

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
DITEBA LABORATORIES INC., OF THE CITY OF MISSISSAUGA, IN THE  
PROVINCE OF ONTARIO**

**MOTION RECORD OF DITEBA LABORATORIES INC.  
(Stay Extension Motion Returnable March 26, 2024)**

<p><b>Date:</b> March 21<sup>st</sup>, 2024</p>	<p><b>BLANEY MCMURTRY LLP</b> Lawyers 2 Queen Street East, Suite 1500 Toronto, ON, M5C 3G5</p> <p><b>Timothy Dunn (LSO #34249I)</b> Tel: (416) 598-4880 Email: <a href="mailto:tdunn@blaney.com">tdunn@blaney.com</a></p> <p><b>David Ullmann (LSO #42357I)</b> Tel: (416) 596-4289 Email: <a href="mailto:dullmann@blaney.com">dullmann@blaney.com</a></p> <p><b>Alexandra Teodorescu (LSO #63889D)</b> Tel: (416) 596-4279 Email: <a href="mailto:ateodorescu@blaney.com">ateodorescu@blaney.com</a></p> <p>Lawyers for Diteba Laboratories Inc.</p>
<p><b>To:</b></p>	<p><b>Service List</b></p>

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
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**SERVICE LIST  
(As of March 26, 2024)**

<b>To:</b>	<p><b>BLANEY MCMURTRY LLP</b> 2 Queen Street East Suite 1500 Toronto, ON, M5C 3G5</p> <p><b>Timothy Dunn (LSO #34249I)</b> Tel: (416) 598-4880 Email: <a href="mailto:tdunn@blaney.com">tdunn@blaney.com</a></p> <p><b>David T. Ullmann (42357I)</b> Email: <a href="mailto:dullmann@blaney.com">dullmann@blaney.com</a> Tel: 416-596-4289</p> <p><b>Alexandra Teodorescu (63889D)</b> Email: <a href="mailto:ateodorescu@blaneu.com">ateodorescu@blaneu.com</a> Tel: 416-596-4279</p> <p>Counsel to Diteba Laboratories Inc.</p>
<b>And To:</b>	<p><b>CROWE SOBERMAN INC.</b> 2 St. Clair Avenue East Suite 1100 Toronto, ON, M4T 2T5</p> <p><b>Hans Rizarri, CPA</b> Email: <a href="mailto:hans.rizarri@crowesoberman.com">hans.rizarri@crowesoberman.com</a> Tel: 416-963-7175</p> <p><b>Daniel Posner, CPA, CBV, CIRP, LIT</b> Email: <a href="mailto:daniel.posner@crowesoberman.com">daniel.posner@crowesoberman.com</a></p>

	<p>Tel: 416-644-8447</p> <p>Proposal Trustee</p>
<b>And To:</b>	<p><b>1000244239 ONTARIO INC.</b>  2571 Lytton Blvd.  Toronto, ON, M5N 1R7</p> <p><b>Gordon Fox</b>  Email: <a href="mailto:gordonfox@gfox.ca">gordonfox@gfox.ca</a>  Tel: 239-643-1565</p>
<b>And To:</b>	<p><b>CANADIAN WESTERN BANK</b>  3000 – 10303 Jasper Avenue NW  Edmonton, AB, T5J 3X6</p> <p>Email: <a href="mailto:customer.service@cwbank.com">customer.service@cwbank.com</a>  Fax: 780-423-8898</p>
<b>And To:</b>	<p><b>2690004 ONTARIO INC.</b>  117287 2<sup>nd</sup> Line SW  Melancthon, ON, L0N 1J0</p> <p><b>Ramiro Vazquez</b>  Email: <a href="mailto:ramirovazquezj@gmail.com">ramirovazquezj@gmail.com</a>  Tel: 905-625-7995 ext. 106</p>
<b>And To:</b>	<p><b>CANADA REVENUE AGENCY</b>  Shawinigan-Sud National Verification and Collection Centre  4695 Shawinigan-Sud Blvd.  Shawinigan-Sud, QC, G9P 5H9  Tel: 1-866-248-1576  Fax: 833-697-2390</p>
<b>And To:</b>	<p><b>HEALTH CANADA</b>  Address Locator 0900C2  Ottawa ON K1A 0K9  Email: <a href="mailto:Info@hc-sc.gc.ca">Info@hc-sc.gc.ca</a>  Fax: 613-941-5366</p>
<b>And To:</b>	<p><b>NWN INC.</b>  1-1680 Tech Avenue  Mississauga, ON, L4W 5S9</p> <p><b>Ramiro Vazquez</b>  Email: <a href="mailto:ramiro.vazquez@diteba.com">ramiro.vazquez@diteba.com</a></p>

	Tel: 905-625-7995 ext. 106
<b>And To:</b>	<p><b>SECURITAS TECHNOLOGY CANADA</b>  2495 Meadowpine BLVD  Mississauga ON L5N 6C3</p> <p><b>Angela Cardey</b>  Accounts Receivable Coordinator  Email: <a href="mailto:angela.cardey@securitas.com">angela.cardey@securitas.com</a>  Tel: 855-737-7365</p>
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<b>And To:</b>	<p><b>MINISTRY OF FINANCE</b>  Ministry of the Attorney General (Ontario)  Civil Law Division - Legal Services Branch  6-33 King St West  Oshawa, Ontario, L1H 8H5</p> <p><b>Steven Groeneveld (LSO # 45420I)</b>  Tel: 905 431 8380  Fax: 905 436 4510  Email: <a href="mailto:steven.groeneveld@ontario.ca">steven.groeneveld@ontario.ca</a></p>
	<p><b>MINISTRY OF FINANCE</b>  Ministry of the Attorney General (Ontario)  Collections Branch – Bankruptcy and Insolvency Unit  6-33 King St West  Oshawa, ON, L1H 8H5  Email: <a href="mailto:insolvency.unit@ontario.ca">insolvency.unit@ontario.ca</a>  Tel: 1 866 668-8297</p>

## **Email Addresses**

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[customer.service@cwbank.com](mailto:customer.service@cwbank.com); [ramirovazquezj@gmail.com](mailto:ramirovazquezj@gmail.com); [Info@hc-sc.gc.ca](mailto:Info@hc-sc.gc.ca);  
[angela.cardey@securitas.com](mailto:angela.cardey@securitas.com); [Kelly.SmithWayland@justice.gc.ca](mailto:Kelly.SmithWayland@justice.gc.ca); [AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca](mailto:AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca); [steven.groeneveld@ontario.ca](mailto:steven.groeneveld@ontario.ca); [insolvency.unit@ontario.ca](mailto:insolvency.unit@ontario.ca)

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**ONTARIO  
SUPERIOR COURT OF JUSTICE  
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
DITEBA LABORATORIES INC., OF THE CITY OF MISSISSAUGA, IN THE  
PROVINCE OF ONTARIO**

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**TAB 1**



Court File No. 32-3051152  
Court File No. BK-24-03051152-0032

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE *BANKRUPTCY AND  
INSOLVENCY ACT*, RSC 1985, c B-3, AS AMENDED**

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
DITEBA LABORATORIES INC., OF THE CITY OF MISSISSAUGA, IN THE  
PROVINCE OF ONTARIO**

**NOTICE OF MOTION  
(RE: EXTEND NOI STAY PERIOD)**

**THE MOVING PARTY**, Diteba Laboratories Inc. (the “**Company**”), will make a motion to a judge presiding over the Commercial List Court on March 26, 2024, at 10:00 a.m. or a soon after that time as the motion can be heard, via video conference at 330 University Avenue, Toronto, ON.

