



FORM 109 (RULE 22-2 (2) AND (7))

This is the 1st affidavit of Helen M. Ai in this case and was made on November 19, 2022

No. 5-279792
Vancouver Registry

In the Supreme Court of British Columbia

Between

113 ROYAL INVESTMENTS LTD.

Petitioner

and

GEYSER BRANDS INC.

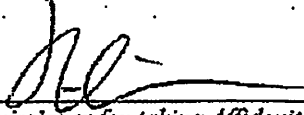
Respondent

AFFIDAVIT

I, Helen M. Ai, of 3391 Raymond Avenue, Richmond, B.C., businessperson, SWEAR THAT:

1. I am a director of the Petitioner and as such have personal knowledge of the matters herein deposed to. I am authorized to make this Affidavit on behalf of the Petitioner.
2. I have read the Petition herein, and say that the matters and facts therein set out are true.
3. Attached as Exhibit "A" to my affidavit is a true copy of the loan agreement entered into by Geyser Brands Inc. and 113 Royal Investments Ltd. on September 30, 2020.
4. Attached as Exhibit "B" to my affidavit is a true copy of the general security agreement granted by Geyser Brands Inc. in favour of 113 Royal Investments Ltd. on September 30, 2020.
5. Attached as Exhibit "C" is a British Columbia Personal Property Registry search of Geyser Brands Inc., conducted September 23, 2022.

This is Exhibit "A" referred to in the affidavit of Helen M. Ai sworn before me at Richmond, BC, this 19th day of November, 2022.



A Commissioner for taking Affidavits within British Columbia

LOAN AGREEMENT

THIS LOAN AGREEMENT (the "Agreement") made as of September 30, 2020.

BETWEEN:

113 ROYAL INVESTMENTS LTD., a British Columbia company having its registered office located at 2535-3700 No.3 Road, Richmond, British Columbia V6X 3X2

**(the "Lender")
OF THE FIRST PART**

AND:

GEYSER BRANDS INC., a British Columbia company having its registered office located at 203-815 Hornby Street, Vancouver, British Columbia V6Z 2E6

**(the "Borrower")
OF THE SECOND PART**

IN CONSIDERATION of the premises and the mutual covenants contained in this Agreement, and other good and valuable consideration (the receipt and sufficiency of which is acknowledged by each of the parties), the Parties agree as follows:

1. The Lender agrees to loan to the Borrower, who shall borrow from the Lender, the amount of **ONE MILLION CANADIAN DOLLARS (\$1,000,000.00 CAD)** (the "Loan"), payable in two (2) advances, as follows:
 - a. subject to the conditions precedent set out in Section 2(a) being satisfied on or prior to September 30, 2020, on September 30, 2020, \$500,000.00 (the "First Advance"); and
 - b. subject to receiving a prior written request from the Chief Executive Officer of the Borrower and subject to the second advance conditions precedent set out in Section 2(b) being satisfied on or prior to November 30, 2020, on or before November 30, 2020, \$500,000.00 (the "Second Advance").

AND the Borrower shall repay the Loan with interest thereon to the Lender in accordance with terms and conditions of this Agreement as follows:

- a. the principal amount outstanding under the Loan and all interest accrued thereon shall be repayable in full by the Borrower to the Lender within one (1) year of the date of execution of this Agreement (the "Due Date");
- b. interest shall accrue on the principal balance of the Loan outstanding at **twelve per cent (12%) per annum**, before and after demand, which interest will accrue daily and shall be compounded annually in arrears; and

All sums paid shall be applied firstly on account of interest, and secondly, in reduction of principal. **PROVIDED THAT** if the rate of interest otherwise payable hereunder would be a criminal rate of interest or void for uncertainty or unenforceable for any other reason

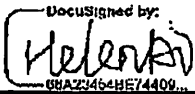
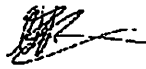
or not be able to be ascertained or is determined by a Court to be subject to deemed reinvestment of interest, then the interest rate (the "Backup Rate") charged on the Loan pursuant to this Agreement shall be ONE PER CENT (1.00%) PER ANNUM less than the maximum rate which would not be a criminal rate calculated in accordance with generally accepted actuarial practices and principles. Notwithstanding any other provisions hereof, the Borrower shall not pay or tender for payment any principal, interest, cost, fee, bonus, fine, penalty, commission or other similar charge or expense which would result in payment of interest at a rate higher than the Backup Rate. If any such payment is tendered, contrary to the provisions hereof, it shall be applied to the principal amount of the Loan outstanding or, if no such principal amount is then outstanding, it shall be refunded by the Lender to the Borrower. Each provision hereof dealing with the payment of money by the Borrower to or on behalf of the Lender shall be deemed to be prefaced with the words, "subject to the provisions hereof dealing with the Backup Rate".

