

WITHOUT RECOURSE ASSIGNMENT OF DEBT AND SECURITY

THIS WITHOUT RECOURSE ASSIGNMENT OF DEBT AND SECURITY (this “Assignment”) dated as of the 29th day of July 2022,

BETWEEN:

PLANT-BASED INVESTMENT CORP.
(the “Assignor” or “PBIC”)

AND:

2766923 ONTARIO INC.
(the “Assignee” and, together with the Assignor, the “Parties” and, individually, each a “Party”)

RECITALS:

WHEREAS Delota Corp. (formerly, Spyder Cannabis Inc.), as Borrower (the “Debtor”), and the Assignor, as Lender (the “Lender”), entered into a loan agreement dated January 27, 2021 (the “Loan Agreement”) pursuant to which the Assignor made available to the Debtor certain credit facilities (the “Credit Facility”) in the amount of \$200,000 (the “Debt”);

AND WHEREAS the outstanding amount owing by the Debtor to the Assignor under the Credit Facility, inclusive of accrued interest, fees, expenses, including legal fees, and other amount is \$271,510 as of July 29, 2022, which amount continues to accrue at a rate of 1.8083% per month (equal to a nominal interest rate of 21.70% per annum and an effective interest rate of approximately 23.99% per annum);

AND WHEREAS the Assignee wishes to purchase and assume, and the Assignor wishes to assign, transfer, convey all of its rights, title and interest in and to the Assigned Interest (as defined below) to the Assignee, pursuant to the terms and conditions hereof.

NOW THEREFORE in consideration of the promises and the mutual covenants, agreements, representations and warranties expressed herein and other good and valuable consideration, the sufficiency of which is hereby irrevocably acknowledged by each of the Parties hereto, the Parties hereto mutually covenant and agree as follows:

1. Assignment

In consideration of payment by the Assignee to the Assignor of the Debt owing as of the date hereof, by way of the promissory note to be entered into between the parties, in the form attached hereto as Schedule “B”, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, as of the date hereof, on an absolute without recourse basis, subject to the terms of this Assignment (a) the Debt, (b) all of the Assignor’s right, interest and obligations as Lender under the Loan Agreement (except for \$71,510, which amounts to accrued interest, fees, expenses, including legal fees, and other amounts owing as of the date hereof (together, the “Outstanding Interest”)), all loan and security documents and any other documents or instruments delivered to the Assignor pursuant thereto, including without limitation, all loan and security documents set out at Schedule “A” to this Assignment (collectively, the “Loan and Security Documents”), and (c) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other

right of the Assignor against any person, whether known or unknown, arising under or in connection with the Loan Agreement, any of the other Loan and Security Documents or the transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clauses (a) and (b) above (the rights and obligations sold and assigned pursuant to clauses (a), (b) and (c) of this Section 1 being referred to herein collectively as, the “**Assigned Interest**”); provided that, any rights, remedies, claims, suits, causes of action or other benefits forming part of the Assigned Interest may be enforced by the Assignee in the name of the Assignee only and not in the name of the Assignor. For greater certainty and clarification, \$71,510, representing the Outstanding Interest shall not be assigned and such right, interest and obligations pertaining to the Outstanding Interest pursuant to the terms of the Loan Agreement shall remain with PBIC.

2. **Non-Recourse**

Such sale and assignment of the Assigned Interest is without recourse to the Assignor and, except as set forth in Section 4 below, without representation or warranty by the Assignor.

3. **Hold in Trust**

If, after the date hereof and following the payment of the Debt to the Assignor in full, any principal or interest in respect of the Debt is paid to the Assignor, the Assignor shall forthwith notify the Assignee in writing and hold the same in trust for the benefit of the Assignee and pay the same over to the Assignee within 10 business days.

4. **Representations and Warranties of the Assignor**

(a) The Assignor represents and warrants that: (i) it is the legal and beneficial owner of the Assigned Interest; (ii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and to consummate the transactions contemplated hereby; and (iii) the Assignor has not transferred, assigned, pledged or granted participation interests in the Assigned Interest.

(b) The Assignor assumes no responsibility with respect to: (i) any statements, warranties or representations made in or in connection with the Loan Agreement or any other Loan and Security Documents (other than the Assignor’s statements, representations and warranties made in this Assignment); (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Agreement or any collateral thereunder; or, (iii) the performance or observance by the Debtor, any of its subsidiaries or affiliates or any other person or entity of any of their respective obligations under the Loan Agreement; (iv) the right, title or interest of the Lender under or by virtue of the Assigned Interest or any part thereof is or will be enforceable, or as to any matter in relation to the existence, attachment, priority, adequacy, value, marketability, quantum, location, condition, fitness, status of repair, validity, or enforceability of the Assigned Interest or any property charged thereunder, or the availability of any documents, chattels, inventory, receivables, accounts, property or collateral referred to or described in or in any way contemplated by all or any part of the Assigned Interest; or that, (v) the Debt is collectible.

5. **Representations and Warranties of the Assignee**

(a) The Assignee represents and warrants that: (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and to consummate the transactions contemplated hereby; (ii) from and after the date hereof, it shall be bound by the provisions of the Loan Agreement as the Lender thereunder and shall have the obligations of the Lender thereunder; and, (iii) it has received copies of the Loan and Security Documents listed in the Loan Agreement and such other documents and

information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and to purchase the Assigned Interest on the basis of which it has made such analysis and decision independently and without reliance on the Assignor.

(b) The Assignee agrees that: (i) it will, independently and without reliance on the Assignor, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan and Security Documents; and, (ii) it will perform in accordance with their terms and in its own name all of the obligations which by the terms of the Loan and Security Documents are required to be performed by it as the Lender thereunder.

6. **Service and Registration**

The Assignee shall have the right at any time to serve the present this Assignment or notice thereof on any one or more of the other parties to the Loan and Security Documents. The Assignee shall also have the right at any time and without notice to the Assignor to cause the present this Assignment or notice thereof to be registered or filed in any place or office where the Assignee or its counsel deem advisable or necessary.

7. **Attorney of the Assignor**

The Assignee is hereby appointed an irrevocable attorney of the Assignor as Lender (with full power of substitution from time to time) to endorse and/or transfer any of the Assigned Interest and to exercise all rights and powers of the Assignor as Lender in respect of the Assigned Interest and the Assignee and its nominees are hereby empowered to exercise all rights, powers and discretions and to perform all acts of ownership in respect of the Assigned Interest to the same extent as the Assignor as Lender might have done. The Assignor as Lender hereby ratifies and agrees to ratify all acts that such attorney has taken or done in accordance with this Section 7.