**PROPOSED METHOD OF HEARING:** The motion is to be heard by:

- In writing under subrule 37.12.1 (1) because it is (*insert one of* on consent, unopposed *or* made without notice);
- In writing as an opposed motion under subrule 37.12.1 (4);
- In person;
- By telephone conference;
- By video conference.**

at the following location:

**By Zoom. Coordinates to be provided by Court.**

**THE MOTION IS FOR:**

1. Abridging the time for the service and filing of this Notice of Motion and Motion Record, if necessary;
2. Extending the time for the Company to file a proposal (the “**Stay Period**”) under Section 50.4(9) of the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3, as amended (the “**BIA**”) to and including May 17, 2024; and,
3. Such further and other relief as the Court may deem just.

**THE GROUNDS FOR THE MOTION ARE:**

4. The Company processes, packages and sells cannabis products to various Provincial cannabis agencies under the requisite licenses;
5. The Company operates pursuant to a cannabis products license from Health Canada and a license under the *Excise Act*, 2001, which has been renewed effective March 13, 2024 for a period of 1 month and will expire effective April 15, 2024 (the “**Excise License**”);
6. On March 2, 2024, the Company filed a Notice of Intention to make a Proposal (“**NOI**”) pursuant to Section 50.4(1) of the BIA;
7. Crowe Soberman Inc. is the proposal trustee under the NOI (in such capacity, the “**Proposal Trustee**”).

**Extension of Stay Period to File Proposal**

8. Since filing the NOI, the Company has largely suspended operations;
9. The Company’s Health Canada license will expire on January 5, 2028. The Company has been in communication with the Canada Revenue Agency with respect to the Excise License and

is confident that the Excise License will be renewed for the proposed Stay Period given the past practice of extending the Excise License on a monthly basis and the fact that no further excise obligations will accrue during the Stay Period;

10. The Company requires additional time to undertake a process for selling its assets and/or seeking investors, particularly given the state of the cannabis market;

11. The Company has been in discussions with its principal secured creditor and key stakeholders with a view to obtaining commitments for investing in the Company;

12. The extension of the Stay Period will assist the Company in maximizing the value of its assets for the benefit of its stakeholders;

13. The Company has been acting and continues to act in good faith and with due diligence during these proceedings;

14. No creditor of the Company will be materially prejudiced by extending the Stay Period as the Company has sufficient liquidity to continue operating during the extension of the Stay Period;

15. It is just and convenient and in the best interests of the Company and its creditors that the Stay Period be extended to and including May 17, 2024;

16. Sections 50.4(9), 65.13 and 183 of the BIA;

17. Rules 1.04, 1.05, 2.03, 3.02 and 37 of the *Rules of Civil Procedure*, RRO 1990 Reg. 194, as amended;

18. Section 137(2) of the *Courts of Justice Act*, RSO 1990, c. 43, as amended;

19. Such further grounds as counsel may advise and this Court may permit.

**THE FOLLOWING DOCUMENTARY EVIDENCE** will be used at the hearing of the motion:

20. The Affidavit of Stefan (Steven) M. Overgaard-Thomsen, sworn March 21, 2024;
21. The First Report of the Proposal Trustee, to be filed; and,
22. Such further and other material as counsel may advise and this Court may permit.

<p><b>Dated:</b> March 21, 2024</p>	<p><b>BLANEY MCMURTRY LLP</b>          Lawyers          2 Queen Street East, Suite 1500          Toronto, ON, M5C 3G5</p> <p><b>Timothy Dunn (LSO #34249I)</b>          Tel: (416) 598-4880          Email: <a href="mailto:tdunn@blaney.com">tdunn@blaney.com</a></p> <p><b>David Ullmann (LSO #42357I)</b>          Tel: (416) 596-4289          Email: <a href="mailto:dullmann@blaney.com">dullmann@blaney.com</a></p> <p><b>Alexandra Teodorescu (LSO #63889D)</b>          Tel: (416) 596-4279          Email: <a href="mailto:ateodorescu@blaney.com">ateodorescu@blaney.com</a></p> <p>Lawyers for Diteba Laboratories Inc.</p>
<p><b>To:</b></p>	<p><b>THE SERVICE LIST</b></p>

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF DITEBA LABORATORIES INC., OF THE CITY OF MISSISSAUGA, IN THE PROVINCE OF ONTARIO**

Email addresses of recipients: see the Service List

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
Proceeding commenced at Toronto

**NOTICE OF MOTION**  
**(RE: EXTEND NOI STAY PERIOD)**

**BLANEY MCMURTRY LLP**

Lawyers  
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Toronto, ON, M5C 3G5

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**Alexandra Teodorescu (LSO #63889D)**

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Lawyers for Diteba Laboratories Inc.

**TAB 2**

Court File No. 32-3051152  
Court File No. BK-24-03051152-0032

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE *BANKRUPTCY AND  
INSOLVENCY ACT*, RSC 1985, c B-3, AS AMENDED**

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF DITEBA  
LABORATORIES INC., OF THE CITY OF MISSISSAUGA, IN THE PROVINCE OF  
ONTARIO

**AFFIDAVIT OF STEFAN M. OVERGAARD-THOMSEN**

I, **Stefan M. Overgaard-Thomsen**, also known as **Steven Overgaard**, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am a Director and the Chief Executive Officer of the Applicant, Diteba Laboratories Inc. (“**Diteba**” or the “**Company**”), and as such have knowledge of the matters contained in this affidavit. Where this affidavit is based upon information received from others, I have identified the source of that information and verily believe that information to be true.

2. I made this affidavit in support of a motion by the Company to extend the time to file its proposal to and including May 17, 2024.

**Background**

3. The Company was incorporated on July 6, 2018, pursuant to the laws of the province of Ontario. Its registered office address is located at 1680 Tech Avenue, Mississauga, Ontario. Attached hereto and marked as **Exhibit “A”** is a copy of the Company’s Corporate Profile Report.

4. Prior to October of 2023, the Company operated two distinct businesses: (a) a scientific contract research (“**CRO**”) business; and (b) a regulated cannabis process and sale business.

5. In July of 2023, the Company commenced an application to appoint Crowe Soberman Inc. (“**CSI**”) as sales officer pursuant to section 101 of the *Courts of Justice Act* and section 207 of the Ontario *Business*

*Corporations Act*, and sought approval for a sale and investment solicitation process (“SISP”) in respect of the CRO business. Following the Court-approved SISP, the Company entered into an asset purchase agreement, dated September 8, 2023, with 1000244239 Ontario Inc. (the “**100 Ontario**”) under which 100 Ontario acquired all assets and undertaking of the Company in connection with the CRO business (the “**APA**”). The APA was approved by the Court on October 10, 2023. A copy of Justice Osborne’s Endorsement and Order, dated October 10, 2023, is attached hereto and marked as **Exhibit “B”**.

6. As a result of the APA, the Company now only operates in the cannabis industry. In particular, it processes, packages and sells cannabis products to various Provincial cannabis agencies, including, for example, the Ontario Cannabis Retail Corporation operating as the Ontario Cannabis Store, under its requisite licenses.

7. The Company operates its cannabis business in accordance with two licenses: (a) an excise license from the Canada Revenue Agency (“**Excise License**”), and (b) a cannabis products license from Health Canada (“**Health Canada License**”). Copies of these licenses are attached hereto and marked as **Exhibit “C”**.

8. As with most companies operating in the cannabis sector, the Company has faced and continues to face significant liquidity challenges. In particular, in addition to unsustainable sector competition, the Company has experienced a general aversion on the part of both recreational consumers and Provincial regulators to the new and innovative cannabis products being developed by the Company. The financial viability of the cannabis industry is also threatened by the continued black-market for cannabis products.

