



Court File No. **VLC-S-S-217896**

No. _____
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

BRIAN MOHAMMED

Petitioner

AND

AGRA VENTURES LTD.

Respondent

PETITION TO THE COURT

This is the Petition of: Brian Mohammed

On Notice to: Agra Ventures Ltd.

And To: Elise Coppens, CEO and Chairperson of Board of Director of Agra Ventures Ltd.

And To: Joseph Perino, Director of Agra Ventures Ltd.

And To: Jerry Habuda, Director of Agra Ventures Ltd.

And To: Brian O'Neill, Director of Agra Ventures Ltd.

And To: Their Solicitors

This proceeding is brought for the relief set out in Part 1 below by the Petitioner, Brian Mohammed.

If you intend to respond to this petition, you or your lawyer must

- (a) file a response to petition in Form 67 in the above-named registry of this court within the time for response to petition described below, and

- (b) serve on the petitioner(s)
 - (i) 2 copies of the filed response to petition, and
 - (ii) 2 copies of each filed affidavit on which you intend to reply at the hearing.

Orders, including orders granting the relief claimed, may be made against you, without any further notice to you, if you fail to file the response to petition within the time for response.

Time for response to petition

A response to petition must be filed and served on the petitioner(s),

- (a) If you were served with the petition anywhere in Canada, within 21 days after service,
- (b) if you were served with the petition anywhere in the United States of America, within 35 days after that service,
- (c) if you were served with the petition anywhere else, within 49 days after that service, or
- (d) if the time for response has been set by order of the court, within that time.

(1) The address of the registry is: 800 Smithe Street, Vancouver, B.C.

(2) The ADDRESS FOR SERVICE of the Petitioner is:

KND Complex Litigation

1186 Eglinton Avenue West

Toronto, ON M2N 0E9

Fax number address for service (if any) of the Petitioner is: N/A

E-mail address for service (if any) of the Petitioner is: ek@knd.law

(3) The name and office address of Petitioner's lawyer is:

Eli Karp

KND Complex Litigation

1186 Eglinton Avenue West

Toronto, ON M2N 0E9

CLAIM OF THE PETITIONER

PART 1: ORDERS SOUGHT

1. The Petitioner, Brian Mohammed, seeks:
 - a. an order granting him leave of the Court to prosecute a legal proceeding in the name and on behalf of the Respondent, Agra Ventures Ltd. (hereafter “Agra” or the “Company”) against certain current and former Agra insiders and related parties (hereafter, the proposed “Defendants”), substantially in the form of the proposed Notice of Civil Claim appended hereto as **Schedule “A”**, pursuant to sections 232 and 233 of the *Business Corporations Act*, SBC 2002, c 57 (the “BCBCA”);
 - b. interest in accordance with the *Court Order Interest Act*, RSBC 1996, c 79;
 - c. his costs of this Petition; and
 - d. such further and other relief as counsel may advise and this Honourable Court deems just.

PART 2: FACTUAL BASIS

The Parties

2. The Petitioner, Brian Mohammed, is an individual who resides in Brampton Ontario. At all times relevant to this action, he was a significant shareholder of Agra, having, along with members of his immediate family, expended over \$170,000 acquiring Agra’s common shares. As at the date of this petition, the Petitioner still holds more than 1.85 million shares of Agra.
3. The Respondent, Agra, is a public company that was incorporated pursuant to the BCBCA. Agra’s head office is located at 789 West Pender Street, Suite 810, in Vancouver, British Columbia. The Company’s shares are listed on the Canadian Securities Exchange (“CSE”), the Frankfurt Stock Exchange, and the over-the-counter market in the United States.
4. The proposed Defendants are comprised of:
 - a. Powertap Hydrogen Capital Corp (“Powertap”), Transnational Cannabis Ltd. (“Transnational”), and 1180782 B.C. Ltd. (“DOCC”), which are three, supposedly independent corporations, which were managed and controlled by parties that were related to Agra and which at the relevant time all had the same corporate addresses as Agra;

- b. MM Asset Management Inc. and a related entity under its control MMCAP International Inc. SPC. (which at the relevant time, were significant shareholders of Agra, Powertap, Transnational and DOCC);
- c. Agra's current directors Jerry Habuda, Joseph Perino and Brian O'Neill;
- d. Agra's former CEO and chairman of its board, Brandon Boddy, Boddy's company 1061437 B.C. Ltd., a supposed "consultant" to Agra and Powertap who shares Boddy's address named Pamela Stone, and Pamela Stone's company 1218677 B.C. Ltd.;
- e. Agra's former CEO, President and director (prior to Boddy), Derek Ivany, and his companies JJ WOLF Investments Ltd., Elben Capital Corp., and Equity Analytica Inc.;
- f. Agra's former CFO, Peter Nguyen, and his company Rummy Investments Ltd.
- g. Agra's former CFO (prior to Nguyen), Christopher Cherry, and his company Cherry Consulting Ltd.;
- h. Agra's former director Christopher Hornung, and his companies Kenex Manufacturing Limited and Adams Packaging & Manufacturing Co.,
- i. Betty Janet Quon, who is Hornung's employee at a different company and is also a supposed Agra consultant, as well as her company JBQ Enterprises;
- j. Agra's partly owned subsidiary, Propagation Services Canada Inc. ("PSC");
- k. Houweling Nurseries Property Ltd. ("HNP"), which is the other party that co-owns PSC;
- l. Cornelius (aka Casey Houweling) and his relative Rueben Houweling, who in addition to being the owners and controlling minds of HNP, are also purported to both be Agra consultants;
- m. Eugene Beukman, who was the CEO and a director of Transnational as well as a consultant to Agra, and his companies Pender Street Corporate consulting Ltd, Partum Advisory Services Corp., Usurp Ventures Limited and Wallace Hill Partners Ltd.;
- n. Joel Dumaresq, who was the CEO, the interim CFO and/or a director of Powertap;

