesite, at the Court of King's Bench by Zoom or Webex, for which a virtual courtroom link will be circulated to the Service List at a later date. The application will seek an order sanctioning the CCAA Plan under the CCAA and ancillary relief consequent upon such sanction ("**Plan Sanction Order**"). Any Affected Creditor that wishes to oppose the sanctioning of the CCAA Plan pursuant to the Sanction Order must serve on the Delta 9 Group, the Monitor and the Service List for the Delta 9 Group's CCAA Proceedings a notice setting out the basis for such opposition and a copy of the materials to be used to oppose the application no later than 4:00pm (Calgary time) on the date that is 2 Business Days prior to the Sanction Hearing Date.

This Notice is given by the Delta 9 Group pursuant to the Creditors' Meeting Order.
You may view copies of the documents relating to this process on the Monitor's website at https://www.alvarezandmarsal.com/Delta9.

DATED this __ day of October, 2024.

SCHEDULE "3"

FORM OF AFFECTED CREDITOR PROXY

PROXY AND INSTRUCTIONS

FOR AFFECTED CREDITORS

IN THE MATTER OF THE PROPOSED

PLAN OF COMPROMISE OR ARRANGEMENT OF

DELTA 9 CANNABIS INC., DELTA 9 LOGISTICS INC.,

DELTA 9 BIO-TECH INC., DELTA 9 LIFESTYLE CANNABIS CLINIC INC.

AND DELTA 9 CANNABIS STORE INC.

MEETING OF THE AFFECTED CREDITOR CLASS

to be held pursuant to an Order of the Court of King's Bench of Alberta (the "**Court**") made on November 1, 2024 (the "**Creditors' Meeting Order**") in connection with the Plan of Compromise or Arrangement of Delta 9 Cannabis Inc. ("**Delta Parent**"), Delta 9 Cannabis Store Inc. ("**Delta Retail**"), Delta 9 Lifestyle Cannabis Clinic Inc. ("**Delta Lifestyle**") and Delta 9 Logistics Inc. ("**Delta Logistics**", and together with Delta Parent, Delta Retail and Delta Lifestyle, the "**Delta 9 Group**") dated October 21, 2024 (as amended, restated, modified and/or supplemented from time to time, the "**CCAA Plan**"), on November 25, 2024 at 10:00 a.m. (Calgary time) by live audio webcast or telephone at:

Dial in by phone: +1 647-749-7010

Phone conference ID: 789 278 331#

and / or at any adjournment, postponement or other rescheduling thereof (the "**Creditors' Meeting**").

PLEASE COMPLETE, SIGN AND DATE THIS PROXY (THE "**PROXY**" OR "**PROXIES**") AND RETURN IT TO ALVAREZ & MARSAL CANADA INC., IN ITS CAPACITY AS THE MONITOR OF THE DELTA 9 GROUP (THE "**MONITOR**") BY 5:00 P.M. (CALGARY TIME) ON SEPTEMBER 27, 2024, OR AT LEAST TWO (2) BUSINESS DAYS PRIOR TO ANY ADJOURNED, POSTPONED OR RESCHEDULED CREDITORS' MEETING (THE "**PROXY DEADLINE**"). PLEASE RETURN OR SEND YOUR ORIGINAL PROXY SO THAT IT IS ACTUALLY RECEIVED BY THE MONITOR ON OR BEFORE THE PROXY DEADLINE.
Please use this Proxy form if you do not wish to attend the Creditors' Meeting to vote in person "virtually" but wish to appoint a proxyholder to attend the Creditors' Meeting "virtually", vote the aggregate amount of your Allowed Affected Claim to accept or reject the CCAA Plan and otherwise act for and on your behalf at the Creditors' Meeting and any adjournment(s), postponement(s) or rescheduling(s) thereof.

A copy of the CCAA Plan is attached as Schedule 1 to the Creditors' Meeting Order. Capitalized but undefined terms are defined the CCAA Plan or the Creditors' Meeting Order.