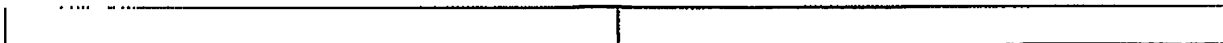
2. (a) The First Advance shall not be advanced under the Loan until satisfaction of the following conditions, which conditions precedent are included for the sole benefit of the Lender and are subject to waiver in whole or in part only by the Lender in its discretion:
 - (i) all of the Loan Documents shall have been executed and delivered by the Borrower; and
 - (ii) receipt of all required approvals and consents for the Loan Documents and all related matters, including without limitation, the approval of the board of directors of the Lender.
- (b) The Second Advance shall not be advanced under the Loan until satisfaction of the following conditions, which conditions precedent are included for the sole benefit of the Lender and are subject to waiver in whole or in part only by the Lender in its discretion:
 - (i) all of the representations and warranties of the Borrower in the Loan Documents shall be true and correct as at the date of the Second Advance as if made on such date, and the Borrower shall have complied with all covenants on its part to be performed in the Loan Documents;
 - (ii) no Event of Default (as hereinafter defined) shall have occurred and be continuing.
3. The Loan shall be secured by:
 - a. a Promissory Note (the "Note") executed and delivered by the Borrower to the Lender at the time of at the time of each advance; and
 - b. a General Security Agreement (the "Borrower GSA" and together with the "Note" and this Agreement, the "Loan Documents")), for a first security interest over all of the present and after-acquired assets of the Borrower, executed and delivered by the Borrower to the Lender on the date hereof.

4. The Borrower shall be in default of this Agreement in any of the following events (each an "Event of Default"):
 - a. the Borrower making a default in the payment of the Loan or any money secured by the Note or the Borrower GSA for a period of two business days after such principal or interest is due; or
 - b. the Borrower failing to observe and perform any of their obligations under this Agreement and such default or breach continues for a period of ten days or more; or
 - c. Borrower declaring itself to be insolvent or making an assignment for the benefit of its creditors, is declared bankrupt, declaring bankruptcy, making a proposal or otherwise takes advantage of provisions under the *Bankruptcy and Insolvency Act*, the *Companies Creditors' Arrangement Act*, or similar legislation in any jurisdiction, or fails to pay its debts generally as they become due; or
 - d. a receiver, receiver and manager or receiver-manager of all or any part of the assets of the Borrower being appointed; or
 - e. the Borrower ceasing, or threatening to cease to carry on all or a substantial part of its business.
5. Upon the occurrence of an Event of Default under: (i) this Agreement, (ii) the Note, (iii) the Borrower GSA, the Lender may, by notice in writing, accelerate the maturity of the Loan and require immediate payment of all amounts due under the Loan Documents.
6. As long as the Loan is outstanding and undischarged, subject to the rules of the TSXV and applicable laws, the Lender will:
 - a. have the exclusive right to nominate and terminate the CEO and CFO of the Borrower; and
 - b. hold a right of first offer (or "pre-emptive right") on any securities issued by the Borrower, which will require the Borrower to offer the Lender any new securities that the Borrower proposes to issue, other than in connection with employment agreements or in accordance with the Borrower's incentive stock option plan, on the same terms as would otherwise be offered.
7. The Borrower agree to furnish to the Lender, in writing from time to time, forthwith on the request of the Lender, all material information relating to the business affairs of the Borrower and that for such purposes the Lender shall have access during normal business hours to all premises occupied by the Borrower.
8. The Borrower hereby acknowledge receiving a copy of this Agreement and waive all rights to receive from the Lender a copy of any financing statement, financing change statement or verification statement filed at any time in respect of this Agreement.

- 9. This Agreement contains the entire agreement between the Parties respecting the subject matter, and supersedes all other agreements whether written, or oral between the Parties, it being expressly understood that there are no other representations, terms, warranties, conditions, guarantees, promises, agreements, collateral contracts or collateral agreements express or implied, or statutory, other than those contained in this Agreement and that this Agreement represents the whole of the Agreement between the Parties, and no alteration, modification or amendment hereof shall be binding unless made in writing and signed by the Parties hereto.
- 10. The Parties shall do such additional acts and execute and deliver such further documents as may be requisite to give full effect to the terms of this Agreement.
- 11. The invalidity of any particular portion, section or paragraph of this Agreement shall not affect the validity of any other provision herein and, in such event, such invalid provision shall be severable from this Agreement and the remainder of this Agreement shall be construed as if such invalid provision was omitted.
- 12. No waiver by any party hereto of any breach of any covenant, representation, warranty, proviso, condition or stipulation herein contained whether express or implied or negative or positive in form by any other party hereto shall have any effect or be binding upon any party hereto unless same shall be in writing and under the authority of such party, and any waiver whatsoever shall extend only to the particular breach so waived, and shall not limit or affect the right of any party with respect to any other or further breach.
- 13. This Agreement shall be governed by and interpreted in accordance with the laws of the Province of British Columbia, Canada.
- 14. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same document.
- 15. Whenever the singular or the masculine is used herein, same shall be deemed to include reference to the plural, feminine and body corporate as necessary.
- 16. This Agreement shall enure to the benefit of and be binding upon the Parties hereto and their respective heirs, executors, administrators, successors and permitted assigns.

IN WITNESS WHEREOF, this Agreement was executed by the Parties as of the day and year first above written.

<p>113 ROYAL INVESTMENTS LTD.</p> <p>Per:  <small>DocuSigned by: HELEN A. [unclear] 0BA23464BE74409...</small></p> <p>Authorized Signatory</p>	<p>GEYSER BRANDS INC.</p> <p>Per: </p> <p>Andrew Harris, CEO</p>
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This is Exhibit "B" referred to in the affidavit of Helen M. Ai sworn before me at Richmond, BC, this 19th day of November, 2022.



A Commissioner for taking Affidavits within British Columbia

GENERAL SECURITY AGREEMENT

THIS GENERAL SECURITY AGREEMENT (this "Agreement") made as of the 30 day of September, 2020.