8. **Rights of Assignee**

Without limiting the rights of the Assignee under or pursuant to this Assignment, any other agreement between the Parties or otherwise provided by law, the Assignee shall be entitled (but is in no way obligated to), upon any default by the Debtor in respect of any of the Credit Facility or upon any demand for payment by the Assignee to the Debtor of any of the Debt:

- (a) to amend, cancel, discharge, postpone, settle or compromise all or any part of the obligations under, or otherwise deal with, the Loan and Security Documents for such consideration and on such terms as it may deem appropriate, all in the name of the Assignor;
- (b) to perform all or any part of the obligations or covenants of the Assignor under the Loan and Security Documents and to enforce performance by the other parties to the Loan and Security Documents of all or any part of their obligations, covenants and agreements thereunder, including by exercising all or any of the rights and remedies of the Assignor under the Loan and Security Documents, all in the name of the Assignor;
- (c) to deal with the Assigned Interest as the absolute owner thereof including, without limitation, either directly or through its agents or any receiver, to collect, demand, sue on, recover, receive, release, settle, postpone, compromise, realize or enforce all or any part of the Assigned Interest and for that purpose to give valid and binding receipts and discharges

therefore and in respect thereof to take any proceedings in the name of the Assignee or the Assignor or otherwise as the Assignee or its agents or receiver may deem expedient;

- (d) to pay all charges, the payment of which may be necessary to preserve and protect the Assigned Interest;
- (e) by instrument in writing appoint any person, whether an officer or employee of the Assignee or not, as agent of the Assignee to exercise any of the powers, rights and discretions granted to the Assignee by the Assignor under this Assignment or otherwise;
- (f) whether or not the Assignee has taken possession of the Assigned Interest, to sell, assign, grant or convey interests in, or otherwise dispose of, the Assigned Interest either as a whole or in separate parcels at public auction, by public tender or by private sale, either for cash or upon credit or partly for cash and partly for credit and at such time or times and upon such terms and conditions as the Assignee may determine, with or without notice, advertising or any other formality; and the Assignee may also rescind or vary any contract of sale, assignment, grant, conveyance or other disposition that may have been entered into and re-sell, re-assign, re-grant, re-convey or otherwise re-dispose of the Assigned Interest with or under any of the powers conferred hereunder without being answerable for any loss and may adjourn any such proceedings or transactions from time to time; and the Assignee may execute and deliver to any purchaser, assignee or grantee of the Assigned Interest good and sufficient deeds and documents for the same; and
- (g) in addition to those rights granted herein, exercise any other rights the Assignee may have at law, in equity or otherwise as the assignee of the Assigned Interest hereunder, including all the rights and remedies of a secured party under applicable personal property security law.

10. **No Obligation to Exercise**

The Assignee shall not be bound to exercise any of the rights and remedies provided hereunder and nothing herein contained shall have or be deemed to have the effect of making the Assignee responsible for the performance of the obligations of the Assignor under the Loan and Security Documents. In addition, the Assignee need not demand, present, protest, give any notice in connection with, prevent outlawry of, collect, enforce or realize any of the Loan and Security Documents and need not protect or preserve them from, and is hereby released from all responsibility for, any depreciation in or loss of value which the Loan and Security Documents (or any of the property or assets subject thereto) may suffer. For greater certainty, the Assignee need not take any necessary steps to preserve rights against prior parties. The Assignee shall be bound to exercise, in the keeping of the originals of the documents evidencing or comprising Loan and Security Documents or any documentation delivered in connection therewith, only the same degree of care as if they were the property of the Assignee and it was keeping them at the their offices.

11. **Further Assurances**

The Parties shall execute and deliver all further documents and perform all other acts as may be necessary to give effect to the terms of this Assignment.

12. **Enurement**

This Assignment shall enure to the benefit of and shall be binding upon the Assignor and the Assignee and each of their successors and assigns.

13. **Beneficiaries**

None of the provisions of this Assignment is intended to provide any rights or remedies to any person or entity other than the Parties and their respective successors and assigns.

14. **Amendments**

This Assignment may not be amended, modified, altered or supplemented other than by means of a written instrument duly executed and delivered by the Parties.

15. **Indemnity**

The Assignee and Debtor agree to indemnify the Assignor from and to all costs, charges, damages, assessments and claims of any kind asserted by any third party (including but not limited to any statutory or trust claims advanced by Canada Revenue Agency or any government authority) whose claim would rank in priority to the Assignor as at the date hereof, in relation to the Assigned Interest and this Assignment, or otherwise in connection with them.

16. **Counterparts**

This Assignment may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together constitute one agreement. Delivery by a Party of an executed counterpart of this Assignment by facsimile or transmitted electronically in legible form, including without limitation in portable document format (PDF), shall be equally effective as delivery by that Party of an original manually executed counterpart of this Assignment.

17. **Governing Law**

This Assignment shall be governed by, and interpreted and enforced in accordance with, the laws in force in the Province of Ontario and the federal laws of Canada applicable in such Province.

[Intentionally Left Blank. Signature Page Follows.]

IN WITNESS WHEREOF the Parties have duly executed and delivered this Assignment.

Assignor:

) **PLANT-BASED INVESTMENT CORP.**

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Per: *signed "Paul Crath"*

Name: Paul Crath

Title: Chief Executive Officer

I have the authority to bind the
corporation

Assignee:

) **2766923 ONTARIO INC.**

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Per: *signed "Cameron Wickham"*

Name: Cameron Wickham

Title: Chief Executive Officer

I have the authority to bind the
corporation

[Acknowledgment Page To Follow.]

The undersigned hereby acknowledges receipt of a copy of the Assignment of Debt and Security and agrees that from and after the date of the Assignment of Debt and Security, the Assignee will pay the Debt to the Assignee (without set-off or counterclaim whatsoever), will deal with the Debtor with respect to the Assigned Interest and agrees that the Assignee shall be entitled to exercise all of the rights, powers and discretions granted to it under the Assignment of Debt and Security with respect to the Assigned Interest.

The Borrower:

) **DELOTA CORP.**
) (FORMERLY, SPYDER CANNABIS INC.)
)
)
)
)
)

Per: signed "Ankit Gosain"
Name: Ankit Gosain
Title: Chief Financial Officer
I have the authority to bind the corporation

The Guarantors:

SPYDER CANNABIS SUBCO INC.

Per: signed "Ankit Gosain"
Name: Ankit Gosain
Title: Chief Financial Officer
I have the authority to bind the corporation

) **2766923 ONTARIO INC.**
)
)
)
)
)
)
)

Per: signed "Cameron Wickham"
Name: Cameron Wickham
Title: Chief Executive Officer
I have the authority to bind the corporation

SCHEDULE "A"

LOAN AND SECURITY DOCUMENTS

(See attached.)

LOAN AGREEMENT

THIS LOAN AGREEMENT (this “**Agreement**”) is made as of January 27, 2021 (the “**Effective Date**”).

BETWEEN:

SPYDER CANNABIS INC.,
a company incorporated under the laws of Alberta,

(the “**Borrower**”)

AND

PLANT-BASED INVESTMENT CORP.
(formerly, Cannabis Growth Opportunity Corporation),
a company incorporated under the federal laws of Canada

(the “**Lender**”)

RECITALS:

- A. The Lender has agreed to provide the Borrower with a loan in the amount of \$200,000 (the “**Loan**”), in accordance with the terms and conditions set out in this Agreement.
- B. The Loan is being advanced to fund (i) the purchase of inventory necessary for the operation of its cannabis retail locations, and/or (ii) the repayment of the Borrower’s existing indebtedness to an existing creditor of the Borrower.

NOW THEREFORE in consideration for the Lender agreeing to lend money to the Borrower and the sufficiency of which the parties hereto acknowledge, and for other consideration (the receipt and sufficiency of which is acknowledged) the parties covenant and agree as follows:

**ARTICLE 1
DEMAND LOAN**

1.1 Loan Amount

- (a) Subject to the terms and conditions set out herein, the Lender hereby promises to provide the Loan to the Borrower, in the aggregate amount of \$200,000 (the “**Loan Amount**”).

1.2 Interest Rates

Interest shall accrue on the Loan Amount at a rate equal to 1.8083% per month (the “**Interest Rate**”), which, for the purposes of Section 4 of the *Interest Act* (Canada), is equal to a nominal interest rate of 21.70% per annum and an effective interest rate of approximately 23.99% per annum. Interest shall (i) be compounded monthly and payable on the first day of each calendar month in arrears, and (ii) be calculated on the basis of the actual number of days in the period and a year of 365 or 366 days as appropriate. In the event that the first day of a calendar month is not a business day, then the interest payment to be made on that date shall be made on the immediately following business day. The Borrower agrees and acknowledges that it understands the Interest Rate provided for herein and is able to calculate the monthly and annual interest rates (both nominal and effective) hereunder.

