

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

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
PLANT-BASED INVESTMENT CORP.

Applicant

SUPPLEMENTARY MOTION RECORD OF THE APPLICANT
(Returnable June 8, 2023)

June 7, 2023

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TO THE SERVICE LIST

SERVICE LIST

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1	Supplementary Affidavit of Paul Crath, sworn June 7, 2023
Exhibit	
A	Letter to Monitor dated May 30, 2023
B	Hedgerow APA
C	Letter to C. Fell dated June 1, 2023

TAB 1

Court File No.: CV-23-00698826-00CL

**ONTARIO
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IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985,
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**SUPPLEMENTARY AFFIDAVIT OF PAUL CRATH
(sworn June 7, 2023)**

I, Paul Crath, of the City of Brooklyn, in the State of New York, MAKE OATH AND
SAY AS FOLLOWS:

1. I have been the Chief Executive Officer, Vice President Corporate Development, and General Counsel of Plant-Based Investment Corp. (“**PBIC**” or the “**Applicant**”), since November 26, 2020. As such, I have personal knowledge of the matters to which I herein depose. Where I have obtained information from others, I have stated the source of my information and, in all such cases, believe such information to be true. I swear this Affidavit in my capacity as CEO and not General Counsel and do not waive privilege by any statement herein.

2. This affidavit is supplementary to my affidavit sworn June 6, 2023 (the “**Third Crath Affidavit**”), and filed in this proceeding. Capitalized but undefined terms have the meaning given to them in the Third Crath Affidavit.

A. Ad Hoc Letter and Resolution

3. On May 30, 2023, PBIC was copied on a letter to the Monitor (the “**May 30 Letter**”) from counsel for an ad-hoc group of creditors and equity holders (the “**Ad Hoc Group**”) purportedly comprising approximately twenty-five percent of the PBIC. The May 30 Letter stated that neither a sale process nor a sale of non-material assets should be undertaken for various reasons. Among other things, the Ad Hoc Group was concerned that certain assets (the “**Hedgerow Assets**”), over which a portion of the Ad Hoc Group claims ownership pursuant to asset purchase agreement between Hedgerow Capital Corporation and PBIC dated February 1, 2023 (the “**Hedgerow APA**”), would be included in PBIC’s proposed sale and investment solicitation process (the “**SISP**”). The Ad Hoc Group stated an intention to oppose the proposed SISP Order. A copy of the May 30 Letter is attached hereto as **Exhibit “A”**. A copy of the Hedgerow APA is attached hereto as **Exhibit “B”**.

4. On June 1, 2023, counsel to PBIC wrote to counsel for the Ad Hoc Group, proposing a call to speak about the matters raised in the May 30 Letter.

5. That afternoon, counsel for PBIC and counsel for the Ad Hoc Group spoke over the phone, and counsel for PBIC suggested that an in-person meeting between clients and counsel might be able to resolve opposition to the proposed SISP. A copy of a letter from PBIC’s counsel memorializing that phone call is attached hereto as **Exhibit “C”**.

6. On Tuesday June 6, 2023, the representatives from the Ad Hoc Group, and their counsel, met with me and other representatives of PBIC, and PBIC’s counsel, to discuss the concerns raised in the Ad Hoc Group’s May 30 Letter.

7. PBIC and the Ad Hoc Group developed an interim solution to ensure that the Ad Hoc Group's rights as they relate to the Hedgerow Assets are reserved and not prejudiced as a result of the SISP being carried out. The interim solution agreed to allows the Hedgerow Assets to be included in the SISP, but, requires that they be marketed as a distinct basket of assets and that possible bidders allocate specific value to the Hedgerow Assets. This will ensure that PBIC obtains a clear market value for the Hedgerow Assets at the completion of the SISP. If no one specifically bids for the Hedgerow Assets, or, if the best bid is less than the consideration proposed to be paid in the Hedgerow APA, PBIC should be clear to accept the Ad Hoc Group's bid for the Hedgerow Assets. However, if a superior bid is put forth for the Hedgerow Assets, it may be the case that a court hearing is required to determine if PBIC is obligated to honour the Hedgerow APA on a specific performance basis.