FROM:

GEYSER BRANDS INC., a British Columbia company having its registered office located at 203-815 Hornby Street, Vancouver, British Columbia V6Z 2E6

(the "Borrower")
OF THE FIRST PART

TO:

113 ROYAL INVESTMENTS LTD., a British Columbia company having its registered office located at 2535-3700 No.3 Road, Richmond, British Columbia V6X 3X2

(the "Lender")
OF THE SECOND PART

FOR VALUE RECEIVED, the Borrower covenants, agrees, warrants, represents, acknowledges, and confirms to and with the Lender and creates and grants the mortgages, charges, transfers, assignments, and security interests as follows:

1. Security Interest

As security for the payment and performance of the Obligations (as defined in paragraph 3), the Borrower, subject to the exceptions set out in paragraph 2, does:

1.1 Grant to the Lender a security interest in, and mortgages, charges, transfers and assigns absolutely, all of the Borrower' present and after acquired personal property, and all personal property in which the Borrower has rights, of whatever nature or kind and wherever situate, including, without limitation, all of the following now owned or in future owned or acquired by or on behalf of the Borrower:

(a) all goods, including:

- (i) all inventory of whatever kind and wherever situate, including, without limitation, goods acquired or held for sale or lease or furnished or to be furnished under contracts of rental or service, all raw materials, work in progress, finished goods, returned goods, repossessed goods, and all packaging materials, supplies, and containers relating to or used or consumed in connection with any of the foregoing (collectively the "Inventory");
- (ii) all equipment of whatever kind and wherever situate, including, without limitation, all machinery, tools, apparatus, plant, fixtures, furniture,

furnishings, chattels, motor vehicles, vessels, and other tangible personal property of whatever nature or kind (collectively the "Equipment");

- (b) all book accounts and book debts and generally all accounts, debts, dues, claims, choses in action, and demands of every nature and kind however arising or secured including letters of credit and advices of credit, which are now due, owing, or accruing, or growing due to, or owned by, or which may in future become due, owing, or accruing, or growing due to, or owned by the Borrower (the "Accounts");
- (c) all contractual rights, insurance claims, licences, goodwill, patents, trademarks, trade names, copyrights, and other industrial or intellectual property of the Borrower or in which the Borrower has an interest, all other choses in action of the Borrower of every kind which now are, or which may in future be, due or owing to or owned by the Borrower, and all other intangible property of the Borrower which is not Accounts, Chattel Paper, Instruments, Documents of Title, Securities, or Money;
- (d) all Money;
- (e) the undertaking of the Borrower;
- (f) all Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles, and Securities now owned or in future owned or acquired by or on behalf of the Borrower (including those returned to or repossessed by the Borrower) and all other goods of the Borrower that are not Equipment, Inventory, or Accounts;
- (g) all proceeds, renewals, and accretions, and substitutions of any of the foregoing; and
 - (i) all deeds, documents, writings, papers, books of account, and other books and electronically recorded data relating to any of the foregoing or by which any of the foregoing is or may in future be secured, evidenced, acknowledged, or made payable.

1.2 Charge as and by way of a floating charge to and in favour of the Lender, and grant to the Lender a security interest, mortgage, and charge in and to:

- (a) all the Borrower's right, title, and interest in and to all its presently owned or held and after acquired or held real, immovable, and leasehold property and all interests therein, and all easements, rights-of-way, privileges, benefits, licences, improvements, and rights whether connected therewith or appurtenant thereto or separately owned or held, including all structures, plant, and other fixtures (collectively "Real Property"); and

- (b) all property, assets, and undertakings of the Borrower, both present and future, of whatever nature or kind and wherever situate, and all Proceeds thereof and therefrom, other than any of its property, assets, and undertakings otherwise validly and effectively subject to the charges and security interests in favour of the Lender created under this Agreement. This charge attaches immediately upon the Borrower acquiring any rights in any of that property.

1.3 Mortgage and charge as and by way of a fixed and specific charge to and in favour of the Lender, and assign and transfer to the Lender and grant to the Lender, by way of mortgage, charge, assignment, and transfer, a security interest in all of the Borrower's right, title, and interest, both present and future, in and to all of its presently owned or held and after acquired or held property which:

- (a) is or in future becomes a fixture, or
- (b) constitutes a licence, quota, permit or other similar right or benefit.

The mortgages, charges, assignments, transfers, and security interests created or granted under paragraphs 1.1, 1.2, and 1.3 of this Agreement are collectively called the "Security Interest", and all property, assets, interests, and undertakings (including Proceeds) subject to the Security Interest or otherwise charged or secured by this Agreement or expressed to be charged, assigned or transferred, or secured by any instruments supplemental to this Agreement or in implementation of this Agreement are collectively called the "Collateral".

2. Exceptions and Definitions

The Security Interest granted by this Agreement shall not extend or apply to and the Collateral shall not extend to the last day of the term of any lease or agreement to lease real property, but upon the enforcement of the Security Interest the Borrower shall stand possessed of such last day in trust to assign and dispose thereof as the Lender shall direct.

The terms "Chattel Paper", "Document of Title", "Equipment", "Consumer Goods", "Instrument", "Intangible", "Security", "Securities", "Proceeds", "Inventory", "Accessions", "Money", "financing statement", "financing change statement" and "verification statement" shall, unless otherwise defined in this Agreement or otherwise required by the context, be interpreted according to their respective meanings as set out in the British Columbia *Personal Property Security Act*, as amended.

Any reference in this Agreement to "Collateral" shall, unless the context otherwise requires, be deemed a reference to "Collateral or any part thereof". The Collateral shall not include consumer goods of the Borrower.