1.3 Repayment Terms and Demand Date

- (a) The Borrower may pre-pay all of the Loan Amount and unpaid interest.
- (b) The Borrower may cancel the Loan at any time by providing notice in writing to the Lender provided that the Loan Amount and all unpaid interest have been paid to the Lender.
- (c) The Loan Amount and unpaid interest shall be payable on demand (the “**Demand Date**”), provided however that the Borrower shall have fifteen (15) business days to honor any demand for payment hereunder.

1.4 Security

- (a) As general and continuing security to secure the due payment of the Loan Amount (and interest thereon), the Borrower shall cause the delivery to the Lender of the following (each in form and substance satisfactory to the Lender):
 - a. a guarantee agreement, duly executed by Spyder Cannabis Subco Inc. (the “**Guarantor**”) in favour of the Lender to guarantee the due payment of the Loan Amount (and interest thereon); and
 - b. a general security agreement duly executed by the Guarantor in favour of the Lender, granting to the Lender a first-priority security interest (subject to any permitted liens) on certain specified personal property assets of the Guarantor.

1.5 Use of Proceeds

Unless the Lender provides its prior written consent for the Borrower to apply the proceeds of the Loan Amount for a different purpose, the Borrower shall use the proceeds of the Loan solely for (i) the purchase of inventory from time to time required for the day to day operations of the cannabis retail stores operated by, as applicable, the Borrower and/or its corporate subsidiaries, and/or (ii) the repayment of the Borrower’s existing indebtedness to an existing creditor of the Borrower.

ARTICLE 2 CONDITIONS PRECEDENT

2.1 Conditions in Favor of the Lender

The obligation of the Lender to make the funds available under the Loan is subject to the terms

and conditions of this Agreement and is conditional upon evidence being given to the Lender as to compliance with the following conditions which are for the sole benefit of the Lender and may be waived by the Lender in whole or in part:

- (a) The representations and warranties set out in section 3 being true and correct as of the date of this Agreement and the Borrower has provided a certificate from a senior officer or director certifying the truth and accuracy of the above.
- (b) The Lender having received the following documents (collectively the “**Loan Documents**”) duly executed in form and substance satisfactory to the Lender and its counsel:
 - (i) this Loan Agreement, duly executed by the Borrower;
 - (ii) the guarantee contemplated in Section 1.4(a)a, duly executed by the Guarantor;
 - (iii) the general security agreement contemplated in Section 1.4(a)b, duly executed by the Guarantor; and
 - (iv) evidence that the security interests set out in herein have been duly registered.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES

3.1 Borrower representations and warranties

The Borrower represents and warrants to the Lender, and acknowledges that the Lender is relying upon such representations and warranties in advancing the Loan Amount, that as of this date:

- (a) the Borrower is duly incorporated, organized and validly existing under the Laws of its jurisdiction of incorporation and is in good standing under the Laws of each jurisdiction in which it carries on business or has assets;
- (b) the Borrower has all requisite corporate power and authority and all necessary licenses and governmental approvals required to own and operate its business as currently conducted, to borrow, to give guarantees, to give security for such borrowing/guarantees and to otherwise to perform its obligations under this Agreement and the other Loan Documents;
- (c) the Borrower has a good and marketable title to all its property and assets, free and clear of all liens and adverse rights of third parties, other than those liens which it has granted to third parties prior to the date hereof;
- (d) there are no actions, suits, investigations or proceedings, pending, or to the knowledge of the Borrower, threatened, before any court or governmental or quasi-governmental entity which may materially adversely affect the financial condition, business or operations of the Borrower;
- (e) to the knowledge of the Borrower, there are no judgments or executions against the Borrower;
- (f) all returns and reports of the Borrower required by law to be filed have been duly filed and

all Taxes, assessments, contributions, fees and other governmental charges (other than those presently payable without penalty and interest or those currently being contested in good faith) levied against the Borrower or any of its properties or its assets or income which are due and payable, have been paid;

- (g) all written information provided to the Lender by the Borrower in connection with the Loan, including, without limitation, information relating to the financial position of the Borrower, is, in all material respects, true, complete and accurate; and
- (h) neither the execution nor the delivery of this Agreement or any of the other Loan Documents nor the performance by the Borrower of any of its obligations hereunder or thereunder has resulted or will result in a breach of, or constitute a default under, any indenture, agreement or instrument to which it is a party or by which it is bound or be in contravention of its constating documents, by-laws or resolutions of its directors or shareholders.

3.2 Survival

All representations and warranties set forth in this Article 3 and all representations and warranties contained in any certificate, financial statement or other instrument delivered by or on behalf of the Borrower pursuant to or in connection with this Agreement or any of the other Loan Documents (including any such representation, warranty or statement made in or in connection with any amendment thereto) shall constitute representations and warranties made under this Agreement.

ARTICLE 4 INTEREST PAYMENTS, CALCULATIONS AND BORROWING PROCEDURES

4.1 Interest Calculation

Interest will accrue from month to month on the Loan Amount from the date that the Loan Amount is advanced to the Borrower. The Borrower will be liable for and pay interest to the Lender both before and after demand, the occurrence of an Event of Default (as defined in section 5.2) and judgment at the interest rates per annum set out in this Agreement.

4.2 Maximum Interest Rate

- (a) In the event that any provision of this Agreement would oblige the Borrower to make any payment of interest or any other payment which is construed by a court of competent jurisdiction to be interest in an amount or calculated at a rate which would be prohibited by law or would result in receipt by the Lender of interest at a criminal rate (as those terms are construed under the *Criminal Code* (Canada)), then notwithstanding that provision, that amount or rate will be deemed to have been adjusted to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by law or so result in the receipt by the Lender of interest at a criminal rate, that adjustment to be effected, to the extent necessary, as follows:
 - (i) first, by reducing the amount or rate of interest required to be paid under this Agreement; and
 - (ii) second, by reducing any fees, commissions, premiums and other amounts which would constitute interest for the purposes of Section 347 of the *Criminal Code*

(Canada);

- (b) If, despite giving effect to all adjustments contemplated by clause (a) of this Section, the Lender has received an amount in excess of the maximum permitted by that clause, then that excess will be applied by the Lender to the reduction of the principal balance of the Outstanding Borrowings and not to the payment of interest, or if that excessive interest exceeds that principal balance, that excess will be refunded to the Borrower.

4.3 Payments Generally

Each payment under this Agreement will be made for value at or before 1:00 p.m. (Vancouver time) on the day that payment is due, provided that, if any such day is not a business day, that payment will be deemed for all purposes of this Agreement to be due on the business day next following that day (and any such extension will be taken into account for purposes of the computation of interest and fees payable under this Agreement).

ARTICLE 5 GENERAL

5.1 Notices

All notices, instructions, or other communications required or permitted to be given by one party to another under this Agreement (each, a “**Notice**”) will be given in writing and delivered by personal delivery or delivery by recognized national courier, sent by facsimile transmission or delivered by registered mail, postage prepaid, or by electronic communication (including email but excluding Internet or intranet websites) addressed as follows:

- (a) If to the Lender: Plant-Based Investment Corp.
(formerly, Cannabis Growth Opportunity Corporation)

Attention: _____

Email: _____

- (b) If to the Borrower: Spyder Cannabis Inc.
Attention: Mark Pelchovitz
Email: mark@tzllp.ca

or at such other address or facsimile number or email address at which the addressee may from time to time notify the addressor. Any Notice properly addressed and sent by prepaid registered mail will be deemed to have been given and received on the 5th business day following the date of its mailing. Any Notice transmitted by facsimile will be deemed to have been given and received on the day in which transmission is confirmed. Notices sent to an email address will be deemed to be received on the following day, unless the sender receives notice from the intended recipient’s email server (by return email or other written acknowledgement) notifying the sender of a failure to deliver such email.