B. The Proposed Resolution of the Hedgerow Asset Issue is Critical to These CCAA Proceedings

8. Under the Amended and Restated DIP Term Sheet attached to the Third Crath Affidavit at Exhibit "E", the DIP Lender is not obligated to fund unless PBIC is in compliance with the Amended and Restated DIP Term Sheet. The issuance of the SISP Order is a condition precedent to funding under the Amended and Restated DIP Term Sheet. Further, PBIC is in default under Amended and Restated DIP Term Sheet upon, among other things, the occurrence of an event that will, in the opinion of the DIP Lender, materially impair the Applicant's financial condition, operations or ability to perform under the Amended and Restated DIP Term Sheet.

9. The DIP Lender has communicated that it requires a clear resolution to the Hedgerow Assets issue prior to funding; and it will not waive its requirement for a SISP Order, nor will it waive compliance with all other conditions precedent to funding. The DIP Lender's positions are

in my view reasonable because, as I stated in the Third Crath Affidavit, the value of PBIC's assets is rapidly eroding, and therefore a materially delayed SISP would entirely defeat the purpose of this CCAA proceeding.

C. Conclusion

10. I swear this affidavit in support of PBIC's motion for a SISP Order and for no other purpose.

SWORN before me at the City of Toronto, in the Province of Ontario, this 7th day of June 2023, in accordance with O. Reg. 431/20 Administering Oath or Declaration Remotely.

DocuSigned by:

Monica Faheim

A027328446B742A...

A Commissioner for taking Affidavits
MONICA FAHEIM

Paul Crath
Paul Crath

**This is Exhibit "A" referred to in the affidavit
of PAUL CRATH, SWORN BEFORE ME
this 7th day of June, 2023**

DocuSigned by:

Monica Faheim

**A COMMISSIONER FOR TAKING AFFIDAVITS
MONICA FAHEIM**



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May 30, 2023

SENT BY EMAIL

MSI SPERGEL INC.
200 Yorkland Blvd., Suite 1100
Toronto, Ontario
M2J 5C1

Attention: Mukul Manchanda and Philip Gennis

Dear Mr. Manchanda and Mr. Gennis;

**RE: The Sale and Investment Solicitation Process of Plant-Based Investment Corp.
("PBIC")**

We are counsel to an ad hoc group of creditors and equity holders including, amongst others, Tarra Private Equity Inc. and Hedgerow Capital Corporation ("**Hedgerow**") in the above-noted matter (the "**Ad Hoc Group**"). The Ad Hoc Group comprises approximately 25 percent of the equity of PBIC.

The Ad Hoc Group has serious concerns about PBIC and its conduct to date. In particular, the Ad Hoc Group is of the view that PBIC's board inappropriately filed the company for protection under the *Companies' Creditors Arrangement Act* (the "**CCAA**") when PBIC had access to liquidity and given that, prior to management obtaining shares in connection with the Grown Rogue Transaction (as defined below), PBIC was likely solvent. We understand that PBIC has a motion scheduled for June 9, 2023 seeking to dispose of non-material assets and to approve a sale and investor solicitation process (the "**Sale Process**"). Given these concerns and the concerns outlined below, the Ad Hoc Group is of the view that no Sale Process should be undertaken at this time. Rather, an investigation should take place concerning the Grown Rogue Transaction. Additionally, the Ad Hoc Group is in the process of formulating a plan of arrangement which will see the portfolio of PBIC monetized over time for the benefit of all stakeholders.

