

**AYR WELLNESS INC.**

**(SUCCESSOR TO AYR STRATEGIES INC. AND CANNABIS STRATEGIES ACQUISITION CORP.)**

as the Corporation

and

**ODYSSEY TRUST COMPANY**

as the Warrant Agent

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**FIFTH SUPPLEMENT TO THE WARRANT AGENCY AGREEMENT**

As of September 1, 2021

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**THIS FIFTH SUPPLEMENT TO THE WARRANT AGENCY AGREEMENT** (this “**Fifth Supplement**”) dated as of September 1, 2021

**BETWEEN:**

**AYR WELLNESS INC.**

continued under the laws of the Province of British Columbia (hereinafter called the “**Corporation**”)

**AND**

**ODYSSEY TRUST COMPANY,**

a trust company incorporated under the *Loan and Trust Corporations Act* (Alberta) with an office in the City of Calgary in the Province of Alberta (hereinafter called the “**Warrant Agent**”)

**RECITALS**

**WHEREAS:**

1. A predecessor of the Corporation, Cannabis Strategies Acquisition Corp., and the Warrant Agent executed a warrant agency agreement dated as of December 21, 2017 (as amended by the First Supplement (as defined herein), the Second Supplement (as defined herein), the Third Supplement (as defined herein), and the Fourth Supplement (as defined herein)), governing the terms of certain share purchase warrants of the Corporation (the “**Warrants**”, and each, a “**Warrant**”).
2. A predecessor of the Corporation, Ayr Strategies Inc., and the Warrant Agent entered into (i) a Supplement to the Warrant Agency Agreement dated May 24, 2019 (the “**First Supplement**”), (ii) a Second Supplement to the Warrant Agency Agreement dated July 12, 2019 (the “**Second Supplement**”), and (iii) a Third Supplement to the Warrant Agency Agreement dated November 23, 2020 (the “**Third Supplement**”).
3. The Corporation and the Warrant Agent entered into a Fourth Supplement to the Warrant Agency Agreement dated February 12, 2021 (the “**Fourth Supplement**”, and collectively with the First Supplement, the Second Supplement, and the Third Supplement, the “**Warrant Agency Agreement**”).
4. Pursuant to the Warrant Agency Agreement, in addition to certain “cashless” exercise rights pursuant to Section 3.2(3) of the Warrant Agency Agreement, each holder of a Warrant (each, a “**Holder**”) is entitled to receive, upon the exercise of such Holder’s whole Warrant(s) and subject to adjustment in certain circumstances in accordance with the terms and conditions of the Warrant Agency Agreement, one (1) subordinate voting share in the capital of the Corporation at an exercise price of C\$11.50 per Share (with each subordinate voting share being subject to automatic conversion on a one-for-one basis into restricted or limited voting shares in accordance with the articles of the Corporation, and the defined terms “**Share**” and “**Shares**” accordingly referring to one or more subordinate, restricted or limited voting shares, as applicable).
5. The Corporation, in order to encourage Holders to exercise the Warrants for cash rather than on a cashless basis, wishes to further amend the Warrant Agency Agreement pursuant to sections 12.1(1)(c) and 12.1(1)(g) thereof to provide for the ability of Holders, without prejudice to their ordinary exercise rights, to exercise Warrants (a “**Final Incentive Exercise**”) at any time commencing on September 1, 2021 until 5:00 p.m. (Toronto time) on September 30, 2021 (the “**Final Incentive Exercise Period**”), on a cash basis only and

receive an incentive in such circumstances (the “**Final Warrant Incentive Program**”). For such Incentive Exercises, the Corporation agrees to voluntarily pay a commitment fee (in the amount of C\$0.75 per Warrant), which would be netted off the proceeds from payment of the Exercise Price.