5.2 Default

- (a) Automatically upon the occurrence of any one or more Events of Default (as such term is defined below) the Loan Amount and all accrued but unpaid interest will become immediately due and payable by the Borrower to the Lender.
- (b) The happening of any one of the following events will constitute an event of default under this Agreement (“**Event of Default**”):
 - (i) the Borrower is in breach of any of the terms of this Agreement or any of the terms of the Loan Documents including the obligation to make monthly interest payments;
 - (ii) the Borrower fails to pay its obligations to third parties as they become due or payable, and such failure remains unremedied for a period of forty-five (45) days;
 - (iii) a judgment is entered against the Borrower and not vacated or fully satisfied within 30 days after the date of entry;
 - (iv) the business of the Borrower is in any way liquidated;
 - (v) the Borrower makes any assignment for the benefit of creditors;
 - (vi) the Lender reasonably believes in good faith and in light of all the facts and circumstances that the prospect of payment of the Loan Amount (and interest thereon) or the performance of any of the Borrower’s material obligations under the Loan Documents is materially impaired; or
 - (vii) in the reasonable opinion of the Lender (acting in good faith), any part of the security granted hereunder is in danger of loss, misuse, seizure or confiscation.

5.3 Severability

Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction will not invalidate the remaining provisions of this Agreement, and any such prohibition or unenforceability in any jurisdiction will not invalidate or render unenforceable that provision in any other jurisdiction.

5.4 Governing Law and Attornment

This Agreement will be governed by and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein and will be treated in all respects as an Alberta contract. The Parties submit and attorn to the non-exclusive jurisdiction of the courts of the Province of Alberta.

5.5 Assignment

The Borrower will not be entitled to assign any of their rights under this Loan Agreement except with the prior written consent of the Lender. The Lender may assign its rights under this Loan Agreement, in whole or in part, without the prior consent, or notice to the Borrower.

5.6 Counterparts

This Agreement may be signed in one or more counterparts, each of which so signed will be deemed to be an original, and such counterparts together will constitute one and the same instrument. Notwithstanding the date of execution or transmission of any counterpart, each counterpart will be deemed to have the Effective Date. The signature of any of the parties hereto may be evidenced by a facsimile, scanned email, or internet transmission copy of this Agreement bearing such signature.

5.7 Entire Agreement and Termination of Prior Agreements

This Agreement, together with the Loan Documents, constitute the entire agreement among the Borrower, the Lender, and the Guarantor with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral or written, with respect to such subject matter. There are no representations, warranties, conditions, other agreements or acknowledgments, whether direct or collateral, express or implied, that form part of or affect this Agreement or any other Loan Document other than as expressed herein or in such other Loan Document. The execution of each Loan Document has not been induced by, nor does the Borrower rely upon or regard as material, any representations, warranties, conditions, other agreements or acknowledgments not expressly made in any Loan Document.

[Remainder of page intentionally left blank.]

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

SPYDER CANNABIS INC.

By: *signed "Mark Pelchovitz"*

Name: Mark Pelchovitz

Title: Director and CFO

PLANT-BASED INVESTMENT CORP.

(formerly, Cannabis Growth Opportunity Corporation)

By: *signed "Paul Crath"*

Name: Paul Crath

Title: CEO

GUARANTEE

FROM: The Guarantor (as defined herein)
TO: The Secured Party (as defined herein)
DATE: January 27, 2021

WHEREAS, pursuant to a loan agreement dated January 27, 2021 (the “**Loan Agreement**”) entered into between Plant-Based Investment Corp. (formerly, Cannabis Growth Opportunity Corporation) (the “**Secured Party**”) as lender, and Spyder Cannabis Inc. (the “**Obligor**”) as borrower, the lender agreed to advance to the borrower a loan in the aggregate amount of \$200,000 under the terms and conditions therein.

WHEREAS, Spyder Cannabis Subco Inc. (the “**Guarantor**”) is a wholly-owned subsidiary of the Obligor, and as such, may from time to time, directly or indirectly, derive substantial benefits from the consummation of the transactions contemplated by the Loan Agreement.

AND WHEREAS, it is a condition to the consummation of the transactions contemplated by the Loan Agreement that the Guarantor guarantee the debts, liabilities and obligations of the Obligor to the Secured Party.

AND WHEREAS, it is in the best interests of the Guarantor to execute and deliver this Guarantee and to perform its obligations hereunder.

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the sum of \$1.00 now paid by the Secured Party to the Guarantor and for other good and valuable consideration (the receipt and sufficiency of which are acknowledged), the Guarantor agrees as follows:

ARTICLE 1 **INTERPRETATION**

1.1 **Definitions**

For the purpose of this Guarantee, including the recitals herein, capitalized terms used but not defined in this Guarantee shall have the respective meanings ascribed to such terms in the applicable Transaction Document, and the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

- (a) “**Banking Day**” means a day other than a Saturday or a Sunday or other day on which banks are required or authorized to close in the City of Edmonton in the Province of Alberta.
- (b) “**Guarantor**” has the meaning given to it in the first recital to this Guarantee.
- (c) “**Loan Agreement**” has the meaning given to it in the first recital to this Guarantee.
- (d) “**Obligations**” has the meaning given to it in Section 2.1.
- (e) “**Obligor**” has the meaning given to it in the first recital to this Guarantee.
- (f) “**Secured Party**” has the meaning given to it in the first recital to this Guarantee.

- (g) “**Transaction Documents**” means, collectively, (i) the security agreement dated January 27, 2021 and entered into by and between the Secured Party and the Guarantor, (ii) this Guarantee, (iii) the Loan Agreement, and (iv) any other agreements or documents entered into in connection with the transactions contemplated herein and therein and until the Obligations are repaid in full, and “Transaction Document” means any one of them.

1.2 Rules of Construction

Except as may be otherwise specifically provided in this Guarantee and unless the context otherwise requires, in this Guarantee:

- (a) The terms “Guarantee”, “this Guarantee”, “the Guarantee”, “hereto”, “hereof”, “herein”, “hereby”, “hereunder” and similar expressions refer to this Guarantee in its entirety and not to any particular provision hereof.
- (b) References to an “Article”, “Section”, “Schedule” or “Exhibit” followed by a number or letter refer to the specified Article or Section of or Schedule or Exhibit to this Guarantee.
- (c) The division of this Guarantee 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 Guarantee.
- (d) Words importing the singular number only shall include the plural and vice versa and words importing the use of any gender shall include all genders.
- (e) The word “including” is deemed to mean “including, without limitation”, and the word “includes” is deemed to mean “includes, without limitation”.
- (f) The terms “party” and “the parties” refer to a party or the parties to this Guarantee.
- (g) Any reference to this Guarantee means this Guarantee as amended, modified, replaced or supplemented from time to time.
- (h) Any reference to a statute, regulation or rule shall be construed to be a reference thereto as the same may from time to time be amended, re-enacted or replaced, and any reference to a statute shall include any regulations or rules made thereunder.
- (i) Any reference in this agreement to the Secured Party shall be construed to include its successors and assigns.
- (j) All dollar amounts refer to Canadian dollars.
- (k) Any time period within which a payment is to be made or any other action is to be taken hereunder shall be calculated excluding the day on which the period commences and including the day on which the period ends.
- (l) Whenever any payment is required to be made, action is required to be taken or period of time is to expire on a day other than a Banking Day, such payment shall be made, action shall be taken or period shall expire on the next following Banking Day.