#### **NOI and Stay Extension**

9. On March 2, 2024, the Company filed a Notice of Intention to Make a Proposal (“**NOI**”). CSI was appointed proposal trustee under the NOI (in such capacity, the “**Proposal Trustee**”). A copy of the NOI is attached hereto and marked as **Exhibit “D”**.

10. I understand from discussions with the Company’s counsel, Blaney McMurtry LLP, that the stay of proceedings in place under the NOI expires on April 1, 2024, but because April 1<sup>st</sup> is a holiday, it expires



on April 2, 2024. The Company is seeking an Order extending the stay period for the maximum 45-days from April 2, 2024, to and including May 17, 2024 (“**Stay Period**”).

11. Since filing its NOI, the Company made the decision to largely suspend its operations so that it would not accumulate further debt. Prior to the sale of the CRO business, the Company employed 18 full-time workers and 10 to 20 part-time workers or independent contractors. As a result of the issues with the cannabis business, the Company terminated all production workers effective March 1, 2024.

12. The Company is focusing its efforts on preserving its licenses and engaging with stakeholders with a view to making a proposal to its creditors.

13. The Company can keep processing and selling cannabis products under its Health Canada License, which does not expire until January 5, 2028.

14. The Company’s current Excise License is set to expire on April 15, 2024. The Company and its counsel have been engaged in discussions with the Canada Revenue Agency and the Department of Justice in respect of the Excise License.

15. Since January 2024, the Company’s Excise Licenses have been extended by the Canada Revenue Agency on a monthly basis. Copies of the Excise Licenses for January and February 2024 are attached hereto and marked as **Exhibit “E”**.

16. Based on discussions with Canada Revenue Agency representatives and the fact that the Company’s excise tax obligations will not increase during the proposed Stay Period, the Company is confident that its Excise License will be renewed from April 15<sup>th</sup> to the expiry of the Stay Period.

17. The Company has been working with its counsel and the Proposal Trustee to consider its restructuring options. The Company intends to communicate with key stakeholders in its effort to obtain commitments for investment in the Company. The Company is confident in its position in the cannabis market, notwithstanding its liquidity issues, and believes it continues to hold value to a prospective investor or purchaser, particularly to those parties with knowledge and experience in the cannabis sphere.

18. The Company has been in ongoing communications with its principal secured creditor, 100 Ontario, and maintains the support and confidence of this creditor as it works through its restructuring options. Without such support, no restructuring would be possible.

19. By exploring sale and investment opportunities with prospective investors or purchasers, the Company hopes it will be in a position to put forward a proposal that will generate a recovery higher than creditors can expect to receive in a bankruptcy.

20. The Company has been working with the Proposal Trustee to prepare its cash flow forecast, which shows that the Company will have sufficient cash available during the proposed Stay Period. Certain of the Company's principals have agreed to fund the Company's ongoing expenses, if necessary, and have guaranteed to fund all professional fees incurred in connecting with these proceedings. A copy of the cash flow forecast is attached hereto and marked as **Exhibit "F"**.

21. I believe the Company has been acting in good faith and with due diligence during the NOI process, and, as a result of the cash flow forecast, no creditor will be materially prejudiced by the extension of the Stay Period to and including May 17, 2024.

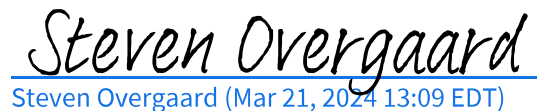
22. I swear this affidavit in support of an Order extending the Stay Period from April 2, 2024, to and including May 17, 2024, and for no improper purpose.

**AFFIRMED REMOTELY BEFORE ME**  
by Stefan M. Overgaard-Thomsen located at Toronto, in the Province of Ontario, on this 21<sup>st</sup> day of March 2024, in accordance with O. Reg. 431/20 Administering Oath or Declaration Remotely.




---

A Commissioner for Taking Affidavits  
**Alexandra Teodorescu**



Steven Overgaard (Mar 21, 2024 13:09 EDT)

---

**Stefan M. Overgaard-Thomsen**

This is Exhibit "A" referred to in the Affidavit of Stefan M. Overgaard-Thomsen sworn remotely before me at the City of Toronto, in the Province of Ontario, this 21<sup>st</sup> day of March 2024.



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*Commissioner for Taking Affidavits (or as may be)*

**Alexandra Teodorescu**

Transaction Number: APP-A10398320558  
Report Generated on March 01, 2024, 09:09



Ministry of Public and  
Business Service Delivery

## Profile Report

DITEBA LABORATORIES INC. as of March 01, 2024

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	DITEBA LABORATORIES INC.
Ontario Corporation Number (OCN)	2639325
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Incorporation	June 06, 2018
Registered or Head Office Address	1680 Tech Avenue, 1, Mississauga, Ontario, Canada, L4W 5S9

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

*V. Quintanilla W.*

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Transaction Number: APP-A10398320558  
Report Generated on March 01, 2024, 09:09

Active Director(s)

Minimum Number of Directors

1

Maximum Number of Directors

10

Name

STEVEN OVERGAARD

Address for Service

1680 Tech Avenue, 1, Mississauga, Ontario, Canada, L4W

5S9

Resident Canadian

Yes

Date Began

July 10, 2018

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

*V. Quintanilla W.*

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Transaction Number: APP-A10398320558  
Report Generated on March 01, 2024, 09:09

**Active Officer(s)**

<b>Name</b>	STEVEN OVERGAARD
<b>Position</b>	Chief Executive Officer
<b>Address for Service</b>	1680 Tech Avenue, 1, Mississauga, Ontario, Canada, L4W 5S9
<b>Date Began</b>	July 10, 2018

<b>Name</b>	STEVEN OVERGAARD
<b>Position</b>	Chief Financial Officer
<b>Address for Service</b>	1680 Tech Avenue, 1, Mississauga, Ontario, Canada, L4W 5S9
<b>Date Began</b>	April 24, 2020

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

*V. Quintanilla W.*

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Transaction Number: APP-A10398320558  
Report Generated on March 01, 2024, 09:09

**Corporate Name History**

<b>Name</b>	DITEBA LABORATORIES INC.
<b>Effective Date</b>	April 16, 2019
<b>Previous Name</b>	NDI ADRL INC.
<b>Effective Date</b>	July 19, 2018
<b>Previous Name</b>	2639325 ONTARIO INC.
<b>Effective Date</b>	June 06, 2018

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

*V. Quintanilla W.*

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Transaction Number: APP-A10398320558  
Report Generated on March 01, 2024, 09:09

Active Business Names

<b>Name</b>	NDI ADRL
<b>Business Identification Number (BIN)</b>	290455591
<b>Registration Date</b>	April 23, 2019
<b>Expiry Date</b>	April 22, 2024

<b>Name</b>	DITEBA
<b>Business Identification Number (BIN)</b>	290456490
<b>Registration Date</b>	April 23, 2019
<b>Expiry Date</b>	April 22, 2024

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

*V. Quintanilla W.*

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.



Transaction Number: APP-A10398320558  
Report Generated on March 01, 2024, 09:09

#### Expired or Cancelled Business Names

This corporation does not have any expired or cancelled business names registered under the Business Names Act in Ontario.