The term "Proceeds", whenever used and interpreted as above, shall by way of example include trade-ins, equipment, cash, bank accounts, notes, chattel paper, goods, contract rights,

accounts, and any other personal property or obligation received when such collateral or proceeds are sold, exchanged, collected, or otherwise disposed of. The term "licence" means any licence or similar right at any time owned or held by the Borrower including without limitation a "licence" as defined in the Act.

3. Obligations Secured

This Agreement and the Security Interest are in addition to and not in substitution for any other security interest now or in future held by the Lender from the Borrower or from any other person and shall be general and continuing security for the payment of all indebtedness and liability of the Borrower to the Lender (including interest thereon), present or future, absolute or contingent, joint or several, direct or indirect, matured or not, extended or renewed, wherever and however incurred, and any ultimate balance thereof, including all advances on current or running account and all future advances and re-advances, and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again, and whether the Borrower be bound alone or with another or others, and whether as principal or surety, and for the performance and satisfaction of all obligations of the Borrower to the Lender, whether or not contained in this Agreement, and whether the Borrower be bound alone or with another or others (all of which indebtedness, liability, and obligations are collectively the "Obligations").

4. Prohibitions

Without the prior written consent of the Lender, the Borrower shall not and shall not have power to:

- (a) grant, create, or permit to be created any security interest in, charge, encumbrance, or lien over, or claim against any of its property, assets, or undertakings that rank or could rank in priority to or *pari passu* with the Security Interest;
- (b) grant, sell, or otherwise assign its Chattel Paper; or
- (c) issue or have outstanding at any time any secured or unsecured bonds, debentures, debenture stock, or other evidences of indebtedness of the Borrower or of any predecessor in title of the Borrower issued under a trust deed or other instrument running in favour of a trustee.

5. Attachment

The Borrower acknowledges and confirms that:

- (a) there is no intention to delay the time of attachment of the Security Interest created by this Agreement, and the Security Interest shall attach at the earliest time permissible under the laws governing this Agreement;

- (b) that value has been given; and
- (c) that the Borrower has (or in the case of any after acquired property, will have at the time of acquisition) rights in the Collateral.

6. Representations and Warranties

6.1 The Borrower represents and warrants to the Lender that:

- (a) if the Borrower is a company or a partnership, this Agreement is granted in accordance with resolutions of the directors (and of the shareholders as applicable) or of the partners, as the case may be, of the Borrower, and that all other matters and things have been done and performed so as to authorize and make the execution and delivery of this Agreement, and the performance of the Borrower's obligations hereunder, legal, valid, and binding;
- (b) the Borrower lawfully owns and possesses all presently held Collateral and has good title thereto, free from all security interests, charges, encumbrances, liens, and claims, save only the charges or security interests, if any, shown in any schedule to this Agreement and those consented to in writing by the Lender, and the Borrower has good right and lawful authority to grant a security interest in the Collateral as provided by this Agreement;
- (c) where the Collateral includes Accounts, Chattel Paper, or Instruments, each is enforceable in accordance with its terms against the party obligated thereunder, and that the Borrower has fully and accurately disclosed to the Lender the amount owing thereunder and any other relevant information concerning liability for payment thereunder;
- (d) for goods constituting Collateral, the Borrower has in this Agreement or elsewhere fully and accurately disclosed to the Lender the locations thereof and of the business operations and records of the Borrower.

6.2 All representations and warranties given by the Borrower under the Loan Agreement between the Borrower and the Lender dated the date hereof (the "Loan Agreement") between the Lender and the Borrower of even date herewith and the Promissory Note of even date herewith shall form representations and warranties of this Agreement and this Agreement shall be read and construed to include such representations and warranties.

7. Covenants of the Borrower

7.1 The Borrower covenants with the Lender that at all times while this Agreement remains in effect the Borrower shall:

- (a) defend the title to the Collateral for the benefit of the Lender against the claims and demands of all persons;
- (b) fully and effectually maintain and keep maintained the validity and effectiveness of the Security Interest;
- (c) maintain the Collateral in good order and repair;
- (d) forthwith pay:
 - (i) all taxes, assessments, rates, duties, levies, government fees, claims, dues and other charges of every nature that may be lawfully levied, assessed, or imposed upon it or the Collateral when due, unless the Borrower shall in good faith contest its obligations so to pay and shall furnish such security as the Lender may require; and
 - (ii) all security interests, charges, encumbrances, liens and claims that rank or could in any event rank in priority to the Security Interest, other than the charges or security interests, if any, shown in any Schedule to this Agreement and those consented to in writing by the Lender;
- (e) carry on and conduct the business of the Borrower in a proper and efficient manner and so as to protect and preserve the Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for the Borrower's business as well as accurate and complete records concerning the Collateral; and
- (f) observe and perform the additional covenants, if any, set out in any schedule attached to this Agreement.

7.2 The Borrower covenants that at all times while this Agreement remains in effect, without the prior written consent of the Lender, it shall not:

- (a) declare or pay any dividends;
- (b) purchase or redeem any of its shares or otherwise reduce its share capital;
- (c) become guarantor of any obligation; or
- (d) become an endorser of any obligation or otherwise become liable upon any note or other obligation other than bills of exchange deposited to any bank accounts of the Borrower.

7.3 Except as provided in this Agreement, without the prior written consent of the Lender, the Borrower shall not:

- (a) sell, lease, or otherwise dispose of the Collateral;
- (b) release, surrender, or abandon possession of the Collateral; or
- (c) move or transfer the Collateral from the jurisdiction or jurisdictions in which the Security Interest has been perfected.

7.4 Provided that the Borrower is not in default under this Agreement, at any time without the consent of the Lender the Borrower may lease, sell, license, consign, or otherwise deal with items of inventory in the ordinary course of its business and for the purposes of carrying on its business.