1.3 Entire Agreement

This Guarantee and the Transaction Documents to which the Guarantor is a party constitute the entire agreement between the parties with respect to the subject matter hereof and thereof and supersede all prior agreements, understandings, negotiations and discussions, whether written or oral. There are no conditions, covenants, agreements, representations, warranties or other provisions, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof except as provided herein or therein.

1.4 Time of Essence

Time shall be of the essence of this Guarantee.

1.5 Governing Law and Submission to Jurisdiction

(a) This Guarantee shall be interpreted and enforced in accordance with, and the respective rights and obligations of the parties shall be governed by, the laws of the Province of Alberta and the federal laws of Canada applicable in that province.

(b) The Guarantor irrevocably and unconditionally (i) submits to the non-exclusive jurisdiction of the courts of the Province of Alberta over any action or proceeding arising out of or relating to this Guarantee, (ii) waives any objection that it might otherwise be entitled to assert to the jurisdiction of such courts and (iii) agrees not to assert that such courts are not a convenient forum for the determination of any such action or proceeding.

1.6 Severability

Whenever possible, each provision or portion of any provision of this Guarantee will be interpreted in such manner as to be effective and valid under applicable law but the invalidity or unenforceability of any provision or portion of any provision of this Guarantee in any jurisdiction shall not affect the validity or enforceability of the remainder of this Guarantee in that jurisdiction or the validity or enforceability of this Guarantee, including that provision or portion of any provision, in any other jurisdiction. In addition, should a court determine that any provision or portion of any provision of this Guarantee is not reasonable or valid, the parties hereto agree that such provision should be interpreted and enforced to the maximum extent which the court deems reasonable or valid and the parties agree to request that the court apply notional severance to give effect to the provisions of this Guarantee to the fullest extent deemed reasonable or valid by the court.

ARTICLE 2
GUARANTEE

2.1 Guarantee of Obligations under the Loan Agreement

Subject to the provisions hereof, the Guarantor hereby unconditionally and irrevocably guarantees in favour of the Secured Party the due and punctual payment and performance in full of all present and future debts, liabilities and obligations now or at any time or from time to time hereafter due or owing to the Secured Party by or from the Obligor arising under the Loan Agreement including, without limiting the generality of the foregoing, the principal amount of any loans from time to time outstanding thereunder, interest thereon and any and all fees, expenses or costs payable by the Obligor to the Secured Party in connection therewith (such obligations being hereinafter collectively referred to as the “**Obligations**”).

2.2 Guarantee Absolute

The liability of the Guarantor hereunder shall be absolute and unconditional irrespective of:

- (a) any lack of validity or enforceability of the Transaction Documents or any other agreement between the Obligor and the Secured Party relating to the advance of monies to the Obligor or any other agreement or instrument relating thereto;

- (b) any change in the time, manner or place of payment, or in any other term of, or any other amendment or waiver of or any consent to departure from, the Loan Agreement or any other agreement between the Obligor and Secured Party relating to the advance of monies to the Obligor or any other agreement or instrument relating thereto;
- (c) any change in the name, share capital, articles of incorporation, by-laws or other constating documents of the Obligor or the Obligor being amalgamated, consolidated or merged with and/or into another legal Person (in which case this Guarantee shall apply to the Obligations of the resulting legal Person and the term "Obligor" shall include such resulting legal Person);
- (d) any equities between the Secured Party, the Guarantor or the Obligor or any defence or right of set-off, compensation, abatement, combination of accounts or cross-claim that the Guarantor or the Obligor may have;
- (e) any act or omission on the part of the Secured Party that would prevent subrogation operating in favour of the Guarantor;
- (f) any contest by the Obligor, the Guarantor or any other guarantor as to the amount of the Obligations, the validity or enforceability of any term of the Loan Agreement, this Guarantee or any other document, or the priority of any security;
- (g) the assignment of all or any part of the benefits of this Guarantee;
- (h) any invalidity, non-perfection or unenforceability of any security held by the Secured Party or any irregularity or defect in the manner or procedure by which the Secured Party realizes on such security;
- (i) any non-disclosure to the Guarantor by the Secured Party, the Obligor or any other person of any matter (whether now existing or arising hereafter) relating in any way to the Obligations or the liability of the Guarantor hereunder, including without limitation any material change in circumstances or any act or omission of the Secured Party referred to in this Section 2.2 or Section 2.3; and
- (j) to the fullest extent permitted by applicable law, any other circumstances which might otherwise constitute a defence available to, or a discharge or release of, the Obligor in respect of the Obligations or of the Guarantor in respect of its guarantee;

it being the intent of the Guarantor that liability to the Secured Party under this Guarantee shall be absolute and unconditional under any and all circumstances and shall not be discharged except by indefeasible payment in full of the Obligations. The Guarantor irrevocably waives any defence, set-off or counterclaim in respect of such liability that might otherwise arise by reason of anything referred to in this Section 2.2 or Section 2.3.

The Secured Party shall not be concerned to see or enquire into the powers of the Obligor or any of its directors, officers, managers or other agents, acting or purporting to act on its behalf, and monies, advances, renewals or credits in fact borrowed or obtained from the Secured Party in professed exercise of such powers shall be deemed to form part of the Obligations, notwithstanding that such borrowing or obtaining of monies, advances, renewals or credits shall be in excess of the powers of the Obligor or of its directors, officers, managers or other agents aforesaid, or be in any way irregular, defective or informal. This Guarantee shall continue to be effective or be reinstated, as the case may be, if at any time any payment or performance of any of the Obligations is rescinded or disgorged, or must otherwise be returned by the Secured Party upon the insolvency, bankruptcy or reorganization of the Obligor or otherwise, all as though such payment had not been made.

2.3 Dealing with the Obligor and Others

(a) The obligations and liabilities of the Guarantor hereunder shall not be released, discharged, limited or in any way affected by anything done, suffered or permitted by the Secured Party (whether or not in connection with any monies advanced by the Secured Party to the Obligor or any security therefor, or otherwise), including any loss of or in respect of any security received by the Secured Party from the Obligor or others or by any other matter, act, omission, circumstance or other thing of any nature, kind or description, other than the due payment or performance in full of all of the Obligations. In particular, without limiting the generality of the foregoing, the Secured Party may, without notice to or the consent of the Guarantor:

- (i) grant time, renewals, extensions, indulgences, releases and discharges to the Obligor;
- (ii) release, discharge, compromise or otherwise deal with (with or without consideration) or allow any creditor of the Obligor or the Guarantor or any other person to deal with any and all collateral, mortgages or other security given by the Obligor or any third party with respect to the Obligations or matters contemplated by the Loan Agreement;
- (iii) do, or omit to do, anything to enforce the payment or performance of any of the Obligations or take or abstain from taking security or collateral from the Obligor or any other person or to perfect or abstain from perfecting any security interest;
- (iv) vary, increase, compromise, exchange, renew, discharge, release, subordinate, postpone, abandon or otherwise deal with any of the Obligations or any security interest;
- (v) apply all monies at any time received from the Obligor or from realization on security upon such part of the Obligations as the Secured Party may see fit or change any such application in whole or in part from time to time as the Secured Party may see fit; or
- (vi) otherwise deal with the Obligor and all other persons and security as the Secured Party may see fit,

and no such act or omission by the Secured Party shall release, discharge, limit or otherwise affect in whole or in part the Guarantor's obligations and liabilities hereunder, notwithstanding that such act or omission may increase the liability of the Obligor hereunder.

(b) The obligations of the Guarantor under this Guarantee are primary and not contingent obligations. The Secured Party shall not be bound or obliged to exhaust its recourse against the Obligor or other persons or any security or collateral it may hold or take any other action (other than make demand pursuant to Section 4.1) before being entitled to payment from the Guarantor hereunder.