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

*V. Quintanilla W.*

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

## Document List

Filing Name	Effective Date
CIA - Notice of Change PAF: STEVEN OVERGAARD	November 07, 2023
Archive Document Package	June 20, 2023
Annual Return - 2020 PAF: JONATHAN YANTZI - OTHER	September 22, 2021
CIA - Notice of Change PAF: RAMIRO VAZQUEZ - DIRECTOR	May 05, 2021
Annual Return - 2019 PAF: JOHN LAURIE - DIRECTOR	May 24, 2020
CIA - Notice of Change PAF: JOHN LAURIE - DIRECTOR	February 24, 2020
Annual Return - 2018 PAF: JOHN LAURIE - DIRECTOR	September 15, 2019
CIA - Notice of Change PAF: JOHN LAURIE - DIRECTOR	July 10, 2019
CIA - Notice of Change PAF: JOHN LAURIE - DIRECTOR	May 08, 2019
BCA - Articles of Amendment	April 16, 2019
CIA - Initial Return PAF: DONALD B. JOHNSTON - OTHER	November 28, 2018
CIA - Initial Return PAF: DONALD B. JOHNSTON - OTHER	November 28, 2018
BCA - Articles of Amendment	July 19, 2018
BCA - Articles of Incorporation	June 06, 2018

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

*V. Quintanilla W.*

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Transaction Number: APP-A10398320558  
Report Generated on March 01, 2024, 09:09

All "PAF" (person authorizing filing) information is displayed exactly as recorded in the Ontario Business Registry. Where PAF is not shown against a document, the information has not been recorded in the Ontario Business Registry.

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

*V. Quintanilla W.*

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

This is Exhibit “B” referred to in the Affidavit of Stefan M. Overgaard-Thomsen sworn remotely before me at the City of Toronto, in the Province of Ontario, this 21<sup>st</sup> day of March 2024.



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*Commissioner for Taking Affidavits (or as may be)*

**Alexandra Teodorescu**



SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

**COUNSEL SLIP / ENDORSEMENT**

COURT FILE NO.: CV-23-00705808-00CL

DATE: October 10, 2023

REGISTRAR: Teodoro Olaso

NO. ON LIST: 3

TITLE OF PROCEEDING: **DITEBA Laboratories Inc.**

BEFORE JUSTICE: **Justice Osborne**

**PARTICIPANT INFORMATION**

**For Plaintiff, Applicant, Moving Party, Crown:**

Name of Person Appearing	Name of Party	Contact Info
David Ullmann	Diteba Laboratories Inc.	dullmann@blaney.com
Alex Fernet Brochu	Diteba Laboratories Inc.	afernetbrochu@blaney.com

**For Defendant, Respondent, Responding Party, Defence:**

Name of Person Appearing	Name of Party	Contact Info
Daniel Richer	Canadian Western Bank	dricher@fasken.com
Timothy Dunn	Ontario Inc. (David Fox)	tdunn@mindengross.com
Hans Rizarri	Court Appointed Court Officer	hans.rizarri@crowesoberman.com

**ENDORSEMENT OF JUSTICE OSBORNE:**

1. The Applicant moves for approval of an asset purchase as contemplated by an asset purchase agreement dated October 5, 2023 (the “APA”) and related approval and vesting order; and a sealing order in respect of the summary of the review of bids received by the Sales Officer and the purchase price of the proposed APA, together with an unredacted version of the APA, all of which materials are attached as Confidential Exhibit to the First Report of the Sales Officer.
2. Defined terms in this Endorsement have the meaning given to them in the motion materials unless otherwise stated.
3. The Applicant relies upon the Affidavit of Stefan M. Overgaard-Thomsen sworn October 5, 2023 together with the exhibits thereto, and the First Report of the Sales Officer dated October 5, 2023 together with Appendices thereto.
4. The Service List (which includes, for greater certainty, all PPSA registrants with security interests in the Purchased Assets) was properly served.
5. The relief sought today is unopposed and indeed is supported and strongly recommended by the Sales Officer as well as both the Assignee and Canadian Western Bank, the two main secured creditors of the Company.
6. The Company operates what are, in effect, two separate businesses: a scientific contract research business, and a regulated cannabis processing and sale business. It was indebted to Canadian Western Bank in respect of two sets of credit facilities. Demands and section 244 BIA notices were delivered on May 16, 2023. The parties agreed to a standstill period to allow the Company to bring this Application and to extend that standstill period to the end of the SISP.
7. The SISP was approved on July 18, 2023.
8. Canadian Western Bank, which held registered first and second ranking security, assigned and transferred its rights, title and interest under the First Lien Credit Facilities to 1000244239 Ontario Inc. (the “Assignee”) on August 2, 2023. That transaction closed on August 29 with the result that the Assignee replaced Canadian Western as first ranking secured creditor of the Company.
9. The Assignee is the Purchaser. It is controlled by and related to current management of the Company. However, this fact has been to the knowledge of the Sales Officer throughout and the Purchaser has had no involvement in carrying out the SISP and nor was it privy to any privileged information with respect thereto (see Overgaard-Thomsen Affidavit, paras. 24, 25).
10. The SISP was conducted, with the revised Phase I Bid Deadline of September 8, 2023 following which the Sales Officer determined it was not necessary to continue the SISP into Phase II. the Purchaser’s Bid was selected as the Successful Bid.
11. The Purchaser proposes to purchase and acquire all of the assets and undertaking of the Company solely in connection with the scientific contract research business, including all of the issued and outstanding shares of a related company. The regulated cannabis processing business, together with related receivables and inventory, are not part of the Purchased Assets.
12. This Court has jurisdiction to grant the vesting order as sought pursuant to section 100 of the *Courts of Justice Act*. The Court also has the power to vest property in a purchaser, free and clear of other encumbrances and interests, so long as the order is appropriate and in accordance with the principles of equity: *Third Eye Capital Corporation v. Ressources Dianor Inc.*, 2019 ONCA 508 CanLII at 41; and *KingSett Mortgage Corporation v. 30 Roe Investments Corp.*, 2023 ONSC 3323 CanLii at 63.

13. Here, the SISP itself was previously approved and the Sales Officer appointed to conduct that process. The Endorsement approving the then-proposed SISP specifically reflects the fact that an approval and vesting order would likely be required by a purchaser at the end of the process if successful.
14. I am satisfied that such a vesting order is appropriate here given the Company's financial difficulties and the complexities of the licensing requirements for both businesses.
15. The proposed form of order here follows the Model Order of the Commercial List, and while this is obviously not determinative, it does demonstrate that the nature and scope of the relief sought is consistent with orders granted by this Court in similar circumstances.
16. Having reviewed all of the materials, I am satisfied that the Soundair Principles (*Royal Bank of Canada v. Soundair Corp.*, 1991 CanLII 2727 (ONCA) at 16) have been met here, given the fairness, transparency and integrity of the sales process. Sufficient efforts were made to obtain the best price. The Sales Officer did not act improvidently and I am satisfied that the interests of all parties were considered in the process and in the recommendation of the Sales Officer.
17. I am satisfied as to the manner in which the ISP was carried out. I accept the recommendation of the Sales Officer that in the circumstances, the APA constitutes the best possible outcome of that process. I am reinforced in that conclusion by the support of the two main secured creditors most directly affected by the outcome here.
18. The Applicant also seeks a sealing order in respect of the Confidential Appendices of the First Report as described above. I am satisfied that these materials should be sealed until the Transaction is completed to protect the business interests of the Applicant and the Purchaser, and to protect the commercial interests of the assets of the Company, particularly as against the possibility that the transaction does not close and a new sales process must be run.
19. Disclosure of that information now could materially impair that process to the detriment of stakeholders. The information sought to be sealed, on a time-limited basis, is proportionate and is restricted to only that sensitive commercial information that would affect the process and the interests described above. All of that constitutes an important commercial interest as described by the Supreme Court. The result is that the benefits of the proposed sealing order outweigh its negative effects.
20. Accordingly, I am satisfied that the test set out by the Supreme Court of Canada in *Sierra Club*, as refined in *Sherman Estate*, has been met.
21. The Applicant is directed to file the sealed materials with the Commercial List Office an unredacted "Confidential – Sealed by Court Order" in a sealed envelope.
22. Order to go in the form signed by me today which is effective immediately and without the necessity of issuing and entering.