8. Insurance

The Borrower covenants that at all times while this Agreement is in effect the Borrower shall:

- (a) maintain or cause to be maintained insurance on the Collateral with an Insurer, of kinds, for amounts and payable to such person or persons, all as the Lender may require, and in particular but without limitation maintain insurance on the Collateral to its full insurable value against loss or damage by fire including extended coverage endorsement, and in the case of motor vehicles and other mobile Collateral, maintain insurance against theft; and
- (b) pay all premiums in connection with such insurance, and deliver all such policies to the Lender, if it so requires.

9. Use and Verification of Collateral

Subject to compliance with the Borrower's covenants contained in this Agreement and compliance with paragraph 11 of this Agreement, the Borrower may, until an Event of Default, possess, operate, collect, use and enjoy, and deal with the Collateral in the ordinary course of the Borrower's business in any manner not inconsistent with the provisions of this Agreement; provided always that the Lender shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner the Lender may consider appropriate. The Borrower agrees to furnish all assistance and information and to perform all such acts as the Lender may reasonably request in connection therewith, and for such purpose to grant to the Lender or its agents access to all places where the Collateral may be located and to all premises occupied by the Borrower.

10. Securities

If Collateral at any time includes Securities, the Borrower authorizes the Lender to transfer the same or any part of them into its own name or that of its nominee(s) so that the Lender or its nominee(s) may appear on record as the sole owner of them; provided that, until an Event of Default, the Lender shall deliver promptly to the Borrower all notices or other communications received by it or its nominee(s) as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall issue to the Borrower or its order a proxy to vote and take all action with respect to such Securities. After an Event of Default, the Borrower waives all rights to receive any notices or communications received by the Lender or its nominee(s) as such registered owner and agrees that no proxy issued by the Lender to the Borrower or its order as aforesaid shall thereafter be effective.

11. Collection of Debts

After an Event of Default under this Agreement, without notice to the Borrower, the Lender may notify all or any account Borrowers of the Borrower of the Security Interest and may also direct such account Borrowers to make all payments on Collateral to the Lender.

12. Income from and Interest on Collateral

12.1 Prior to an Event of Default, the Borrower reserves the right to receive any money constituting income from or interest on Collateral and if the Lender receives any such money before an Event of Default, the Lender shall either credit that money against the Obligations or pay it promptly to the Borrower.

12.2 After an Event of Default, the Borrower shall not request or receive any money constituting Income from or interest on Collateral and if the Borrower receives any such money in any event, the Borrower shall hold that money in trust for the Lender and shall pay it promptly to the Lender.

13. Disposition of Monies

Subject to any applicable requirements of the Act, all monies collected or received by the Lender under or in exercise of any right it possesses with respect to Collateral shall be applied on account of the Obligations in such manner as the Lender deems best or, at the option of the Lender, may be held unappropriated in a collateral account or released to the Borrower, all without prejudice to the liability of the Borrower or the rights of the Lender under this Agreement, and any surplus shall be accounted for as required by law.

15. Performance of Obligations

If the Borrower fails to perform any of its obligations under this Agreement, the Lender may, but shall not be obliged to, perform any or all of those obligations without prejudice to any other rights and remedies of the Lender under this Agreement, and any payments made and any costs, charges, expenses, and legal fees and disbursements (on a solicitor and own client basis) incurred in connection therewith shall be payable by the Borrower to the Lender

forthwith with interest until paid at the highest rate borne by any of the Obligations and such amounts shall be secured by this Agreement and rank prior to all claims subsequent to this Agreement.

16. Event of Default

16.1 Unless waived by the Lender, it shall be an event of default ("Event of Default") under this Agreement and the security constituted by this Agreement shall immediately become enforceable if:

- (a) an Event of Default (as such term is defined in the Loan Agreement) has occurred and is continuing; or
- (b) distress, execution, or seizure of any of the Collateral occurs.

16.2 In accordance with the British Columbia *Law of Property Law Act*, the doctrine of consolidation applies to this Agreement.

17. Acceleration

The Lender, in its sole discretion, may declare all or any part of the Obligations that are not by their terms payable on demand to be immediately due and payable on the occurrence and continuance of an Event of Default.

18. Enforcement

18.1 Upon an Event of Default, the security constituted by this Agreement shall immediately become enforceable, and any floating charge will immediately attach the Real Property and Collateral. To enforce and realize on the security constituted by this Agreement, the Lender may take any action permitted by law or in equity, as it may deem expedient, and in particular, but without limiting the generality of the foregoing, the Lender may do any of the following:

- (a) appoint by instrument a receiver, receiver and manager, or receiver-manager (the person so appointed is called the "Receiver") of the Collateral, with or without bond as the Lender may determine, and from time to time in its absolute discretion remove such Receiver and appoint another in its stead;
- (b) enter upon any premises of the Borrower and take possession of the Collateral with power to exclude the Borrower, its agents, and its servants from those premises, without becoming liable as a mortgagee in possession;
- (c) preserve, protect, and maintain the Collateral and make such replacements and repairs and additions as the Lender may deem advisable;

- (d) sell, lease, or otherwise dispose of all or any part of the Collateral, whether by public or private sale or lease or otherwise, in such manner, at such price as can be reasonably obtained, and on such terms as to credit and with such conditions of sale and stipulations as to title or conveyance or evidence of title or otherwise as to the Lender may seem reasonable, provided that if any sale, lease, or other disposition is on credit, the Borrower shall not be entitled to be credited with the proceeds of any such sale, lease, or other disposition until the monies therefor are actually received; and
- (e) exercise all of the rights and remedies of a Lender under the Act.