(c) Any account settled by or between the Secured Party and the Obligor with respect to the Loan Agreement shall be accepted by the Guarantor, in the absence of manifest error, as conclusive evidence that the balance or amount thereby appearing due to the Secured Party is so due.

(d) This Guarantee is in addition to and without prejudice to any other guarantees or security of any kind now or hereafter held by the Secured Party.

2.4 Continuing Guarantee

This Guarantee is a continuing guarantee and shall remain in full force and effect until the indefeasible payment in full of the Obligations and all other amounts payable hereunder. None of the Obligations shall be limited, lessened or released, nor shall this Guarantee be discharged, by the recovery of any judgment against the Obligor or any other person, by any voluntary or involuntary liquidation, dissolution, winding-up, merger or amalgamation of the Obligor, the Guarantor or any other person, by any sale or other disposition of all or substantially all of the assets of the Obligor, or by any judicial or extra-judicial receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, moratorium, arrangement, composition with creditors or other proceedings affecting the Obligor, the Guarantor or any other person. If at any time the Secured Party has the right to accelerate the payment of monies owed to it under the Loan Agreement, and such acceleration is prevented by reason of the pendency against the Obligor of a case or proceeding under a bankruptcy or insolvency law, the Guarantor agrees that, for purposes of this Guarantee such payment shall be deemed to have been accelerated in accordance with the terms thereof, and the Guarantor shall forthwith pay or cause to be paid the full amount of principal of and interest so owing and any other amounts guaranteed hereunder without further notice or demand. This Guarantee is a guarantee of payment, not a deficiency guarantee or a guaranty of collection.

2.5 Limitations on Guarantee

Any term or provision of this Guarantee or any Transaction Document to the contrary notwithstanding (and regardless of whether any such provision references this Section 2.5), the maximum aggregate amount of the Obligations for which the Guarantor shall be liable shall not exceed the maximum amount for which the Guarantor can be liable without rendering this Guarantee or any Transaction Document, as it relates to the Guarantor, subject to avoidance under applicable law relating to fraudulent conveyance or fraudulent transfer (including similar or extend provisions under applicable bankruptcy and insolvency laws) (collectively, “**Fraudulent Transfer Laws**”), in each case after giving effect: (a) to all other liabilities of the Guarantor, contingent or otherwise, that are relevant under such Fraudulent Transfer Laws (specifically excluding, however, any liabilities of the Guarantor in respect of intercompany obligations to Obligor to the extent that such obligations would be discharged in an amount equal to the amount paid by the Guarantor hereunder); and (b) to the value as assets of the Guarantor (as determined under the applicable provisions of such Fraudulent Transfer Laws) of any rights to subrogation, contribution, reimbursement, indemnity or similar rights held by the Guarantor pursuant: to (i) applicable requirements of applicable law; (ii) any applicable provision of this Guarantee; or (iii) any other contractual obligations providing for an equitable allocation among the Guarantor and other affiliates of the Obligor of obligations arising under this Guarantee or other guaranties of the Obligations by such other parties. The Guarantor acknowledges that this Section 2.5 is for the sole benefit and protection of the Secured Party, and to the maximum extent permitted by applicable law, the Guarantor may not assert this Section 2.5 as a counterclaim, offset or defense against the Secured Party.

2.6 Limited Recourse

Notwithstanding any other provision to the contrary herein and/or in any Transaction Document: (i) the liability of the Guarantor under this Guarantee is limited to the extent of such liability, if any, required to permit the Secured Party to realize solely upon the collateral subject to the Loan Agreement, and (ii) the Secured Party shall not be entitled to sue or commence any action against the Guarantor to recover any sum owing by the undersigned to the Secured Party pursuant to the provisions of this Guarantee including, without limitation, any cost or expense, unless such suit or action is necessary to permit the Secured Party to realize upon the collateral subject to the Loan Agreement.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties

The Guarantor represents and warrants to the Secured Party, that the Obligor is the registered and beneficial owner of all of the issued and outstanding shares of the Guarantor.

3.2 Survival of Representations and Warranties

All representations and warranties of the Guarantor contained in this Guarantee for the benefit of the Secured Party are material, and shall survive the execution and delivery of this Guarantee until all Obligations have been fully satisfied by the Obligor under the Loan Agreement and the Loan Agreement has been terminated in accordance with its terms.

3.3 Reliance on Representations and Warranties

The Guarantor acknowledges that the Secured Party is relying on such representations and warranties notwithstanding any investigation made by or on behalf of the Secured Party at any time.

ARTICLE 4
REMEDIES

4.1 Demand for Payment

The Guarantor's liability to pay the Obligations shall arise immediately following the occurrence of an event of default pursuant to the Loan Agreement (an "**Event of Default**") that is continuing, and upon demand in writing, the Guarantor shall pay the Obligations immediately after demand in writing, without any evidence that the Secured Party has demanded that the Obligor pay or perform any of the Obligations or that the Obligor has failed to do so. If the Secured Party makes a demand upon the Guarantor, the Guarantor shall be held and bound to the Secured Party as a principal debtor in respect of the Obligations and shall pay interest on such liability from the date of such demand, both before and after judgment and default, at the rate or rates then applicable to the Obligations under the Loan Agreement. The Guarantor shall pay each of the Obligations in the applicable currencies of the Obligations, free and clear and without deduction for any present or future taxes, charges or withholdings of any kind.

4.2 Appropriations

The Secured Party may, at its sole discretion, appropriate monies received to such of the Obligations and in such order, as it sees fit, and may change any appropriation at any time.

4.3 Waiver of Notice of Acceptance

The Guarantor hereby waives notice of acceptance of this instrument.

ARTICLE 5
GENERAL

5.1 Acknowledgment of Review of Loan Agreement

The Guarantor acknowledges that it has been provided with, and reviewed copies of, the Loan Agreement and all other Transaction Documents to which it is a party.

5.2 Notices

Any notice, direction or other communication to be given under this Agreement shall, except as otherwise permitted, be in writing and given by delivering it or sending it by facsimile or other similar form of recorded communication addressed:

to the Guarantor at:

Spyder Cannabis Subco Inc.
Attention: Dan Pelchovitz
E-mail: dan@spydervapes.com

to the Secured Party at:

PLANT-BASED INVESTMENT CORP.
(formerly, Cannabis Growth Opportunity Corporation)

E-mail: _____

Any such communication shall be deemed to have been validly and effectively given if (i) personally delivered, on the date of such delivery if such date is a Banking Day and such delivery was made prior to 4:00 p.m. (Calgary time), otherwise on the next Banking Day, or (ii) transmitted by facsimile or similar means of recorded communication, on the Banking Day following the date of transmission. Any party may change its address for service from time to time by notice given in accordance with the foregoing and any subsequent notice shall be sent to the party at its changed address.

5.3 Waiver

(a) No amendment or waiver of any provision of this Guarantee shall be binding on the Secured Party unless consented to in writing and signed by the Secured Party. No waiver of any provision of this Guarantee shall constitute a waiver of any other provision, nor shall any waiver of any provision of this Guarantee constitute a continuing waiver unless otherwise expressly provided.

(b) Any waiver by the Secured Party of the strict observance, performance or compliance with any term, covenant, condition or agreement herein contained shall be deemed not to be a waiver of any subsequent default. No waiver shall be inferred from or implied by any failure to act or delay in acting by the Secured Party in respect of any default or by anything done or omitted to be done by the Guarantor.

(c) The rights and remedies of the Secured Party under this Guarantee are cumulative and not alternative. Any single or partial exercise by the Secured Party of any right or remedy for a default of any term, covenant, condition or agreement in this Guarantee shall not be deemed to be a waiver of or to alter, affect or prejudice any other rights or remedies to which the Secured Party may be lawfully entitled for the same default. Such rights and remedies are in addition to and not in substitution for any rights or remedies provided by applicable law.