You should review the CCAA Plan before you vote. In addition, on November 1, 2024, the Court issued the Creditors' Meeting Order establishing certain procedures for the conduct of the Creditors' Meeting. A copy of the Creditors' Meeting Order was included with the meeting materials set to you along with this

form of Proxy and is also available on the Monitor's website at https://www.alvarezandmarsal.com/Delta9. The Creditors' Meeting Order contains important information regarding the voting process. Please read the Creditors' Meeting Order and the instructions sent with this Proxy prior to submitting this Proxy.

If the CCAA Plan is approved by the Required Majority and is sanctioned by the Court, it will be binding on you whether or not you vote.

APPOINTMENT OF PROXYHOLDER AND VOTE

By checking one of the two boxes below, the undersigned Affected Creditor hereby revokes all proxies previously given and nominates, constitutes and appoints either (*if no box is checked or the information listed below is not sufficiently provided, the Monitor will act as your proxyholder*):

□ _____ (name of proxyholder)
_____ (telephone of proxyholder)
_____ (email address of proxyholder)

or

a representative of Alvarez & Marsal Canada Inc., in its capacity as Monitor of the Delta 9 Group

as proxyholder, with full power of substitution, to attend, vote and otherwise act for and on behalf of the undersigned at the Creditors' Meeting and at adjournment(s), postponement(s) and rescheduling(s) thereof, and to vote the amount of the Affected Creditor's Allowed Affected Claim. Without limiting the generality of the power hereby conferred, the person named as proxyholder is specifically directed to vote as shown below. The person named as proxyholder is also directed to vote at the proxyholder's discretion and otherwise act for and on behalf of the undersigned with respect to any amendments or variations to the CCAA Plan and to any matters that may come before the Creditors' Meeting or at any adjournment, postponement or rescheduling thereof and to vote the amount of the Affected Creditor's Allowed Affected Claim as follows (*mark only one*):

Vote **FOR** the approval of the CCAA Plan, or
Vote **AGAINST** the approval of the CCAA Plan

Please note that if no specification is made above, the Affected Creditor will be deemed to have voted FOR approval of the CCAA Plan at the Creditors' Meeting provided the Affected Creditor does not otherwise exercise its right to vote at the Creditors' Meeting.

The proxyholder can log in and attend the Creditors' Meeting by using either the link or telephone number provided above.

DATED this ___ day of _, 2024.

AFFECTED CREDITOR'S SIGNATURE:

(Print Legal Name of Affected Creditor) _____

(Print Legal Name of Assignee, if applicable) _____

(Signature of the Affected Creditor/Assignee or an Authorized Signing Officer of the Affected Creditor/Assignee) _____

(Print Name and Title of Authorized Signing Officer of the Affected Creditor/Assignee, if applicable) _____

(Mailing Address of the Affected Creditor/Assignee) _____

(Telephone Number and E-mail of the Affected Creditor/Assignee or Authorized Signing Officer of the Affected Creditor/Assignee) _____

YOUR PROXY MUST BE <u>RECEIVED</u> BY THE MONITOR BY MAIL, COURIER, EMAIL OR FACSIMILE AT THE ADDRESS LISTED BELOW BEFORE THE PROXY DEADLINE.

Alvarez & Marsal Canada Inc.
Bow Valley Square IV
Suite 1110, 250 – 6th Avenue SW
Calgary, Alberta T2P 3H7
Attention: Orest Konowalchuk
Duncan MacRae

E-mail: okonowalchuk@alvarezandmarsal.com
dmacrae@alvarezandmarsal.com

IF YOU HAVE ANY QUESTIONS REGARDING THIS PROXY OR THE VOTING PROCEDURES, OR IF YOU NEED AN ADDITIONAL COPY OR ADDITIONAL COPIES OF THE ENCLOSED MATERIALS, PLEASE CONTACT THE MONITOR AT THE ADDRESS ABOVE OR VISIT THE MONITOR'S WEBSITE AT: https://www.alvarezandmarsal.com/delta9.