PBIC's Board Inappropriately Filed for CCAA Protection

The Ad Hoc Group takes the position that PBIC inappropriately filed for CCAA protection. PBIC had access to sufficient funds to avoid a CCAA filing and to continue as a going-concern. In particular, as noted in the Application Record of PBIC, PBIC was offered a \$500,000 loan in March 2023 that PBIC refused to accept. This loan would have provided PBIC sufficient capital to fulfill the necessary requirements to lift the Cease Trade Order and continue operating.



The decision of the board of directors to refuse the March 2023 loan was a value destructive action for PBIC, including its equity holders. If the board of PBIC complied with their fiduciary obligation to act in the best interests of PBIC, these CCAA proceedings would not have been commenced.

The Management Agreement

PBIC and CGOC Management Corp. (the “**Manager**”) entered into a management contract (“**Management Contract**”) wherein the Manager provided management services to PBIC including making all decisions regarding PBIC’s business. Notwithstanding the Management Contract, PBIC had an internal CEO, CFO and Chief Strategy Officer who were also responsible for making decisions regarding PBIC’s business. The appropriateness of the Management Contract, including any payments made on account of the Management Contract, is highly questionable given that there are internal officers paid to perform the same services as the Manager and an investment manager overseeing the Passive Public Portfolio. Further, as illustrated below, the Manager is also directly or indirectly owned in part by officers and directors of PBIC, as well as certain board members of PBIC, resulting in a clear conflict of interest.

Grown Rogue Transaction

Notwithstanding the inappropriate nature of the Management Contract, on May 12, 2022, PBIC acquired the Manager through a share purchase agreement whereby it agreed to acquire all of the common shares of the Manager for a purchase price of \$1.4 million, which was satisfied through a transfer and assignment by PBIC of 31,650,000 common shares of Grown Rogue International Inc. to the owners of the Manager (the “**Grown Rogue Transaction**”). The Ad Hoc Group has significant concerns with the Grown Rogue Transaction for various reasons including:

- There does not appear to be any rationale basis for PBIC to acquire its Manager or for PBIC to transfer its most significant asset to acquire the Manager;
- The buyout of the Management Contract is nonsensical given its limited value and the limited amount owing to the Manager thereunder. Under the Management Contract, the Manager only ever earned a Management Fee of 1% of the market capitalization of PBIC. That amount is minimal.
- The buyout of the Management Contract is unnecessary given the officers/directors of PBIC were performing the same duties.

RECON

R E C O N S T R U C T L L P

- PBIC recorded the total consideration of the transaction as \$2,215,500 “based on the fair value, as represented by the market share price, of the Grown Rogue common shares on May 12, 2022” despite this, the purchase price for the shares was only \$1.4 million.
- The transfer of 31,650,000 Grown Rogue shares for a purchase price of \$1.4 million indicates a price per share of 4.42 cents per share. Today, the Grown Rogue shares are worth 14 cents per share. The difference in price per share results in the former owners of the Manager (being current officers and directors or other insiders of PBIC) benefiting from a gain in the value of the shares totalling \$3,031,000 in approximately 1 year.
- The parties involved in the Grown Rogue Transaction raise issues of transfers at undervalue and conflicts of interest:
 - Paul Crath, the CEO, Vice President Corporate Development and General Counsel of PBIC, was the Director of the Manager (the party purchased by PBIC and receiving the Grown Rogue shares);
 - Graham Simmonds, one of three board members of PBIC, was the Director, President and Secretary of the Manager (the party purchased by PBIC and receiving the Grown Rogue shares);
 - Paul Anderson, a partner of Forbes Anderson (the auditor of PBIC), and Jamie Blundell (former CEO of PBIC) jointly own a company that held a 50% interest in the Manager;
 - Mike Johnston, the CFO of PBIC, is a partner in Forbes Anderson (the auditor of PBIC), as well as one of three board members of PBIC; and
 - Sean Conacher, the former Chief Strategy Officer of PBIC and board member of Grown Rogue and PBIC, co-owns 50% of the Manager (the party having been purchased by PBIC and receiving the Grown Rogue shares).
- PBIC disposed of the shares of Grown Rogue, likely its most valuable asset, without seeking or receiving shareholder approval. The Management Contract requires shareholder approval to increase the management fee payable to the Manager.