6. Section 12.1(1)(c) of the Warrant Agency Agreement permits the Corporation and the Warrant Agent to enter into supplemental indentures to add to or alter the provisions thereof in respect of the transfer of Warrants, making provision for the exchange of Warrant Certificates and making any modification in the form of the Warrant Certificate which does not affect the substance thereof.
7. Section 12.1(1)(g) of the Warrant Agency Agreement permits the Corporation and the Warrant Agent to enter into supplemental indentures not inconsistent with the terms of the Warrant Agency Agreement provided that, in the opinion of the Warrant Agent, relying on the advice of counsel, the rights of the Warrant Agent and of the Holders are in no way prejudiced thereby.
8. The Warrant Agent has been advised by the Corporation’s counsel that, as the proposed amendments pursuant to Section 12.1(1)(g) of the Warrant Agency Agreement are merely to add an additional right on the part of Holders, and in no way affects their current rights, counsel’s view is that Holders are in no way prejudiced thereby.
9. Sections 12.1(1)(c) and 12.1(1)(g) of the Warrant Agency Agreement authorize the Corporation and the Warrant Agent to execute and deliver a supplemental agreement to give effect to the proposed amendments.
10. The Corporation wishes to amend the Warrant Agency Agreement in order to reflect the foregoing recitals, which are made as representations of the Corporation and not by the Warrant Agent.
11. The Warrant Agent has agreed to enter into this Fifth Supplement to the Warrant Agency Agreement and to hold all rights, interests and benefits contained herein for and on behalf of those persons who are holders of Warrants issued pursuant to the Warrant Agency Agreement, as modified by the First Supplement, the Second Supplement, the Third Supplement, the Fourth Supplement, and by this Fifth Supplement to the Warrant Agency Agreement.

**NOW THEREFORE THIS FIFTH SUPPLEMENT TO THE WARRANT AGENCY AGREEMENT WITNESSES** that, for good and valuable consideration mutually given and received, the receipt and sufficiency of which are hereby acknowledged, it is hereby agreed and declared as follows:

## **SECTION 1 DEFINITIONS AND AMENDMENTS TO WARRANT AGENCY AGREEMENT**

### **(1) Definitions**

This Fifth Supplement to the Warrant Agency Agreement is supplemental to the Warrant Agency Agreement, and the Warrant Agency Agreement shall henceforth be read in conjunction with this Fifth Supplement to the Warrant Agency Agreement, and all the provisions of the Warrant Agency Agreement, except only insofar as the same may be inconsistent with the express provisions hereof, shall apply and have the same effect as if all the provisions of the Warrant Agency Agreement and of this Fifth Supplement to the Warrant Agency Agreement were contained in one instrument, and the expressions used herein shall have the same meaning as is ascribed to the corresponding expressions in the Warrant Agency Agreement. Except as otherwise defined herein, all capitalized

terms contained in this Fifth Supplement to the Warrant Agency Agreement (including the recitals hereto) shall have the meanings given to them in the Warrant Agency Agreement.

**(2) Interpretation**

On and after the date hereof, each reference to the Warrant Agency Agreement, as amended by this Fifth Supplement to the Warrant Agency Agreement, “this Warrant Agency Agreement”, “Agreement”, “this Agreement”, “herein”, “hereby”, and similar references, and each reference to the Warrant Agency Agreement in any other agreement, certificate, document or instrument relating thereto, shall mean and refer to the Warrant Agency Agreement, as amended hereby. Except as specifically amended by this Fifth Supplement to the Warrant Agency Agreement, all other terms and conditions of the Warrant Agency Agreement shall remain in full force and unchanged. Except as otherwise stated in this Fifth Supplement to the Warrant Agency Agreement, all dollar amount herein are expressed in Canadian dollars.

**(3) Amendments to Warrant Agency Agreement**

(a) The following definitions in Section 1.1 of the Warrant Agency Agreement are hereby amended to read as follows:

- (i) **“Agreement”** or **“this Agreement”** means this warrant agency agreement dated as of the date hereof between the Corporation and the Warrant Agent, as amended or supplemented from time to time, including by the First Supplement, the Second Supplement, the Third Supplement, the Fourth Supplement and the Fifth Supplement;
- (ii) **“Exchange”** means the Canadian Securities Exchange or any successor, assign or replacement exchange on which any of the Corporation’s securities are listed from time to time;

(b) The following definitions in Section 1.1 of the Warrant Agency Agreement are hereby added, in alphabetical order, to read as follows:

- (i) **“Final Incentive Exercise”** has the meaning ascribed thereto in Section 3.2(3C);
- (ii) **“Final Incentive Exercise Period”** has the meaning ascribed thereto in Section 3.2(3C);
- (iii) **“Final Incentive Fee”** has the meaning ascribed thereto in Section 3.2(3C);
- (iv) **“Fifth Supplement”** means the fifth supplement to the warrant agency agreement dated September 1, 2021;

(c) Section 3.1 of the Warrant Agency Agreement is amended by adding to the end thereof the following sentence:

“Despite the foregoing, the Warrants may also further be exercised in accordance with the provisions of Section 3.2(3C) at any time commencing on September 1, 2021 until 5:00 p.m. (Toronto time) on September 30, 2021, but only for cash, and Subsection 3.2(3) shall have no application to any such exercises.”