<u>INSTRUCTIONS FOR COMPLETION OF PROXY</u>

All capitalized terms used but not defined in this Proxy shall have the meanings given to such terms in the CCAA Plan (a copy of which is attached as Schedule "1" to the Creditors' Meeting Order) or the Creditors' Meeting Order

Please read and follow these instructions carefully. Your Proxy must actually be received by the Monitor at:

Alvarez & Marsal Canada Inc.
Bow Valley Square IV
Suite 1110, 250 – 6th Avenue SW
Calgary, Alberta T2P 3H7
Attention: Orest Konowalchuk
Duncan MacRae

E-mail: okonowalchuk@alvarezandmarsal.com
dmacrae@alvarezandmarsal.com

prior to **5:00 p.m. (Calgary time) on November 20, 2024**, or at least two (2) Business Days prior to the time of any adjournment, postponement or rescheduling of the Creditors' Meeting. If your Proxy is not received by the Proxy Deadline, unless such time is extended, your Proxy will not be counted.

Your Allowed Affected Claim will be the amount as determined by the Monitor in accordance with the Claims Procedure Order and the Creditors' Meeting Order. This Proxy may only be used to vote the amount of your Allowed Affected Claim.

Each Affected Creditor who has a right to vote at the Creditors' Meeting has the right to appoint a person (who need not be an Affected Creditor) to attend, act and vote for and on behalf of the Affected Creditor and such right may be exercised by inserting in the space provided the name, telephone and email address of the person to be appointed, or to select a representative of the Monitor as its proxyholder. If no proxyholder is selected, or if the contact information for such proxyholder is not sufficiently provided, the Affected Creditor will be deemed to have appointed an officer of Alvarez & Marsal Canada Inc., in its capacity as Monitor, or such other person as Alvarez & Marsal Canada Inc. may designate, as proxyholder of the Affected Creditor, with power of substitution, to attend on behalf of and act for the Affected Creditor at the Creditors' Meeting to be held in connection with the CCAA Plan and at any and all adjournments, postponements or other rescheduling thereof. The proxyholder will be able to log in and attend the Creditors' Meeting using the link or telephone numbers provided in the Affected Creditor Proxy.

Check the appropriate box to vote for or against the CCAA Plan. **If you do not check either box, you will be deemed to have voted FOR approval of the CCAA Plan provided you do not otherwise exercise your right to vote at the Creditors' Meeting.**

Sign the Proxy – your original signature is required on the Proxy to appoint a proxyholder and vote at the Creditors' Meeting. An electronic signature will be accepted and deemed to be an original with respect to any Proxy submitted by email or facsimile. If you are completing the Proxy as a duly authorized representative of a corporation or other entity, indicate your relationship with such corporation or other entity and the capacity in which you are signing and, if subsequently requested, provide proof of your authorization to so sign. In addition, please provide your name, mailing address, telephone number and e-mail address.

If you need additional Proxies, please immediately contact the Monitor.

If multiple Proxies are received from the same person with respect to the same Claims prior to the Proxy Deadline, the latest dated, validly executed Proxy timely received will supersede and revoke any earlier received Proxy. However, if a holder of Claims casts Proxies received by the Monitor dated with the same date, but which are voted inconsistently, such Proxies will not be counted. If a

Proxy is not dated in the space provided, it shall be deemed dated as of the date it is received by the Monitor.

If an Affected Creditor validly submits a Proxy to the Monitor and subsequently "virtually" attends and votes at the Creditors' Meeting, it will be revoking the earlier received Proxy. If an Affected Creditor wishes to attend the Creditors' Meeting but does not wish to revoke its Proxy, it may log in and decline to vote at the Creditors' Meeting when prompted to do so.