Based on the above, the Ad Hoc Group believes that there are sufficient “red flags” surrounding the Grown Rogue Transaction to warrant further investigation by the Monitor to determine whether the Grown Rogue shares were transferred in accordance with applicable law and whether the transfer constituted a transfer at undervalue such that the transaction should be unwound. The Ad Hoc Group will also seek a preservation order against the holders of the Manager at the next hearing in order to prevent them from disposing of the Grown Rogue shares.



No Sale Process Should be Conducted

The Ad Hoc Group takes the position that no Sale Process or sale of “non-material” assets should occur at this time, especially pending an investigation by the Monitor into the Grown Rogue Transaction. Selling pieces of PBIC’s investment portfolio at inopportune times and at a discount will erode value to the detriment of all stakeholders. Further, the value of PBIC’s portfolio is not insignificant and if monetized properly, will result in recovery for equity holders.

The Hedgerow Transaction

The Ad Hoc Group strongly opposes the commencement of any Sale Process at this time. However, if a Sale Process ultimately proceeds, the Sale Process must exclude all of the assets sold to Hedgerow in an asset purchase agreement between PBIC and Hedgerow (the “**Hedgerow APA**”).

In and around February 1, 2023, PBIC entered into the Hedgerow APA wherein PBIC agreed to sell some of its investments to Hedgerow for a purchase price of \$200,000 plus the issuance of 9.9% of common shares in Hedgerow. Schedule ‘A’ of the Hedgerow APA lists the assets that PBIC agreed to sell to Hedgerow (the “**Hedgerow Assets**”). The Hedgerow Assets principally consist of investments written down to nil value.

Despite PBIC’s obligations under the Hedgerow APA, PBIC has failed to transfer the Hedgerow Assets to Hedgerow. Hedgerow remains willing and able to complete the transaction and is suffering continuous prejudice by PBIC’s failure to comply with its obligations in the Hedgerow APA. Accordingly, the Ad Hoc Group objects to PBIC disposing of any of the Hedgerow Assets through a Sale Process, “non-material” asset transfer, or otherwise.

Conclusion

The Ad Hoc Group does not believe that a Sale Process should be conducted at this time. The Hedgerow APA and Grown Rogue Transaction raise serious concerns with PBIC’s management of its assets in the reviewable period prior to filing for protection under the CCAA. The Monitor should be provided sufficient time to investigate these transactions, in order to assess the assets of the company and provide the Court and other stakeholders with critical information to meaningfully consider the appropriate next step in the CCAA proceeding.

RECON

R E C O N S T R U C T L L P

As mentioned above, the Ad Hoc Group is working to put forward a plan of arrangement that they believe will maximize the value of PBIC's assets without incurring the significant time and cost of a Sale Process, to the detriment of all stakeholders.

Yours truly,

RECONSTRUCT LLP



Caitlin Fell

CF/jw

cc. Clifton Prophet, clifton.prophet@gowlingwlg.com
Heather Fisher, heather.fisher@gowlingwlg.com
Miller Thomson LLP, Counsel to PBIC, lellis@millertomson.com,
pcorney@millertomson.com, jwreid@millertomson.com

**This is Exhibit “B” referred to in the affidavit
of PAUL CRATH, SWORN BEFORE ME
this 7th day of June, 2023**

DocuSigned by:

Monica Faheim

**A COMMISSIONER FOR TAKING AFFIDAVITS
MONICA FAHEIM**

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT, (the “Agreement”) is made and entered into as of the 1st day of FEBRUARY, 2023 .

BETWEEN:

PLANT-BASED INVESTMENT CORP.

(the “Vendor”)

AND:

[HEDGEROW CAPITAL CORP.]