18.2 A Receiver appointed under this Agreement shall be the agent of the Borrower and not of the Lender, and the Lender shall not be in any way responsible for any misconduct, negligence or nonfeasance on the part of any Receiver, its servants, agents, or employees. A Receiver shall, to the extent permitted by law or to such lesser extent permitted by its appointment, have all the powers of the Lender under this Agreement, and in addition shall have power to carry on the business of the Borrower and for such purpose to enter upon, use, and occupy all premises owned or occupied by the Borrower in which Collateral may be situate, maintain Collateral upon such premises, use, Collateral directly or indirectly in carrying on the Borrower's business, and from time to time borrow money either unsecured or secured by a security interest in any of the Collateral.

18.3 Subject to the claims, if any, of the creditors of the Borrower ranking in priority to this Agreement, all amounts realized from the disposition of Collateral under this Agreement shall be applied as the Lender, in its absolute discretion may direct, or as follows:

- (a) in payment of all costs, charges, and expenses (including legal fees and disbursements on a solicitor and own client basis) incurred by the Lender in connection with or incidental to:
 - (i) the exercise by the Lender of all or any of the powers granted to it under this Agreement; and
 - (ii) the appointment of the Receiver and the exercise by the Receiver of all or any of the powers granted to it under this Agreement, including the Receiver's reasonable remuneration and all outgoings properly payable by the Receiver excluding the Receiver's borrowings;
- (b) in payment of any sum or sums borrowed by the Receiver from the Lender and interest thereon if such sum or sums are secured by the Collateral;
- (c) in or toward payment to the Lender of all principal and other monies (except interest) due in respect of the Obligations;

- (d) in or toward payment to the Lender of all interest remaining unpaid in respect of the Obligations; or
- (e) in or toward payment of any sum or sums borrowed by the Receiver from any financial institution, corporation, or person other than the Lender, and interest thereon if such sum or sums are secured by the Collateral.

Subject to applicable law and the claims, if any, of other creditors of the Borrower, any surplus shall be paid to the Borrower.

18.4 The Borrower agrees that the Lender may exercise its rights and remedies under this Agreement immediately upon default, except as may be otherwise provided in the Act, and the Borrower expressly confirms that, except as may be otherwise provided in this Agreement or in the Act, the Lender has not given any covenant, express or implied, and is under no obligation to allow the Borrower any period of time to remedy any default before the Lender exercises its rights and remedies under this Agreement.

19. Deficiency

If the amounts realized from the disposition of the Collateral are not sufficient to pay the Obligations in full, the Borrower shall pay to the Lender the amount of such deficiency immediately upon demand for the same.

20. Rights Cumulative

All rights and remedies of the Lender set out in this Agreement are cumulative, and no right or remedy contained in this Agreement is intended to be exclusive but each shall be in addition to every other right or remedy contained in this Agreement or in any existing or future security agreement or now or in future existing at law, in equity or by statute, or under any other agreement between the Borrower and the Lender that may be in effect from time to time.

21. Liability of Lender

The Lender shall not be responsible or liable for any debts contracted by it, for damages to persons or property or for salaries or non-fulfillment of contracts during any period when the Lender shall manage the Collateral upon entry, as provided in this Agreement, nor shall the Lender be liable to account as mortgagee in possession or for anything except actual receipts or be liable for any loss on realization or for any default or omission for which a mortgagee in possession may be liable. The Lender shall not be bound to do, observe, or perform or to see to the observance or performance by the Borrower of any obligations or covenants imposed upon the Borrower, nor shall the Lender, in the case of Securities, Instruments, or Chattel Paper, be obliged to preserve rights against other persons, nor shall the Lender be obliged to keep any of the Collateral identifiable. The Borrower waives any applicable provision of law permitted to be

waived by it which imposes higher or greater obligations upon the Lender than as contained in this paragraph.

22. Appointment of Attorney and Deed

22.1 The Borrower irrevocably appoints the Lender or the Receiver, as the case may be, with full power of substitution, to be the attorney of the Borrower for and in the name of the Borrower to sign, endorse, or execute under seal or otherwise any deeds, documents, transfers, cheques, instruments, demands, assignments, assurances, or consents that the Borrower is obliged to sign, endorse, or execute, and generally to use the name of the Borrower and to do all things as may be necessary or incidental to the exercise of all or any of the powers conferred on the Lender or the Receiver, as the case may be, under this Agreement.

22.2 Whether or not the Borrower attaches its corporate seal, if a corporation, this Agreement is intended to be and is deemed to be a deed given under seal.

23. Accounts

Notwithstanding any other provision of this Agreement, after the occurrence and continuance of an Event of Default, the Lender may collect, realize, sell, or otherwise deal with the Accounts or any part of them in such manner, upon such terms and conditions, and at such time or times as may seem to it advisable, and without notice to the Borrower, subject to the provisions of Part 5 of the Act. All monies or other forms of payment received by the Borrower in payment of any Account shall be received and held by the Borrower in trust for the Lender.

24. Appropriation of Payments

Any and all payments made in respect of the Obligations from time to time and monies realized from any security interests held therefor (including monies collected in accordance with or realized on any enforcement of this Agreement) may be applied to such part or parts of the Obligations as the Lender may see fit, and the Lender may at all times and from time to time change any appropriation as the Lender may see fit.