Olson, J.

Court File No. 23-00705808-00CL

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**COMMERCIAL LIST**

THE HONOURABLE MR.	)	TUESDAY, THE 10 <sup>TH</sup>
	)	
JUSTICE OSBORNE	)	DAY OF OCTOBER, 2023

B E T W E E N:

**IN THE MATTER OF THE ONTARIO BUSINESS CORPORATIONS ACT,  
R.S.O. 1990, c. B.16, AS AMENDED**

**AND IN THE MATTER OF AN APPLICATION FOR THE APPOINTMENT OF  
A SALES OFFICER OF DITEBA LABORATORIES INC.**

**Applicant**

**APPROVAL AND VESTING ORDER**

**THIS MOTION**, made by the Applicant, Diteba Laboratories Inc. (“**Diteba**” or the “**Company**”) for an order approving the sale transaction (the “**Transaction**”) contemplated by an asset purchase agreement (the “**APA**”) between the Company and 1000244239 Ontario Inc. (the “**Purchaser**”) dated October 5, 2023, and appended to the First Report of the Sales Officer dated October 5, 2023 (the “**Report**”), and vesting in the Purchaser the Company’s right, title and interest in and to the assets described in the APA (the “**Purchased Assets**”), was heard this day via videoconference.

**ON READING** the affidavit of Stefan M. Overgaard-Thomsen sworn October 5, 2023, and the exhibits thereto (the “**Overgaard Affidavit**”) as well as the Report, and on hearing the submissions of counsel for the Sales Officer, the Applicant, and counsel for the Purchaser, no one appearing for any other person on the service list, although properly served as appears from the affidavit of service of Ariyana Botejue affirmed October 5, 2023, filed:



1. **THIS COURT ORDERS AND DECLARES** that the time for service of this motion is hereby abridged and validated so that the motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the APA by the Company is hereby authorized and approved, with such minor amendments as the Company (with the consent of the Sales Officer) may deem necessary. The Company is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.
3. **THIS COURT ORDERS AND DECLARES** that the Purchased Assets do not include any of the Excluded Assets, as that term is defined in the APA, and for greater certainty do not include any of the assets nor any part of the undertaking of, or related to, the Company's regulated cannabis processing and sale business, including without limitation the receivables and the inventory of, or related to, said business, all of which are specifically excluded from the Purchased Assets, as those are defined in the APA, and from the Transaction, and that this Order will not be construed as vesting in the Purchaser the Company's right, title and interest in any of the Excluded Assets.
4. **THIS COURT ORDERS AND DECLARES** that upon the delivery of the Sales Officer's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "**Sales Officer's Certificate**"), all of the Company's right, title and interest in and to the Purchased Assets described in the APA shall vest absolutely in the Purchaser, or to such entity as it may direct, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Steele dated July 18, 2023; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system (all of which are collectively referred to as the "**Encumbrances**", which

term shall not include the permitted encumbrances, easements and restrictive covenants as set out in the APA) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets, provided, however, that any valid right of set-off that Canada Revenue Agency may have in respect of HST amounts owing to the Company which might attach to the SR&Ed credits conveyed as part of the Purchase Assets shall not be vested out as a result of this Order.

5. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Sales Officer's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

6. **THIS COURT ORDERS AND DIRECTS** the Sales Officer to file with the Court a copy of the Sales Officer's Certificate, forthwith after delivery thereof.

7. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Sales Officer is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company's records pertaining to the Applicant's past and current employees. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Applicant.

8. **THIS COURT ORDERS** that, notwithstanding:

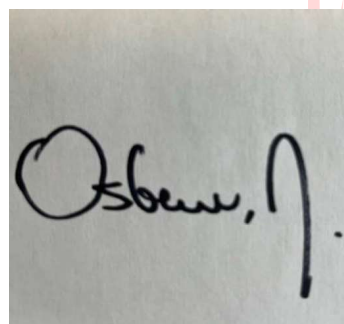
- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Applicant and any bankruptcy order issued pursuant to any such applications; and

- (c) any assignment in bankruptcy made in respect of the Applicant;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Applicant and shall not be void or voidable by creditors of the Applicant, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

9. **THIS COURT ORDERS** that Confidential Exhibits “F” and “G” of the Report, which contain the non-redacted copy of the APA and a copy of the Sales Officer’s review of bids received as part of the SISP and of the purchase price information, shall be sealed, kept confidential and shall not form part of the public record, pending further Order of this Court or the completion of the Transaction.

10. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Sales Officer and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Sales Officer, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Sales Officer and its agents in carrying out the terms of this Order.



2023.10.

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**Schedule A – Form of Sales Officer’s Certificate**

Court File No. 23-00705808-00CL

**ONTARIO****SUPERIOR COURT OF JUSTICE****COMMERCIAL LIST**

B E T W E E N:

**IN THE MATTER OF THE ONTARIO BUSINESS CORPORATIONS ACT,  
R.S.O. 1990, c. B.16, AS AMENDED****AND IN THE MATTER OF AN APPLICATION FOR THE APPOINTMENT OF  
A SALES OFFICER OF DITEBA LABORATORIES INC.****Applicant****SALES OFFICER’S CERTIFICATE****RECITALS**

A. Pursuant to an Order of the Honourable Justice Steele of the Ontario Superior Court of Justice (the "**Court**") dated July 18, 2023, Crowe Soberman Inc. was appointed as the sales officer (the "**Sales Officer**"), without security, and with only the powers granted in that Order and for the purpose of conducting the sale of investment in the property, assets and undertaking of Diteba Laboratories Inc. (the "**Company**").

B. Pursuant to an Order of the Court dated October 10, 2023, the Court approved the asset purchase agreement made as of October 5, 2023 (the "**APA**") between the Company and 1000244239 Ontario Inc. (the "**Purchaser**") and provided for the vesting in the Purchaser, or as it may direct, of the Company’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Sales Officer to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in section 7 of the APA have been satisfied or waived by the Company (with the consent of the Sales

Officer) and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Sales Officer.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the APA.

THE SALES OFFICER CERTIFIES the following:

1. The Purchaser has paid and the Company has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the APA;
2. The conditions to Closing as set out in section 7 of the APA have been satisfied or waived by the Company (with consent of the Sales Officer) and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Sales Officer.
4. This Certificate was delivered by the Sales Officer at \_\_\_\_\_ [TIME] on \_\_\_\_\_ [DATE].

**Crowe Soberman Inc., in its capacity as the  
Court-Appointed Sales Officer of Diteba  
Laboratories Inc., and not in its personal  
capacity**

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

Name:

Title:

This is Exhibit "C" referred to in the Affidavit of Stefan M. Overgaard-Thomsen sworn remotely before me at the City of Toronto, in the Province of Ontario, this 21<sup>st</sup> day of March 2024.



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*Commissioner for Taking Affidavits (or as may be)*

**Alexandra Teodorescu**



Licence No. - N° de licence  
LIC-RIN7NY3Y8T-2023

**LICENCE**

This licence is issued in accordance with the *Cannabis Act* and *Cannabis Regulations*

**LICENCE**

Cette licence est délivrée conformément à la *Loi sur le cannabis* et le *Règlement sur le cannabis*

**Licence Holder / Titulaire de la licence :**  
Diteba Laboratories Inc.

**Licensed Site / Lieu autorisé :**  
1680 TECH AVENUE  
UNIT 1  
MISSISSAUGA, ON, CANADA, L4W 5S9

The above-mentioned person is authorized to conduct, at the site specified on this licence, the activities listed below for the following licence classes and subclasses.