(the “Purchaser”)

BACKGROUND

- A. The Vendor is a public investment company trading on the Canadian Stock Exchange under the symbol “PBIC” and is incorporated under the laws of Canada.
- B. The Vendor is the owner of certain investment assets including shares, options to acquire shares and loans made to certain private companies in various jurisdictions including, without limitation, Canada, the United States and Switzerland.
- C. The Purchaser is a private investment company incorporated under the laws of the Province of Ontario.
- D. The Purchaser desires to purchase and/or take assignment where applicable, on the terms and conditions set forth herein of certain assets of the Vendor including investments in shares, options to acquire shares and loans and associated rights, made to certain investee companies of the Vendor (the “Assets”) as further defined in Section 2 below and as listed on Schedule A hereto, and the Vendor desires to sell and/or assign the Assets to the Purchaser on the terms and conditions set forth herein.

TERMS OF AGREEMENT

In consideration of the foregoing and the terms, conditions, covenants, and agreements hereinafter set forth in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the parties agree with each other as follows:

1. Interpretation

1.1 Definitions

In this Agreement:

Private & Confidential – Asset Purchase Agreement



- (a) "Agreement" means this agreement and all amendments made hereto by written agreement between the Vendor and the Purchaser;
- (b) "Closing Date" means February 1, 2023, or such other date as may be mutually agreed upon in writing by the parties; and
- (c) "Time of Closing" means 10 a.m. EST on the Closing Date.

1.2 Headings

The division of this Agreement into Articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms "this Agreement", "hereof", "hereunder" and similar expressions refer to this Agreement and not to any particular Article, section or other portion hereof and include any agreement supplemental hereto. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles and sections are to Articles and sections of this Agreement.

1.3 Extended Meanings

In this Agreement words importing the singular number only shall include the plural and vice versa, wordings importing the masculine gender shall include the feminine and neuter genders and vice versa and words importing persons shall include individuals, partnerships, associations, trusts, unincorporated organizations and companies.


2. Sale and/or Assignment of Assets

Subject to the terms and conditions of this Agreement, on the Closing Date the Vendor will hereby sell, convey, transfer and deliver, and/or assign to the Purchaser and Purchaser hereby purchases from the Vendor and/or take assignment from the Vendor, all of the Vendor's right, title and interest in and to the defined investment assets of the Vendor as set forth in Schedule A (collectively, the "Assets") on an "as is" basis, subject to any representations made by the Vendor in connection therewith. In the event that any desired consents to sale or assignment from third parties related to the Assets are not received prior to the Closing Date, an acceptable agreement or structure to provide the Purchaser with the economic equivalent of an assignments or consent prior to the actual receipt of such consent will be entered into between the Purchaser and the Vendor until such assignments or consents are received and if such assignment or consent is not received within a mutually reasonable timeframe, if required the Vendor will substitute assets of equivalent value, jointly determined by the Vendor and the Purchaser acting reasonably.

3. Purchase Price

Subject to the terms and conditions of this Agreement, on the Closing Date the Vendor will sell to the Purchaser the Assets in exchange for the following consideration:

- (a) Two hundred dollars CAD\$200,000 payable (i) CAD \$100,000 on February 10, 2023 and CAD\$100,000 on March 1, 2023, provided that all of the Purchased Assets identified in Scheduled A have been delivered to the Purchaser including supporting documentation AND SUBJECT TO ANY SUBSTITUTION AS PER SECTION 2; and

PC


- (b) The issuance the amount of common shares equal to 9.9% of the issued and outstanding shares of the Purchaser at the time of the Final Payment (the "Consideration Shares"). The Consideration Shares will be issued in the name of the Vendor.

The Vendor acknowledges that the Consideration Shares are in a private company and that there is no public market for the shares, in addition to any additional restrictions under applicable securities laws.