5.4 Set-Off

The Secured Party is authorized to the fullest extent permitted by applicable law, without notice to the Guarantor (any such notice being expressly waived by the Guarantor), to set off and apply any and all amounts at any time held and other indebtedness at any time owing by the Secured Party to or for the credit or the account of the Guarantor against the Obligations. The Secured Party agrees to promptly notify the Guarantor after any such set-off and application. The failure to give such notice shall not, however, affect the validity of such set-off and application. The rights of the Secured Party under this Section are in addition to other rights and remedies (including other rights of set-off) which the Secured Party may have.

5.5 Assignment

The Guarantor may not assign any of its rights or benefits under this Guarantee, or delegate any of its duties or obligations, except with the prior written consent of the Secured Party.

5.6 Successors and Assigns

This Guarantee shall:

- (a) be binding upon and enforceable against the Guarantor, its successors and permitted assigns; and
- (b) enure to the benefit of and be enforceable by the Secured Party and its successors and assigns.

5.7 **Further Assurances**

The Guarantor shall, from time to time hereafter and upon any reasonable request of the Secured Party, promptly do, execute, deliver or cause to be done, executed and delivered all further acts, documents and things as may be required or necessary for the purposes of giving effect to this Guarantee in order to give effect to the provisions of this Guarantee.

5.8 **Limitations Act**

The Guarantor acknowledges and agrees that the Secured Party may demand payment in accordance with the terms of this Guarantee and commence proceedings against the Guarantor in respect of any claim pursuant to this Guarantee at any time after such demand has been made while any of the Obligations remain unpaid, notwithstanding any limitation period under the *Limitations Act* (Alberta) or any other applicable law and, to the fullest extent permitted by law, all limitation periods under such Act or other applicable law are hereby expressly excluded. For greater certainty, the Guarantor acknowledges that this Guarantee is a “business agreement” within the meaning of the *Limitations Act, 2002* (Ontario).

5.9 **Delivery**

This Guarantee may be executed and delivered by electronic means with the same force and effect as execution and delivery of an original instrument.

[Remainder of page intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF the Guarantor has executed this Guarantee as of the date first provided above.

SPYDER CANNABIS SUBCO INC.

Per: signed "Daniel Pelchovitz"
Name: Daniel Pelchovitz
Title: Authorized Signing Officer
I have the authority to bind the corporation

GENERAL SECURITY AGREEMENT

THIS GENERAL SECURITY AGREEMENT (this “**Security Agreement**”) made as of the 27th day of January, 2021 (the “**Effective Date**”)

BETWEEN:

SPYDER CANNABIS SUBCO INC., a corporation incorporated pursuant to the laws of Ontario

(the “**Obligor**”)

- and -

PLANT-BASED INVESTMENT CORP.
(formerly, Cannabis Growth Opportunity Corporation), a corporation incorporated pursuant to the federal laws of Canada

(the “**Secured Party**”)

- 1. General Undertakings.** Pursuant to a loan agreement dated January 27, 2021 (the “**Loan Agreement**”), entered into by the Secured Party and Spyder Cannabis Inc. (the “**Parent**”), the Lender has agreed to advance to the Parent a loan in the aggregate amount of \$200,000, pursuant to the terms and conditions of the Loan Agreement. The Obligor has agreed to guarantee the payment and performance of all indebtedness, accrued interest, liability and obligation of the Parent to the Secured Party under the Loan Agreement (whether present or future, absolute, contingent, direct, indirect, liquidated or unliquidated), pursuant to a guarantee agreement dated January 27, 2021 (the “**Guarantee**”) and executed by the Obligor in favour of the Secured Party. All loan documents, including but not limited to the Loan Agreements or any other documents or agreements entered into by and among the Parent, the Obligor and the Secured Party in connection with the Loan Agreement (collectively, the “**Loan Documents**”), if any, will be subject to the terms of this Security Agreement. To the extent that any provisions of the Loan Agreement or any other Loan Document conflicts with any provisions of this Agreement, the provisions of this Security Agreement will prevail to the extent of such inconsistency. The Obligor states that it has entered into this Security Agreement in order to induce the Secured Party to extend such credit to the Parent.
- 2. Grant of Rights and Security Interest.** In order to secure the payment and performance of all indebtedness, accrued interest, liability and obligation of the Obligor to the Secured Party (whether present or future, absolute, contingent, direct, indirect, liquidated or unliquidated, and whether or not secured by assets in addition to the Collateral (as defined below)) pursuant to the Guarantee (collectively the “**Obligations**”), the Obligor hereby grants to the Secured Party, and the Secured Party takes a security interest solely in the collateral described in Schedule 1 hereto (the “**Collateral**”). To the extent that the Secured Party has extended credit to the Obligor to purchase the Collateral or any part of it the Obligor grants and the Secured Party takes a purchase money security interest in such part of the Collateral. The Secured Party agrees and acknowledges that its rights and remedies in respect of the Obligations and the security interest granted herein to the Secured Party

ranks *pari passu* with the security interest granted by the Obligor to 2432692 Ontario Inc. and Zoran Kozarac (together, the “**Other Lenders**”) pursuant to two general security agreements entered into by and among the Obligor and the Other Lenders dated September 9, 2020 and December 15, 2020, respectively (together, the “**Other Lender Security Agreements**”), based on their respective proportionate share of the Obligations, and that the Collateral shall be held for the benefit and security of the Secured Party and the Other Lenders, without any preference or priority to the Other Lenders, and shared among them on the basis of their respective proportionate share of the Obligations, subject to the terms and conditions of this Security Agreement.

3. Covenants with Respect to Collateral.

- a) The Obligor will have the right to possession and control of the Collateral until an Event of Default (as later defined) occurs. Upon the occurrence of an Event of Default that is continuing, the Secured Party will be entitled to possession and control of the Collateral. The Obligor will maintain accurate records of the Collateral and, upon request by the Secured Party, furnish copies of the records to the Secured Party. The Secured Party may, from time to time, examine the books and records of the Obligor with respect to the Collateral and may, from time to time, examine the Collateral during business hours.
- b) The Obligor will keep the Collateral free of all liens and encumbrances at all times, except for the permitted liens and encumbrances listed in Schedule 2 hereto, and pay, or cause to be paid, all rent due on the premises where the Collateral is or may be stored. The Obligor will use its commercial reasonable efforts to protect the Collateral, and the Collateral will be insured by the Obligor at all times and against all risks to which it is exposed and with commercially reasonable policies satisfactory to the Secured Party and payable to both the Secured Party and the Obligor as their interests appear. The Obligor will assume all risks of loss from casualty or other losses.
- c) The Obligor will pay promptly when due all taxes and assessments upon the Collateral.

4. Default. The Obligor shall be in default under this Agreement, unless otherwise agreed in writing by the Secured Party, upon the occurrence of a default, or event of default (an “**Event of Default**”), under the Guarantee or the Loan Documents to which the Obligor is a party.

5. Remedies Upon Default. In the event of an Event of Default, the Secured Party will, if it so elects, have the following remedies:

- a) The unpaid balance of the Obligations will be accelerated and become immediately due and payable;
- b) The Secured Party will have all rights of a secured party under the *Personal Property Security Act* of Alberta. Specifically, and without prejudice to any of the Secured Party’s rights, the Secured Party may enter upon the Obligor’s premises and remove the Collateral; and
- c) The Secured Party may appoint by instrument in writing a receiver or receiver-manager of all or any part of the Collateral who will have all rights of a secured party under the

Personal Property Security Act of Alberta and all the rights of the Secured Party provided under this Security Agreement.