La personne susmentionnée est autorisée à effectuer, sur le site spécifié sur cette licence, les activités énumérées ci-dessous pour les catégories et les sous-catégories de licence suivantes.

Standard Processing

Transformation standard

Activities	Activités
<ul style="list-style-type: none"> <li>To possess cannabis</li> <li>To produce cannabis, other than obtain it by cultivating, propagating or harvesting it</li> <li>To sell cannabis in accordance with subsection 17(5) of the Cannabis Regulations</li> </ul>	<ul style="list-style-type: none"> <li>Avoir du cannabis en sa possession</li> <li>Produire du cannabis, sauf en l'obtenant par la culture, la multiplication et la récolte</li> <li>Vendre du cannabis en vertu du paragraphe 17(5) du Règlement sur le cannabis</li> </ul>

Conditions	Conditions
The licence holder must meet the requirements set out in the Health Canada document entitled " <i>Mandatory cannabis testing for pesticide active ingredients - Requirements</i> ".	Le titulaire de la licence doit respecter les exigences énoncées dans le document de Santé Canada intitulé « <i>Analyse obligatoire du cannabis pour les résidus de principes actifs de pesticides-Exigences</i> ».
The only cannabis products that the licence holder may sell or distribute to (i) a holder of a licence for sale, and (ii) a person that is authorized under a provincial Act referred to in subsection 69(1) of the Act to sell cannabis, are as follows: cannabis plants; cannabis plant seeds; dried cannabis; fresh cannabis; cannabis topicals; cannabis extracts; and edible cannabis.	Les seuls produits du cannabis que le titulaire de la licence peut vendre ou distribuer (i) à un titulaire d'une licence de vente et (ii) à une personne autorisée sous le régime d'une loi provinciale visée au paragraphe 69(1) de la Loi à vendre du cannabis sont les suivants : plantes de cannabis; graines provenant d'une plante de cannabis; cannabis séché; cannabis frais; cannabis pour usage topique; extrait de cannabis; et cannabis comestible.
The only cannabis products that the licence holder may send or deliver to the purchaser at the request of (i) a holder of a licence for sale, and (ii) a person that is authorized under a provincial Act referred to in subsection 69(1) of the Act to sell cannabis, are as follows: cannabis plants; cannabis plant seeds; dried cannabis; fresh cannabis; cannabis topicals; cannabis extracts; and edible cannabis.	Les seuls produits du cannabis que le titulaire de la licence peut expédier ou livrer à l'acheteur à la demande (i) d'un titulaire d'une licence de vente et (ii) d'une personne autorisée sous le régime d'une loi provinciale visée au paragraphe 69(1) de la Loi à vendre du cannabis sont les suivants : plantes de cannabis; graines provenant d'une plante de cannabis; cannabis séché; cannabis frais; cannabis pour usage topique; extrait de cannabis; et cannabis comestible.

Sale for Medical Purposes

Vente à des fins médicales

Activities	Activités
<ul style="list-style-type: none"> <li>To possess cannabis</li> <li>To sell cannabis products in accordance with section 27 and Part 14, Division 1 of the Cannabis Regulations</li> </ul>	<ul style="list-style-type: none"> <li>Avoir du cannabis en sa possession</li> <li>Vendre des produits du cannabis en vertu de l'article 27 et la section 1 de la partie 14 du Règlement sur le cannabis</li> </ul>

Conditions	Conditions
N/A	nd

Acting Director, Licencing and Security, Controlled Substances and Cannabis Branch

Directeur par intérim, Licences et sécurité, Direction générale des substances contrôlées et du cannabis



**Indoor Area(s) / Zone(s) intérieure(s)**

The possession of cannabis and the other activities mentioned above are authorized in the following building(s) / La possession de cannabis et les autres activités mentionnées ci-haut sont autorisées dans les bâtiment(s) suivant(s) :

Building 1

**Effective date** of the licence:

This licence is effective as of **January 4, 2023**

**Date d'entrée** en vigueur de la licence:

Cette licence entre en vigueur à compter du **4 janvier 2023**

**Expiry date** of the licence:

This licence expires on **January 5, 2028**

**Date d'expiration** de la licence:

La présente licence expire le **5 janvier 2028**

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Acting Director, Licencing and Security, Controlled Substances and Cannabis Branch  
Directeur par intérim, Licences et sécurité, Direction générale des substances contrôlées et du cannabis





March 12, 2024

Diteba Laboratories Inc.  
1680 Tech Avenue, Unit 1  
Mississauga ON L4W5S9

Dear Ramiro Vazquez:

**Subject: Renewal of Cannabis Licence under the Excise Act, 2001**

Further to the Notice of Intention filed on March 2, 2024, your cannabis licence under the Excise Act, 2001 has been renewed effective March 13, 2024 for a period of 1 month and will expire effective **April 15, 2024**.

**Cannabis licence number**

The following licence number should be recorded on all correspondence with the CRA:

**75003 4514 RD0001**  
**1680 Tech Avenue, Unit 1**  
**Mississauga, ON L4W5S9**

**Requirement for Additional Financial Security**

Paragraph 23(3)(b) of the Act states that on issuing a licence, the Minister shall, in the case of a cannabis licensee, require security in a form satisfactory to the Minister, and in an amount determined in accordance with the regulations.

The Regulations Respecting Excise Licences and Registrations state that for a cannabis licensee, the security must be sufficient to ensure the payment of duty for one reporting period. Based on the average of the cannabis excise duties reported as payable on your 12 most recently filed B300 returns (February 2023 to January 2024), the amount of security required is \$375,525. The current security posted is \$62,500 (including the payment of \$27,500 made towards financial security in January 2024), leaving a deficiency of **\$313,025**.

Excise Duties and Taxes  
Legislative Policy and Regulatory Affairs  
55 Bay Street North  
Hamilton ON L8R 3P7  
Phone: 1-866-330-3304  
Fax: 1-905-572-4608

## **Renewal of Cannabis Licence**

Information related to renewing a cannabis licence is provided in Excise Duty Notice EDN52, Obtaining and Renewing a Cannabis Licence. Subject to meeting the requirements for maintaining a cannabis licence, the licence will remain in effect for the period specified in the licence.

## **Obligations of a Cannabis Licensee**

### Filing of Returns

A form B300, Cannabis Duty and Information Return for each filing division under your cannabis licence must be filed for each calendar month whether or not any duty is payable. Your returns and the associated payments are due at the end of the month following the calendar month for the production being reported.

Electronic filing of the monthly B300 Cannabis Duty and Information Return, the B301 Application for a Refund of Cannabis Duty, as well as other account information, such as account transactions and balances, licence status and account maintenance activities, is available at [canada.ca/my-cra-business-account](http://canada.ca/my-cra-business-account). Electronic filing of returns provides immediate confirmation that your return has been received by the CRA. Enrollment can be completed online, and further information is available at [canada.ca/my-cra-business-account](http://canada.ca/my-cra-business-account) or by phone at 1-800-959-5525.

Excise cannabis returns may also be printed from our website at [canada.ca/cannabis-excise](http://canada.ca/cannabis-excise) so that they may be completed and submitted by mail. Please note that should a return and any payment due not be filed or received within the time limits, penalty and interest charges may be applied in accordance with the Act.