4. Vendor's Representations and Warranties

In order to induce the Purchaser to enter into and consummate this Agreement, the Vendor represents and warrants to the Purchaser as follows:

- (a) the Vendor is a company duly incorporated, organized and subsisting under the laws of Canada;
- (b) neither the making of this Agreement, the completion of the transactions contemplated by it, nor the performance of or compliance with its terms will violate the articles of the Vendor;
- (c) the Vendor has due and sufficient right, power and authority to enter into this Agreement on the terms and conditions set forth in this Agreement and to perform its obligations under this Agreement;
- (d) this Agreement has been duly executed and delivered by the Vendor and this Agreement constitutes a legal, valid and binding obligation of the Vendor enforceable against the Vendor in accordance with its terms, except as such terms may be limited by bankruptcy, insolvency, re-organization or other laws relating to the enforcement of creditors' rights generally;
- (e) the Vendor owns and will convey and/or assign good and marketable title to all of the Assets and rights associated therewith on an "as is" basis and in the event that any consents to any assignments or consents to the sale of assets, as applicable are not received by third parties prior to the Closing Date, the Vendor and Purchaser will enter into an acceptable form of agreement, structure or undertaking to provide the Purchaser with the economic equivalent of such assignments or consent until such assignments or consents are received and if such assignment or consent is not received within a mutually reasonable timeframe, if required the Vendor will substitute assets of equivalent value, jointly determined by the Vendor and the Purchaser acting reasonably ;
- (f) there are no current, pending, or to the Vendor's knowledge threatened legal actions, suits, proceedings, claims against the Vendor in connection with the Assets which, if adversely determined against the Vendor, would have a material adverse effect upon the Assets, or upon the Purchaser's ownership or use thereof, or upon the Vendor's ability to consummate the transaction as contemplated by this Agreement; and
- (g) The Vendor have made available to the Purchaser copies of all material documents in its possession concerning the Assets at the Closing Date. There is no fact or circumstance known to the Vendors which materially adversely affects the Assets which has not disclosed by the Vendors to the Purchaser in writing.

PC


5. Purchaser's Representations and Warranties

The Purchaser represents and warrants that:

- (a) the Purchaser is a company duly incorporated, organized and subsisting under the laws of the Province of Ontario;
- (b) neither the making of this Agreement, the completion of the transactions contemplated by it, nor the performance of or compliance with its terms will violate the articles of the Purchaser; and
- (c) the Purchaser has due and sufficient right, power and authority to enter into this Agreement on the terms and conditions set forth in this Agreement and to perform its obligations under this Agreement.

6. Closing Arrangements

6.1 Closing Location

The closing of the purchase and sale and the other transactions contemplated by this Agreement (the "Closing") will take place at the Closing Date at offices designated by the Purchaser in Toronto, Ontario (or at such other place as may be agreed upon by the Vendor and the Purchaser).

7. General

7.1 Survival of Vendor's Representations

The representations, warranties, covenants and agreements of the Vendor contained in this Agreement and in any document or certificate given under this Agreement will survive the Closing of the transactions contemplated by this Agreement and remain in full force and effect notwithstanding any waiver by the Purchaser unless such waiver was made after notice in writing by the Vendor to the Purchaser setting forth the breach.

7.2 Survival of Purchaser's Representations

The representations, warranties, covenants and agreements of the Purchaser contained in this Agreement and in any document or certificate given under this Agreement survive the Closing of the transactions contemplated by this Agreement and remain in full force and effect notwithstanding any waiver by the Vendor unless such waiver was made after notice in writing by the Purchaser to the Vendor setting forth the breach.

7.3 Fees

Each of the parties will bear the fees and disbursements of the respective lawyers, accountants and consultants engaged by them respectively in connection with this Agreement and will not cause or permit any such fees or disbursements to be charged to the other party.