25. Liability to Advance

None of the preparation, execution, perfection, and registration of this Agreement or notice of this Agreement or the advance of any monies shall bind the Lender to make any advance or loan or further advance or loan, or renew any note or extend any time for payment of any indebtedness or liability of the Borrower to the Lender.

26. Waiver

The Lender may from time to time and at any time waive in whole or in part any right, benefit, or default under any paragraph of this Agreement but any such waiver of any right, benefit, or

default on any occasion shall be deemed not to be a waiver of any such right, benefit, or default thereafter, or of any other right, benefit or default, as the case may be, and no delay or omission by the Lender in exercising any right or remedy under this Agreement or with respect to any default shall operate as a waiver thereof or of any other right or remedy.

27. Notice

Any notice, demand, or other communication required or permitted to be given under this Agreement shall be effectually made or given if delivered by prepaid private courier or by personal service to the address of each party first set out above (or such other address as may be notified by either party) with a copy to each party's most currently known email address. Any notice, demand, or other communication shall be deemed to have been given and received on the day of prepaid private courier delivery or personal service.

28. Extensions

The Lender may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges, refrain from perfecting or maintaining perfection of the Security Interest, and otherwise deal with the Borrower, account Borrowers of the Borrower, sureties, and others and with the Collateral, the Security Interest, and other security interests as the Lender sees fit without prejudice to the liability of the Borrower or the Lender's right to hold and realize on the security constituted by this Agreement.

29. No Merger

This Agreement shall not operate to create any merger or discharge of any of the Obligations, or of any assignment, transfer, guarantee, lien, mortgage, contract, promissory note, bill of exchange, or security interest of any form held or which may in future be held by the Lender from the Borrower or from any other person. The taking of a judgment with respect to any of the Obligations shall not operate as a merger of any of the covenants contained in this Agreement.

30. Assignment

The Lender may, without further notice to the Borrower, at any time assign, transfer, or grant a security interest in this Agreement and the Security Interest. The Borrower expressly agrees that the assignee, transferee, or Lender, as the case may be, shall have all of the Lender's rights and remedies under this Agreement, and the Borrower shall not assert any defence, counterclaim, right of setoff, or otherwise with respect to any claim that the Borrower now has or in future acquires against the Lender in any action commenced by such assignee, transferee, or Lender, as the case may be, and shall pay the Obligations to the assignee, transferee, or Lender, as the case may be, as the Obligations become due.

31. Satisfaction and Discharge

Any partial payment or satisfaction of the Obligations, or any ceasing by the Borrower to be indebted to the Lender, shall be deemed not to be a redemption or discharge of this Agreement. The Borrower shall be entitled to a release and discharge of this Agreement upon full payment and satisfaction of all Obligations and upon written request by the Borrower and payment to the Lender of all costs, charges, expenses, and legal fees and disbursements (on a solicitor and own client basis) incurred by the Lender in connection with the Obligations and such release and discharge.

32. Enurement

This Agreement shall enure to the benefit of and be binding upon the parties and their respective heirs, executors, personal representatives, successors, and permitted assigns.

33. Interpretation

33.1 In this Agreement:

- (a) "Borrower" and the personal pronoun "it" or "its" and any verb relating thereto and used therewith shall be read and construed as required by and in accordance with the context in which such words are used, depending upon whether the Borrower is one or more individuals, corporations, or partnerships and, if more than one, shall apply to and be binding upon each of them jointly and severally;
- (b) "Act" means the British Columbia *Personal Property Security Act* and all regulations thereunder as amended;

33.2 Words and expressions used in this Agreement that have been defined in the Act shall be interpreted in accordance with their respective meanings given in the Act, whether expressed in this Agreement with or without initial capital letters and whether in the singular or the plural, unless otherwise defined in this Agreement or unless the context otherwise requires, and, wherever the context so requires, in this Agreement the singular shall be read as if the plural were expressed, and vice-versa, and the provisions of this Agreement shall be read with all grammatical changes necessary dependent upon the person referred to being a male, female, firm, or corporation.

33.3 Should any provision of this Agreement be declared or held invalid or unenforceable in whole or in part or against or with respect to the Borrower by a court of competent jurisdiction, such invalidity or unenforceability shall not affect the validity or enforceability of any or all of the remaining provisions of this Agreement, which shall continue in full force and effect and be construed as if this Agreement had been executed without the invalid or unenforceable provision.

33.4 The headings of the paragraphs of this Agreement have been inserted for reference only and do not define, limit, alter, or enlarge the meaning of any provision of this Agreement.

33.5 This Agreement shall be governed by the laws of British Columbia.

34. Miscellaneous

34.1 The Borrower authorizes the Lender to file such financing statements, financing change statements, and other documents, and do such acts, matters, and things as the Lender may deem appropriate, to perfect on an ongoing basis and continue the Security Interest, to protect and preserve the Collateral, and to realize upon the Security Interest.

34.2 The Borrower waives protest of any Instrument constituting Collateral at any time held by the Lender on which the Borrower is any way liable and, subject to the provisions of the Act, notice of any other action taken by the Lender.

34.3 The Borrower covenants that it shall not amalgamate with any other company or entity without first obtaining the written consent of the Lender. The Borrower acknowledges and agrees that if it amalgamates with any other company or companies, then it is the intention of the parties that the term "Borrower" when used in this Agreement shall apply to each of the amalgamating companies and to the amalgamated company, so that the Security Interest granted by this Agreement:

(a) shall extend to "Collateral" (as that term is defined in this Agreement) owned by each of the amalgamating companies and the amalgamated company at the time of amalgamation and to any "Collateral" owned or acquired by the amalgamated company thereafter, and

(b) shall secure the "Obligations" (as that term is defined in this Agreement) of each of the amalgamating companies and the amalgamated company to the Lender at the time of amalgamation and any "Obligations" of the amalgamated company to the Lender arising thereafter. The Security Interest shall attach to "Collateral" owned by each company amalgamating with the Borrower, and by the amalgamated company, at the time of amalgamation, and shall attach to any "Collateral" thereafter owned or acquired by the amalgamated company when that Collateral becomes owned or is acquired.