### Changes to Information

The CRA must be informed of any changes to the name, legal entity, business or mailing address, location of books and records or changes to any other information provided in the licence application form. The CRA must also be informed if your business/operations have been discontinued or sold.

### Books and Records

All cannabis licensees are required to maintain adequate books and records and provide access to those books and records to excise officers. Denied access to books and records could result in a suspension or the cancellation of a cannabis licence.

## **Methods of Destruction and Analysis**

As a reminder, methods for destruction and analysis of cannabis products must be approved by the Minister. Any changes to the previously approved methods must be submitted in writing to the Regional Manager for Excise Duty for approval, prior to implementation of the revised procedures.

Although we reserve the right to be present during any destruction, mandatory notification and witnessing of destruction is not required for regular, routine destruction. However, unusual destruction or the destruction of packaged goods returned from a purchaser are required to be reported and may require witnessing of the destruction by an officer.

Should you have any questions or require clarification regarding the above information, please do not hesitate to contact Victoria Ferlaino at 289-527-1701. For general information regarding the excise duty on cannabis products please call 1-866-330-3304 or go to [canada.ca/cannabis-excise](http://canada.ca/cannabis-excise). To request a ruling or interpretation or make a technical enquiry on cannabis excise duty, please email [cannabis@cra-arc.gc.ca](mailto:cannabis@cra-arc.gc.ca).

Sincerely,

Katherine Cardwell, CPA, CGA  
Ontario Regional Manager  
Excise Duties and Taxes  
Legislative Policy and Regulatory Affairs

This is Exhibit "D" referred to in the Affidavit of Stefan M. Overgaard-Thomsen sworn remotely before me at the City of Toronto, in the Province of Ontario, this 21<sup>st</sup> day of March 2024.



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*Commissioner for Taking Affidavits (or as may be)*

**Alexandra Teodorescu**



Industry Canada  
Office of the Superintendent  
of Bankruptcy Canada

Industrie Canada  
Bureau du surintendant  
des faillites Canada

District of Ontario  
Division No. 09 - Mississauga  
Court No. 32-3051152  
Estate No. 32-3051152

In the Matter of the Notice of Intention to make a proposal of:

**DITEBA LABORATORIES INC.**

Insolvent Person

**CROWE SOBERMAN INC.**

Licensed Insolvency Trustee

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Date of the Notice of Intention:

March 02, 2024

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CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL  
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: March 04, 2024, 12:09

E-File/Dépôt Electronique

Official Receiver

Federal Building - Hamilton, 55 Bay Street N, 9th Floor, Hamilton, Ontario, Canada, L8R3P7, (877)376-9902

**Canada**

This is Exhibit "E" referred to in the Affidavit of Stefan M. Overgaard-Thomsen sworn remotely before me at the City of Toronto, in the Province of Ontario, this 21<sup>st</sup> day of March 2024.



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*Commissioner for Taking Affidavits (or as may be)*

**Alexandra Teodorescu**



SUMMERSIDE PE C1N 5Z7

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<b>Date</b>	Oct 18, 2023
<b>Account number</b>	75003 4514 RD0001
<b>Reference number</b>	OL232892101476

DITEBA LABORATORIES INC.  
DITEBA  
1680 TECH AVENUE UNIT 1  
MISSISSAUGA ON L4W 5S9

**Subject: Renewing your cannabis licence**

Dear Licensee:

Your cannabis licence, number 75003 4514 RD0001, will expire on **January 9, 2024**.

To apply to renew your licence, fill out Form L300, Cannabis Licence Application under the Excise Act, 2001. You may also need to fill out Form L300SCHA Schedule A, Other Business Location(s), and L300SCHB Schedule B, Information Relating to Individuals, Partners, Directors, Officers and Shareholders, if they apply.

Please send your completed forms to your regional office before **December 10, 2023**. To find the address, go to [canada.ca/en/revenue-agency/services/forms-publications/publications/contacts](https://canada.ca/en/revenue-agency/services/forms-publications/publications/contacts).

To qualify for renewal, you must show that you still meet all eligibility requirements in the Regulations Respecting Excise Licences and Registrations. Once we have your application, we will contact you if we need more documents or to confirm your information. After we review your application, we will write to you to let you know our decision.

If you have already taken steps to renew your licence, please disregard this letter.

If you have questions about renewing your licence, please contact your regional office.

You can find more information at [canada.ca/cannabis-excise](https://canada.ca/cannabis-excise).

Sincerely,

Bob Hamilton  
Commissioner of Revenue

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SUMMERSIDE PE C1N 5Z7

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<b>Date</b>	Jan 10, 2024
<b>Account number</b>	75003 4514 RD0001
<b>Reference number</b>	OL240082102064

DITEBA LABORATORIES INC.  
DITEBA  
1680 TECH AVENUE UNIT 1  
MISSISSAUGA ON L4W 5S9

**Subject: Renewing your cannabis licence**

Dear Licensee:

Your cannabis licence, number 75003 4514 RD0001, will expire on **February 9, 2024**.

To apply to renew your licence, fill out Form L300, Cannabis Licence Application under the Excise Act, 2001. You may also need to fill out Form L300SCHA Schedule A, Other Business Location(s), and L300SCHB Schedule B, Information Relating to Individuals, Partners, Directors, Officers and Shareholders, if they apply.

Please send your completed forms to your regional office before **January 10, 2024**. To find the address, go to [canada.ca/en/revenue-agency/services/forms-publications/publications/contacts](https://canada.ca/en/revenue-agency/services/forms-publications/publications/contacts).

To qualify for renewal, you must show that you still meet all eligibility requirements in the Regulations Respecting Excise Licences and Registrations. Once we have your application, we will contact you if we need more documents or to confirm your information. After we review your application, we will write to you to let you know our decision.

If you have already taken steps to renew your licence, please disregard this letter.

If you have questions about renewing your licence, please contact your regional office.

You can find more information at [canada.ca/cannabis-excise](https://canada.ca/cannabis-excise).

Sincerely,

Bob Hamilton  
Commissioner of Revenue







February 7, 2024

Ramiro Vazquez  
Diteba Laboratories Inc.  
1680 Tech Avenue Unit 1  
Mississauga, Ontario L4W 5S9

Dear Ramiro Vazquez:

**Subject: Renewal of Cannabis Licence under the Excise Act, 2001**

We have reviewed your cannabis licence renewal application, and your cannabis licence under the Excise Act, 2001 has been renewed effective February 10, 2024 and will expire on March 12, 2024.

**Cannabis licence number**

The following licence number should be recorded on all correspondence with the CRA:

**750034514 RD0001**

Each of the physical business locations included in the licence application has been provided with a separate account number as follows:

<b>Location</b>	<b>Account Identifier</b>	<b>Account Type</b>	<b>Premises Address</b>
1	RD0001	Filing	1680 Tech Avenue Unit 1, Mississauga Ontario, L4W 5S9

Excise Duties and Taxes  
Legislative Policy and Regulatory Affairs  
55 Bay Street North  
Hamilton ON L8R 3P7  
Phone: 1-866-330-3304  
Fax: 1-905-572-4608

### **Sufficient Financial Resources**

A holder of a licence issued under the Act who wishes to maintain or renew their excise licence must continue to meet certain conditions imposed under the Act. Pursuant to paragraph 2(2)(e) of the Regulations Respecting Excise Licences and Registrations a licensee must maintain sufficient financial resources to conduct their business in a responsible manner.