7.4 Notices

PC


Any notice, direction or other instrument required or permitted to be given under this Agreement will be in writing and may be given by mailing the same postage prepaid or delivering the same addressed as follows:

To the Vendor: Plant-Based Investment Corp.
240 Richmond Ave. West
Toronto, ON M5V 1V6

Attn: Chief Executive Officer
Email: info@plantbasedinv.com with a copy to paulcrath@gmail.com

To the Purchaser: Hedgerow Capital Corp.
1221 Ballantry Rd.
Oakville, ON L6H 5M7

Attn: Gary Usling
Email: goeysl@aol.com

or to such other address as a party may specify by notice and shall be deemed to have been received, if delivered, on the date of delivery if it is a business day and otherwise on the next succeeding business day and, if mailed, on the fifth business day following the posting of the notice except if there is a postal dispute, in which case all communications shall be delivered. A copy of such notice will also be sent by email.

7.5 Time of Essence

Time is of the essence of this Agreement.

7.6 Further Assurances

Each of the parties will execute and deliver such further documents and instruments and do such acts and things as may, before or after the Closing Date, be reasonably required by another party to carry out the intent and meaning of this Agreement and to give effect of the sale or assignment of the Assets to the Purchaser.

7.7 Governing Law

This Agreement will be construed and enforced in accordance with, and the rights of the parties shall be governed by the laws of the Province of Ontario.

7.8 Entire Agreement

This Agreement contains the whole agreement between the Vendor and the Purchaser pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions between the Vendor and the Purchaser and there are no representations, warranties, covenants, conditions or other terms other than expressly contained in this Agreement.

7.9 Assignment

This Agreement may not be assigned by any party without the prior written consent of the other party, which consent may be arbitrarily withheld.

PC


7.10 Benefit and Binding Nature of the Agreement

This Agreement enures to the benefit of and is binding upon the parties and their respective successors and permitted assigns.

7.11 Amendments and Waiver

No modification of or amendment to this Agreement will be valid or binding unless set forth in writing and duly executed by both of the parties and no waiver of any breach of any term or provision of this Agreement will be effective or binding unless made in writing and signed by the party purporting to give the same, and unless otherwise provided, will be limited to the specific breach waived.

7.12 Counterparts

This Agreement may be executed in any number of counterparts (including counterparts by facsimile) and all such counterparts taken together shall be deemed to constitute one and the same instrument.

[signature page follows]

AS EVIDENCE OF THEIR AGREEMENT the parties have executed this Agreement as of the date and year first above written.

PLANT-BASED INVESTMENT CORP.
by its authorized signatory:

Paul Crath

Name:
Title:

HEDGEROW CAPITAL CORP.
by its authorized signatory:



Name: **GARY USLIN**
Title: **CEO**

Schedule A
The Assets

Included in the table is description of the Assets is the cost basis, investment amount and/or principal amount of any loans making up the Assets. All amounts will be updated to the Closing Date, as applicable.

In accordance with the Agreement at the mutual consent of the Vendor and the Purchaser there may be substitute asset consisting of the "Assets" and this schedule may be update to reflect any substitutions from time to time, as agreed and acknowledged by the parties by execution hereof.

[insert Excel Chart]

PC 

Schedule A
Plant-Based Investment Corp.
Investments To Be Sold to Hedgerow
Valuations as at 2022-07-31