Proxies may be accepted for purposes of an adjourned, postponed or other rescheduled Creditors' Meeting if received by the Monitor by the Proxy Deadline.

Any Proxy that is illegible or contains insufficient information to permit the identification of the claimant will not be counted.

After the Proxy Deadline, no Proxy may be withdrawn or modified, except by a General Unsecured Creditor voting in person "virtually" at the Creditors' Meeting, without the prior consent of the Monitor and the Delta 9 Group.

IF YOU HAVE ANY QUESTIONS REGARDING THIS PROXY OR THE VOTING PROCEDURES, OR IF YOU NEED AN ADDITIONAL COPY OR ADDITIONAL COPIES OF THIS PROXY, PLEASE CONTACT THE MONITOR AT THE ADDRESS LISTED IN THE PROXY FORM OR VISIT THE MONITOR'S WEBSITE AT:

https://www.alvarezandmarsal.com/delta9.

SCHEDULE "4"
CONVENIENCE ELECTION

TO: ALVAREZ & MARSAL CANADA INC., in its capacity as Court-appointed Monitor of Delta 9 Cannabis Inc. ("Delta Parent"), Delta 9 Cannabis Store Inc. ("Delta Retail"), Delta 9 Lifestyle Cannabis Clinic Inc. ("Delta Lifestyle") and Delta 9 Logistics Inc. ("Delta Logistics", and together with Delta Parent, Delta Retail and Delta Lifestyle, the "Delta 9 Group")

In connection with the Plan of Compromise or Arrangement of the Delta 9 Group pursuant to the *Companies' Creditors Arrangement Act* (Canada) (as may be amended, restated, modified or supplemented from time to time, the "**Plan**") filed with the Court of King's Bench of Alberta, Affected Creditors with one or more Allowed Affected Claims in an amount in excess of CA$4,000 may file a Convenience Election pursuant to which such Affected Creditor elects to be treated as a Convenience Creditor and thereby receive only the Convenience Amount of CA$4,000 and be deemed thereby to vote in favour of the Plan.

By submitting this Convenience Election, the undersigned hereby elects to be treated as a Convenience Creditor and receive the Convenience Amount which is the lesser of (i) a cash amount equal to $4,000; and (ii) the amount of such Allowed Affected Claim, in full and final satisfaction of the Allowed Affected Claim of the undersigned, and hereby acknowledges that the undersigned shall be deemed to vote its Allowed Affected Claim in favour of the Plan at the Creditors' Meeting.

For the purposes of this election, capitalized but undefined terms are defined in the Plan.

Please complete, sign and date this Convenience Election and return it to Alvarez & Marsal Canada Inc. at the address below by 5:00 p.m. (Calgary time) on November 18, 2024.

Dated this _____ day of _____,

AFFECTED CREDITOR'S SIGNATURE:

_____
(Print Legal Name of Affected Creditor)

_____
(Signature of the Affected Creditor or an Authorized Signing Officer of the Affected Creditor, if applicable)

_____
(Print Name and Title of Authorized Signing Officer of the Affected Creditor, if applicable)

_____
(Mailing Address of the Affected Creditor)

_____
(Telephone Number of the Affected Creditor)

_____
(E-mail Address of the Affected Creditor)

YOUR CONVENIENCE ELECTION MUST BE <u>RECEIVED</u> BY THE MONITOR AT THE ADDRESS LISTED BELOW BEFORE THE PROXY DEADLINE.

Alvarez & Marsal Canada Inc., in its capacity as court appointed officer of Delta 9 Cannabis Inc., Delta 9 Cannabis Store Inc., Delta 9 Lifestyle Cannabis Clinic Inc., and Delta 9 Logistics Inc.

Bow Valley Square IV
Suite 1110, 250 – 6th Avenue SW
Calgary, Alberta T2P 3H7
Attention: Orest Konowalchuk
Duncan MacRae

E-mail: okonowalchuk@alvarezandmarsal.com
dmacrae@alvarezandmarsal.com