In order to demonstrate that you have sufficient financial resources to conduct business in a responsible manner in accordance with section 2 of the Regulations, we require that the following payment requirements are met before the next renewal:

1. Comply fully with all terms and conditions of the payment arrangement agreed to with our Collections branch
2. Ensure B300 are filed up to date and paid in full. For this renewal, it means filing and paying the January 2024 return by the due date.
3. Continue with the agreed payments towards increasing your financial security

Failure to meet the eligibility criteria for a licence will render your licence ineligible for renewal, and can be grounds for the CRA to suspend or cancel an excise licence pursuant to the Regulations. If your licence is not renewed, suspended or cancelled, you will no longer be authorized to conduct any activities, including production or possession of the goods, for which the licence was issued.

In order to renew your licence, a completed Form L300, Cannabis Licence Application must be submitted to your regional office not later than 30 days before the expiry date March 9, 2024.

### **Acknowledgement of Security**

A person renewing a cannabis licence under the Act is required to maintain security in a form satisfactory to the CRA and in an amount determined by the Regulations Respecting Excise Licences and Registrations. Please ensure your posted security remains valid, and is sufficient to ensure payment of the amount referred to in paragraph 160(b) of the Act. If you have questions in regards to the security requirement, please contact our office.

### **Renewal of Cannabis Licence**

Information related to renewing a cannabis licence is provided in Excise Duty Notice EDN52, Obtaining and Renewing a Cannabis Licence. Subject to meeting the requirements for maintaining a cannabis licence, the licence will remain in effect for the period specified in the licence.

## **Obligations of a Cannabis Licensee**

### Changes to Information

The CRA must be informed of any changes to the name, legal entity, business or mailing address, location of books and records or changes to any other information provided in the licence application form. The CRA must also be informed if your business/operations have been discontinued or sold.

### Books and Records

All cannabis licensees are required to maintain adequate books and records and provide access to those books and records to excise officers. Denied access to books and records could result in a suspension or the cancellation of a cannabis licence.

### Filing of Returns

A form B300, Cannabis Duty and Information Return for each filing division under your cannabis licence must be filed for each calendar month whether or not any duty is payable. Your returns are due at the end of the month following the calendar month for the production being reported.

Electronic filing of the monthly B300 Cannabis Duty and Information Return, the B301 Application for a Refund of Cannabis Duty, as well as other account information, such as account transactions and balances, licence status and account maintenance activities, is available at [canada.ca/my-cra-business-account](http://canada.ca/my-cra-business-account). Electronic filing of returns provides immediate confirmation that your return has been received by the CRA. Enrollment can be completed online, and further information is available at [canada.ca/my-cra-business-account](http://canada.ca/my-cra-business-account) or by phone at 1-800-959-5525.

Excise cannabis returns may also be printed from our website at [canada.ca/cannabis-excise](http://canada.ca/cannabis-excise) so that they may be completed and submitted by mail. Please note that should a return and any payment due not be filed or received within the time limits, penalty and interest charges may be applied in accordance with the Act.

## **Methods of Destruction and Analysis**

As a reminder, methods for destruction and analysis of cannabis products must be approved by the Minister. Any changes to the previously approved methods must be submitted in writing to the Regional Manager for Excise Duty for approval, prior to implementation of the revised procedures.

Although we reserve the right to be present during any destruction, mandatory notification and witnessing of destruction is not required for regular, routine destruction. However, unusual destruction or the destruction of packaged goods returned from a

purchaser are required to be reported and may require witnessing of the destruction by an officer.

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Sincerely,

Katherine Cardwell, CPA, CGA  
Ontario Regional Manager  
Excise Duties and Taxes  
Legislative Policy and Regulatory Affairs

This is Exhibit "F" referred to in the Affidavit of Stefan M. Overgaard-Thomsen sworn remotely before me at the City of Toronto, in the Province of Ontario, this 21<sup>st</sup> day of March 2024.



---

*Commissioner for Taking Affidavits (or as may be)*

**Alexandra Teodorescu**



**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF DITEBA LABORATORIES INC., OF THE CITY OF MISSISSAUGA, IN THE PROVINCE OF ONTARIO**

Email addresses of recipients: see Service List

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
Proceeding commenced at Toronto

**AFFIDAVIT OF STEFAN M. OVERGAARD-THOMSEN****BLANEY MCMURTRY LLP**

Lawyers

2 Queen Street East, Suite 1500  
Toronto, ON, M5C 3G5

**Timothy Dunn (LSO #34249I)**

Tel: (416) 598-4880

Email: [tdunn@blaney.com](mailto:tdunn@blaney.com)

**David Ullmann (LSO #42357I)**

Tel: (416) 596-4289

Email: [dullmann@blaney.com](mailto:dullmann@blaney.com)

**Alexandra Teodorescu (LSO #63889D)**

Tel: (416) 596-4279

Email: [ateodorescu@blaney.com](mailto:ateodorescu@blaney.com)

Lawyers for Diteba Laboratories Inc.

**TAB 3**



Court File No. 32-3051152  
 Court File No. BK-24-03051152-0032

**ONTARIO  
 SUPERIOR COURT OF JUSTICE  
 IN BANKRUPTCY AND INSOVENCY  
 (COMMERCIAL LIST)**

THE HONOURABLE MADAM	)	TUESDAY, THE 26 <sup>TH</sup> DAY
	)	
JUSTICE KIMMEL	)	OF MARCH 2024
	)	

**IN THE MATTER OF THE *BANKRUPTCY AND  
 INSOLVENCY ACT*, RSC 1985, c B-3, AS AMENDED**

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
 DITEBA LABORATORIES INC., OF THE CITY OF MISSISSAUGA, IN THE  
 PROVINCE OF ONTARIO**

**ORDER  
 (Re: Stay Extension)**

**THIS MOTION**, made by Diteba Laboratories Inc. (the “**Company**”), for an Order, *inter alia*, extending the period of time for filing a proposal pursuant to section 50.4(9) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended (“**BIA**”), as heard this day by videoconference in Toronto, Ontario.

**UPON READING** the Affidavit of Stefan (Steven) M. Overgaard-Thomsen, sworn March 21, 2024, the First Report of Crowe Soberman Inc. in its capacity as proposal trustee, and upon the hearing the submissions from counsel to the Company and all other parties listed on the Counsel Slip, no one else appearing for any other person, although all parties appearing on the Service List were duly served as it appears from the Affidavit of Service of Ariyana Botejue, sworn March 21, 2024, filed;

1. **THIS COURT ORDERS** that the time for service and filing of the Notice of Motion and the Motion Record be and is hereby abridged, if necessary, so that this motion is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS** that pursuant to Section 50.4(9) of the BIA, the time for the Company to file a proposal to its creditors is hereby extended for a period of 45 days from April 2, 2024, to and including May 17, 2024.

3. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Court and to assist the Proposal Trustee (or any successor) and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Proposal Trustee (or any successor), as an officer of the Court, as may be necessary or desirable to give effect to this Order or to assist the Proposal Trustee (or any successor) and its agents in carrying out the terms of this Order.

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*(Signature of Judge)*

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF DITEBA LABORATORIES INC., OF THE CITY OF MISSISSAUGA, IN THE PROVINCE OF ONTARIO**

Email addresses of recipients: see Service List

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
Proceeding commenced at Toronto

**O R D E R**  
**(Re: Stay Extension)**

**BLANEY MCMURTRY LLP**

Lawyers

2 Queen Street East, Suite 1500

Toronto, ON, M5C 3G5

**Timothy Dunn (LSO #34249I)**

Tel: (416) 598-4880

Email: [tdunn@blaney.com](mailto:tdunn@blaney.com)

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**Alexandra Teodorescu (LSO #63889D)**

Tel: (416) 596-4279

Email: [ateodorescu@blaney.com](mailto:ateodorescu@blaney.com)

Lawyers for Diteba Laboratories Inc.