6. **Term and Termination.** This Security Agreement will take effect on the date first written above and will remain in full force and effect for so long as the Obligor remain in any way indebted or obligated to the Secured Party pursuant to the Guarantee or any other Loan Document to which the Obligor is a party. This Security Agreement may be terminated only by written agreement signed by the Obligor and the Secured Party, or upon filing by the Secured Party of a financing change statement or a verification change statement discharging the financing statement giving notice of the security interest created under this Security Agreement in the Personal Property Registry in the province where the Collateral is located.

7. **Miscellaneous.**

- a) The parties understand and agree that the signatures on the signature page of this Security Agreement (which may be applied electronically, including by e-mail) will constitute and be considered the acceptance and lawful execution of this Security Agreement by the parties.
- b) For the purposes of attachment of the security interests created in this Security Agreement, as defined in the *Personal Property Security Act* of Alberta, the parties agree that the time of attachment is not intended and will not be postponed.
- c) The provisions of this Security Agreement will be considered to be separate, and any invalidity of any provision will not affect the validity of the remaining provisions. Any invalidity of any security interest attempted to be created in any item or part of the Collateral will not affect the validity of the security interest created in the remaining items or parts of the Collateral.
- d) To the extent that any security interest granted is valid as a purchase money security interest, the same will take effect according to the terms of this Security Agreement as a purchase money security interest. To the extent that the Obligations or any part of them cannot validly be secured by a purchase money security interest, they will nevertheless be secured by the security interest provided in this Security Agreement as a non-purchase money security interest.
- e) The Secured Party may remedy any default under this Security Agreement, and may waive any default, without waiving the default remedied or without waiving any other prior or subsequent default.
- f) Upon the occurrence of any Event of Default under this Security Agreement, or under any indebtedness or obligation of the Obligor to the Secured Party, the Secured Party will be entitled to recover from the Obligor all costs and expenses incurred, or to be incurred, by reason of such default, including but not limited to, reasonable attorney's fees, court costs, witness fees, expenses of litigation, and any and all other expenses of repossessing, safeguarding and selling the Collateral.
- g) The Secured Party may assign this Security Agreement in whole or in part, absolutely or by way of security without notice to, or the consent of, the Obligor.

- h) This Security Agreement will be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein.

8. Acknowledgment and Waiver.

The Obligor:

- a) Acknowledges receiving a copy of this Security Agreement; and
- b) Waives all rights to receive from the Secured Party a copy of any financing statement, financing change statement or verification statement filed or issued, as the case may be, at any time in respect of this Security Agreement or any amendments to it.

[signature page follows]

TO EVIDENCE ITS AGREEMENT the Obligor and Secured Party have executed this Security Agreement as of the date first above written.

SPYDER CANNABIS SUBCO INC.

By: *signed "Daniel Pelchovitz"*

Name: Daniel Pelchovitz

Title: Authorized Signing Officer

PLANT-BASED INVESTMENT CORP.

(formerly, Cannabis Growth Opportunity Corporation)

By: *signed "Paul Crath"*

Name: Paul Crath

Title: CEO

SCHEDULE 1

For the purposes of this Security Agreement, “Collateral” means the following: (A) all present and after acquired personal property of the Obligor located at the cannabis retail store of the Obligor having an address of 6474 Lundy’s Lane, Niagara Falls, Ontario (the “**Secured Store**”), including, for the avoidance of doubt, inventory and the Retail Store Authorization License (#CRSA1172387) relating to the Secured Store), and (ii) all Proceeds (as defined below) thereof.

As used herein, “**Proceeds**” includes all goods, investment property, instruments, documents of title, chattel paper, intangibles or money now or hereafter forming proceeds of the foregoing Collateral located at the Secured Store.

SCHEDULE 2

1. Encumbrances to be granted following the date hereof to secure the obligations of the Debtor to guarantee the due payment and performance of the Parent’s obligations pursuant to separate loan agreements dated on or about January 27, 2020 and entered into between the Parent and each of the following lenders (such security interests, collectively, the “**Subordinate Security Interests**”), which security interests and encumbrances shall rank behind and be subordinate to the *Pari Passu Security Interests* (as defined below):
 - a. Mark Pelchovitz;
 - b. Daniel Pelchovitz; and
 - c. Peldren Holdings Inc.
2. Encumbrances granted to the Secured Party in connection herewith, and to the Other Lenders pursuant to the Other Lender Security Agreements (such security interests, collectively, the “**Pari Passu Security Interests**”), which security interests and encumbrances shall rank *pari passu* with each other, and shall rank in priority to the Subordinated Security Interests.

SCHEDULE "B"

FORM OF PROMISSORY NOTE

(See attached.)

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS DEMAND PROMISSORY NOTE MUST NOT TRADE THIS PROMISSORY BEFORE THE DATE THAT IS FOUR MONTHS AND A DAY AFTER THE LATER OF (I) THE DATE OF THE ISSUE OF THIS PROMISSORY NOTE AND (II) THE DATE THE CORPORATION BECAME A REPORTING ISSUER IN ANY PROVINCE OR TERRITORY OF CANADA.

DEMAND PROMISSORY NOTE

Toronto, Ontario

C\$200,000

July 29, 2022

FOR VALUE RECEIVED, and subject to the terms and conditions set forth in this promissory note (this “**Note**”), 2766923 Ontario Inc. (the “**Borrower**”), hereby unconditionally promises to pay ON DEMAND to the order of Plant-Based Investment Corp. (the “**Lender**”), in immediately available funds, at such location as the Lender shall designate in writing, Two Hundred Thousand Canadian Dollars (C\$200,000) and to pay interest on the unpaid principal amount hereof at the rates and on the dates specified below. Repayment shall be made in the lawful currency of Canada.

The Borrower agrees to accrue interest to the Lender on the unpaid principal amount of this Note from the date hereof at a rate equal to 1.8083% per month (equal to a nominal interest rate of 21.70% per annum and an effective interest rate of approximately 23.99% per annum) until the full and final repayment of the principal amount of this Note. Interest shall be calculated and compounded monthly and payable on demand. Amounts of principal and interest that are past due under this Note shall bear interest at the same rate, payable on demand, from the date of such non-payment until paid in full.

The Borrower may repay the principal amount of this Note in whole or in part at any time or from time to time without premium or penalty by giving five (5) business days’ notice to the Lender.

Upon the commencement by or against the Borrower of any bankruptcy, reorganization, arrangement, adjustment of debt, relief of debtors, dissolution, insolvency or liquidation or similar proceeding relating to the Borrower or its debts in any jurisdiction, the unpaid principal amount of this Note and all interest accrued thereon shall become immediately due and payable without presentment, demand, protest or notice of any kind.

The books and records of the Lender shall constitute prima facie evidence of the amount of principal and interest outstanding under this Note from time to time.

The Borrower hereby waives demand and presentment for payment, notice of non-payment, protest and notice of protest of this Note. No failure on the part of the Lender to exercise, and no delay in exercising, any right, power or privilege hereunder shall operate as a waiver thereof or a consent thereto; nor shall a single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege. All payments under this Note shall be made without offset, counterclaim or deduction of any kind.

Neither the Lender nor the Borrower may assign this Note or any of its respective rights or obligations under this Note without the prior written consent of the other party, which consent may be withheld in the sole discretion of such party. Any such assignment of this Note must be made in accordance with applicable securities laws.

The undersigned agrees that limitation periods established by the *Limitations Act, 2002* (Ontario), other than the ultimate 15-year limitation period, do not apply to this promissory note.

This note shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

[Intentionally Left Blank. Signature Page Follows.]

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

2766923 ONTARIO INC., as Borrower

By: signed "Cameron Wickham"

Name: Cameron Wickham

Title: Chief Executive Officer