34.4 The Borrower authorizes the Lender to provide a copy of this Agreement and such other information and documents specified under the Act to any person entitled under the Act to demand and receive them.

35. Copy of Agreement and Financing Statement

The Borrower:

- (a) acknowledges receiving a copy of this Agreement, and
- (b) waives all rights to receive from the Lender a copy of any financing statement, financing change statement, or verification statement filed, issued, or obtained at any time in respect of this Agreement.

IN WITNESS WHEREOF the Borrower has executed this Agreement on the date indicated below.

Execution Date

Y	M	D
20	9	30

GEYSER BRANDS INC.

Per: 

Andrew Harris, CEO
Authorized Signatory

This is Exhibit "C" referred to in the affidavit of Helen M. Ai sworn before me at Richmond, BC, this 19th day of November, 2022.



A Commissioner for taking Affidavits within British Columbia



PERSONAL PROPERTY REGISTRY SEARCH RESULT
BC Registries and Online Services

Business Debtor - "GEYSER BRANDS INC."

Search Date and Time: September 23, 2022 at 11:11:10 am Pacific time
Account Name: OWEN BIRD LAW CORPORATION
Folio Number: JLW/BDO new

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PERSONAL PROPERTY REGISTRY SEARCH RESULT
BC Registries and Online Services

Base Registration Number: 202704M

Registration Type: PPSA SECURITY AGREEMENT
Base Registration Date and Time: May 6, 2020 at 12:15:57 pm Pacific time
Current Expiry Date and Time: May 6, 2025 at 11:59:59 pm Pacific time
Expiry date includes subsequent registered renewal(s)
Trust Indenture: No

CURRENT REGISTRATION INFORMATION
(as of September 23, 2022 at 11:11:10 am Pacific time)

Secured Party Information

ROYAL BANK OF CANADA **Address**
36 YORK MILLS ROAD, 4TH
FLOOR
TORONTO ON
M2P 0A4 Canada

Debtor Information

GEYSER BRANDS INC. **Address**
330-321 WATER ST
VANCOUVER BC
V6B 1B8 Canada

Vehicle Collateral

None



PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

General Collateral

Base Registration General Collateral:

MONEYS OR AMOUNTS THAT MAY FROM TIME TO TIME BE ON DEPOSIT IN THE NAME OF DEBTOR WITH OR OWED TO DEBTOR BY SECURED PARTY, ROYAL BANK MORTGAGE CORPORATION, THE ROYAL TRUST COMPANY OR ROYAL TRUST CORPORATION OF CANADA OR ANY TWO OR MORE OF THEM, AND IN THE DEBTOR'S RIGHTS IN THOSE MONEYS OR ,THOSE AMOUNTS. PROCEEDS: ALL PROCEEDS INCLUDING, WITHOUT LIMITATION, GOODS (INCLUDING INVENTORY AND EQUIPMENT (EQUIPMENT INCLUDES, WITHOUT LIMITATION, MACHINERY, TOOLS, APPARATUS, PLANT, FURNITURE, FIXTURES, AIRCRAFT AND VEHICLES OF ,WHATSOEVER NATURE AND KIND) BUT EXCLUDING CONSUMER GOODS), MONEY, CHATTEL PAPER, DOCUMENTS OF TITLE, INSTRUMENTS AND SECURITIES.

Original Registering Party

ROYAL BANK OF CANADA

Address

36 YORK MILLS ROAD, 4TH
FLOOR
TORONTO ON
M2P 0A4 Canada



PERSONAL PROPERTY REGISTRY SEARCH RESULT
BC Registries and Online Services

Base Registration Number: 503901M

Registration Type: PPSA SECURITY AGREEMENT
Base Registration Date and Time: October 1, 2020 at 3:59:01 pm Pacific time
Current Expiry Date and Time: October 1, 2023 at 11:59:59 pm Pacific time
Expiry date includes subsequent registered renewal(s)
Trust Indenture: No

CURRENT REGISTRATION INFORMATION
(as of September 23, 2022 at 11:11:10 am Pacific time)

Secured Party Information

113 ROYAL INVESTMENTS LTD **Address**
2535-3700 NO.3 ROAD
RICHMOND BC
V6X 3X2 Canada

Debtor Information

GEYSER BRANDS INC **Address**
203-815 HORNBY STREET
VANCOUVER BC
V6Z 2E6 Canada

Vehicle Collateral

None

General Collateral

Base Registration General Collateral:

ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY



PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Original Registering Party

THE CAO LAW CORPORATION

Address

1-4180 DUNBAR ST
VANCOUVER BC
V6S 2E7 Canada

No. _____
Vancouver Registry

In the Supreme Court of British Columbia

Between

113 ROYAL INVESTMENTS LTD.

Petitioner

and

GEYSER BRANDS INC.

Respondent

AFFIDAVIT

OWEN BIRD LAW CORPORATION

P.O. Box 49130

Three Bentall Centre

2900 - 595 Burrard Street

Vancouver, BC V7X 1J5

Attention: Jonathan I. Williams

File No. 40057/0000