(d) Section 3.2 of the Warrant Agency Agreement is amended by adding after the end of Section 3.2(3B) the following new subsection, as Section 3.2(3C):

“Despite the other provisions of this Section 3.2, if a Holder duly exercises the Warrants for cash in accordance with the provisions of the last sentence of Section 3.1 and of this Section 3.2(3C) at any time commencing on September 1, 2021 until 5:00 p.m. (Toronto time) on September 30, 2021 (the “**Final Incentive Exercise Period**”) (each, a “**Final Incentive Exercise**”), the Corporation shall pay to the exercising Holder a fee in the amount of C\$0.75 per Warrant so exercised (the “**Final Incentive Fee**”), which shall be set-off against the applicable Exercise Price in respect of such Final Incentive Exercises (but for greater certainty, such Final Incentive Fee and such set-off shall not apply to cashless exercises. In addition, if Warrants are registered in the name of CDS, they will be required to be withdrawn from CDS in order to be exercised under the Final Warrant Incentive Program.

Any such Final Incentive Exercises shall otherwise be in accordance with the provisions of Sections 3.2(1), (2), (6) (without reference to cashless exercises in accordance with Section 3.2(3)), (7) and (8) and Sections 3.4 through 3.10, inclusive, of the Warrant Agency Agreement and subject to Section 3.3 of the Warrant Agency Agreement. However, box (B) of the Exercise Form (and any other boxes related to a cashless exercise) may not be checked for exercises during the Incentive Exercise Period, as cashless exercises are not available for such purposes. If box (B) (or any other box related to a cashless exercise) is checked in respect of a purported Incentive Exercise during the Incentive Exercise Period, such purported exercise shall be of no force and effect and, if applicable, the Warrants in question shall be promptly returned to the Holder purporting to so exercise them by the Warrant Agent. The Corporation may in its discretion waive any requirement applicable to any particular exercise of Warrants for cash during the Final Incentive Exercise Period upon written notice to the Warrant Agent, except where such requirement is required by applicable law, provided that if any such waiver would adversely affect the Warrant Agent, then the Warrant Agent must have consented thereto in writing.”

## **SECTION 2 ADDITIONAL MATTERS**

### **(1) Corporation’s Liabilities**

The Corporation hereby covenants, acknowledges and agrees that, as and from the date hereof, it shall become liable for, and shall perform the obligations of the Corporation under the Warrant Agency Agreement and, in particular but without limitation, the Corporation hereby covenants, acknowledges and agrees that, as and from the date hereof, upon written notice from the Warrant Agent of the exercise of a Warrant(s) in accordance with the terms of the Warrant Agency Agreement, the Corporation shall cause the issuance of the necessary number of Shares necessary to settle such exercise, and shall cause the delivery thereof to the Warrant Agent (or as the Warrant Agent may otherwise direct the Corporation in writing).

### **(2) Confirmation of Warrant Agency Agreement**

The Warrant Agency Agreement shall be and continue to be in full force and effect, unamended, except as provided herein, and the Corporation hereby confirms the Warrant Agency Agreement in all other respects.

### **(3) Acceptance of Fifth Supplement to the Warrant Agency Agreement**

The Warrant Agent confirms its role as warrant agent in this Fifth Supplement to the Warrant Agency Agreement and agrees to carry out and discharge the same upon the terms and conditions in accordance with the Warrant Agency Agreement, as supplemented by the First Supplement and by this Fifth Supplement to the Warrant Agency Agreement.

**(4) Governing Law**

This Fifth Supplement to the Warrant Agency Agreement shall be governed and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein, and shall be binding upon the parties hereto and their respective successors and assigns.

**(5) Effective Date**

This Fifth Supplement to the Warrant Agency Agreement shall take effect upon the date first above written.

**(6) Counterparts**

This Fifth Supplement to the Warrant Agency Agreement may be simultaneously executed in several counterparts, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument and notwithstanding their date of execution they shall be deemed to be dated as of the date hereof.

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

**IN WITNESS WHEREOF** the parties hereto have executed this Fifth Supplement to the Warrant Agency Agreement.

**AYR WELLNESS INC.**

By: (Signed) Jennifer Drake  
Authorized Signatory

**ODYSSEY TRUST COMPANY**

By: (Signed) Dan Sander  
Authorized Signatory

By: (Signed) Amy Douglas  
Authorized Signatory