Investee Name	Investment Type	Portfolio	Quantity	Cost		Market Value	Gain/(Loss)	
				USD	CAD			
2702099 Ontario Inc. (PlantEXT JV)	Common Shares	Private	6,000,000.00	1,100,000.00	1,440,889.68		(1,440,889.68)	
Green Relief Inc.	Common Shares	Private	400,000.00		1,000,000.00		(1,000,000.00)	
Herbs Holdings Ltd.	Common Shares	Private	3,362,100.00	1,000,000.00	1,318,962.50		(1,318,962.50)	
PlantEXT Ltd.	Common Shares	Private	800,000.00	504,000.00	678,932.00		(678,932.00)	
		Private						
Herbs Holdings Ltd.	Convertible Debentures	Private	750,000.00	750,000.00	998,812.50		(998,812.50)	
12089491 Canada Corp (d/b/a Zitronic International)	Credit Facility	Private	1.00		150,000.00		(150,000.00)	
Lauterbrunnen Development Inc.	Credit Facility	Private	1.00	379,500.00	487,650.57		(487,650.57)	
Baymount Inc.	Loan	Private	1.00		55,000.00		(55,000.00)	
Callitas Health Inc.	Loan	Private	1.00	200,000.00	256,560.00		(256,560.00)	
Logan Square Partner, LLC (Related to Callitas Equity)	Loan	Private	1.00	22,533.00	28,652.96		(28,652.96)	
NEBU Resources Inc.	Loan	Private	1.00		12,500.00		(12,500.00)	
NEBU Resources Inc.	Loan	Private	1.00		20,000.00		(20,000.00)	
Zitronic Hempliments AG	Option Shares	Private	2.00		1,000,000.00		(1,000,000.00)	
2767186 Ontario Inc. (d/b/a Konnectom)(clinics)	Promissory Note	Private	1.00		118,000.00		(118,000.00)	
Lauterbrunnen Development Inc.	Promissory note	Private	1.00	355,000.00	436,929.00		(436,929.00)	
Fume Growth Fund II, Inc (Trimco)	Funding Agreement	Private	1.00	1,000,000.00	1,223,149.00		(1,223,149.00)	
Aion Therapeutic Inc.	Promissory note	Active Public	1.00		500,000.00		N/A	
Bhang Common Shares	Common Shares	Active Public					33,000	
Delota Corp	Common Shares	Active Public			54,000.00		33,000.00	
AION Therapeutics Corp							33,000.00	
							9,830,038.21	(9,830,038.21)

Substituted Asset: Agree to Forebear and simple Inter Creditor with PBIC for Balance of Debt required

Amount to be reduced by US\$100,000 so PBIC left with one Unit of Real Estate as per Agreement with Granite Mountain
 And one Unit can be held by Hedgerow in addition to the operating loan balance. Accordingly, any rent backstop would be split 50-50

PC

**This is Exhibit “C” referred to in the affidavit
of PAUL CRATH, SWORN BEFORE ME
this 7th day of June, 2023**

DocuSigned by:

Monica Faheim

**A COMMISSIONER FOR TAKING AFFIDAVITS
MONICA FAHEIM**



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June 1, 2023

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PRIVATE AND CONFIDENTIAL
VIA EMAIL: CFELL@RECONLLP.COM

Reconstruct LLP
Royal Bank Plaza, South Tower
200 Bay Street
Suite 2305
Toronto, ON M5J 2J3

Attention: Caitlin Fell

Dear Ms. Fell:

**Re: The Sale and Investment Solicitation Process of Plant-Based Investment Corp.
("PBIC")**

We write further to our call of today's date, and your letter to the Monitor dated May 30, 2023.

PBIC's intention is to move forward with SISP approval on June 8, 2023.

As discussed, we are hopeful that a businessperson to businessperson call or meeting can resolve your clients' concerns with a SISP. We look forward to receiving potential dates and time for that call or meeting. Until then, PBIC reserves its rights on a full response to your letter, which we will respond to if necessary.

Yours truly,

MILLER THOMSON LLP

Per:

Patrick Corney
PC/dm

c. Larry Ellis, Miller Thomson LLP
Jessica Wuthmann, Reconstruct LLP

70314853.1

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

Court File No.: CV-23-00698826-00CL

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
PLANT-BASED INVESTMENT CORP.**

Applicant

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceeding commenced at TORONTO

AFFIDAVIT OF PAUL CRATH
(SWORN JUNE 7, 2023)

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Lawyers for the Applicant

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

Proceedings commenced at Toronto

**SUPPLEMENTARY MOTION RECORD
OF THE APPLICANT
(Returnable June 8, 2023)**

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