

Acquisition Opportunity

STATE-OF-THE-ART CANNABIS PROCESSOR IN SOUTHERN ONTARIO



For more information
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Opportunity Overview

Pursuant to proceedings under the *Companies' Creditors Arrangement Act*, BDO Canada Limited as monitor, with the assistance of BDO Transaction Advisory Services Inc., is conducting a Court-approved sale and investment solicitation process for a well-located cannabis contract manufacturing business. An information package and access to an electronic data room will be provided to interested parties who have entered into a non-disclosure agreement (“NDA”) with the Company.

Facility Features

Total Site Area	<ul style="list-style-type: none">80,208 sq.ft of indoor facility on leased premise. Area leased under two agreements each representing 47,658 sq.ft and 32,550 sq.ft respectively.Built to EU GMP Standards.Initial lease term expires on 30th June 2023 - option to downsize, subject to conditions.
Core Manufacturing Capabilities	<ul style="list-style-type: none">Pre-Roll ManufacturingFlower & Product PackagingCO2 & Co-SolventHydrocarbon
Notable Features	<ul style="list-style-type: none">Close proximity to 400-series highway systemInsulated wall panels and refrigerated doorsClosed loop independent air control systems for each room via boiler and chiller systems75kva power supply

Key Investment Highlights

State of the art facility with top tier extraction, processing and packaging equipment throughout the complex. Being relatively new, the facility requires little or no maintenance CAPEX.

Fully automated ProcePack machines to standardize and optimize the pre-roll packaging process, significantly increasing packaging efficiency.

Strategically located in the GTA to optimize distribution services. Able to distribute products nationally with efficient logistics system in place.

Inventory light “contracting” business model supports scalability and promotes efficient use of working capital in addition to eliminating inventory price and holding risks.

Process Timeline

November 18, 2022	Distribute teaser and NDA to interested parties. Data room access and Confidential Information Summary to be provided shortly after execution of NDA.
By November 30, 2022	Deadline to finalize schedule of Assumed Liabilities in the Stalking Horse Agreement
Nov/Dec, 2022	Due diligence, facility tours, Q&A, distribution of bid submission process.
January 9, 2023	Binding Bid deadline.
January 16, 2023	Auction (if applicable).
By January 30, 2023	Hearing of Sale Approval Motion (subject to Court availability).