- o. Johanne (a/k/a Theo) Petrus Matheus van der Linde, who was a consultant to Agra and a director of Powertap, as well as his company 1166450 B.C. Ltd.;
- p. Lucas Birdsall, who is a purported consultant to both Agra and Transnational, as well as his company 1132902 B.C. Ltd., which is a supposed consultant to Agra, Powertap and Transnational;
- q. Intercontinental Advisory Corp, which is a purported consultant to Agra, Powertap and Transnational, and William Gareth Birdsall who is the owner and/or managing mind of Intercontinental Advisory Corp.;
- r. Purported Agra consultant Eiza Redila, who appears to have the same home address as William Gareth Birdsall;
- s. Purported Agra consultant David Parry, as well as his companies Clairewood Partners Inc. and Shenyang and Tsingtao Investments Inc.;
- t. James Barry Rotenberg, Aaron Rotenberg, and the company that they own and/or manage, Mulberry Capital Inc.;
- u. Brendan Purdy, who was in the past the CFO and a director of Transnational as well as served as a director and consultant to Powertap, as well his company Slam Dash Holdings Ltd.;
- v. Matthew Fish, who was a director of Transnational, and his companies Marron Investments Corp and fish Law Professional Corp;
- w. Chenel Faustin, who is currently the only director or officer of Transnational.
- x. Beantown Consulting Ltd., which is a purported consultant to Powertap, and its owner and/or managing mind Kenneth Blake;
- y. Circa Capital Corp., which is a purported consultant to Agra, its owner and/or managing mind Jeffrey Davis, and Dama Superannuation Fund, which is another company owned and/or controlled by Jeffrey Davis;
- z. 9956565 Canada Ltd., which is a purported consultant to Agra, as well as Sean McConnell, who is the owner and/or managing mind of 9956565 Canada Ltd.;
- aa. 1093780 B.C. Ltd., which is a purported consultant to Powertap, and its owner and/or managing mind Derek Huston;

- bb. 1197127 B.C. Ltd., which is a purported consultant to Powertap, 558396 B.C. Ltd, which is a purported consultant to Agra and Transnational, and Gary Purdon, who is the owner and/or controlling mind of 1197127 B.C. Ltd. and 558396 B.C. Ltd; and
- cc. Alexander Sekella, who is a purported consultant to Transnational, and his company 1187744 B.C. Ltd., which is a purported consultant to Agra.

5. A more thorough description of the proposed Defendants can be found under the “The Parties” section of the proposed Notice of Civil Claim, appended hereto at Schedule “A”.

The Material Facts

6. The crux of the Petitioner’s allegations is that the proposed Defendants – all of whom were either directors, officers, significant shareholders, so-called “consultants”, and/or otherwise related parties or insiders of the Respondent Agra and/or of two other public companies that are alleged to be involved in the conspiracy (Powertap and Transnational) – used their respective positions to carry out a coordinated and unlawful conspiracy (referred to as the “Scheme”) pursuant to which they unlawfully siphoned hundreds of millions of dollars rightly belonging to Agra in order to enrich themselves.

7. Specifically, the Appellant alleges that the proposed Defendants, in breach of their statutory and common law fiduciary and other duties, engaged in the unlawful Scheme whereby they utilized their respective positions as directors, officers and/or insiders of Agra to cause the company to engage in:

- a. 18 “Impugned Transactions” between June 6, 2019 and November 5, 2020, whereby over \$185.1 million worth of consideration rightly belonging to Agra was siphoned off:
 - i. by making Agra acquire worthless companies and assets (either directly, or indirectly through Powertap) that had recently been incorporated and were owned by the Defendants, at highly inflated prices using Agra’s securities as currency, and then subsequently impairing the value of those investments (almost always to \$nil);
 - ii. by granting tens of millions of dollars in supposed “loans” to Defendants that were never repaid nor intended to be, and subsequently writing off those loans; and/or

- iii. by providing fake “finder’s fees” and other bonuses to Defendants in connection with the aforementioned sham acquisitions and fake loans; and
 - b. 17 “Impugned Share Issuances” between March 29, 2018 and May 1, 2020, whereby Agra granted the Defendants over \$7.27 millions dollars’ worth of common shares, as well as 128.53 million options conservatively estimated to be worth at least \$3.86 million, stemming from sham consulting agreements, falsified achievement bonuses, and to settle sham debts.
8. As a result of the Defendants having carried out the Scheme, the Appellant alleges that Agra has suffered loss of more than \$186.2 million for which the Defendants are liable.
9. The Appellant wishes for Agra to advance claims for:
- a. Unjust enrichment and civil conspiracy against all of the proposed Defendants;
 - b. Breach of fiduciary duty and breach of duty of care pursuant to ss. 142(1)(a) & (b) of the *BCBCA* and at common law, as well as a claim for common law negligence, against only those proposed Defendants who are or were ever directors or officers of Agra; and
 - c. Breach of the duty to manage pursuant to s. 136(1) of the *BCBCA* against only those Defendants who are or were ever directors of Agra.
10. The material facts outlining the basis for this proceeding are more fully described in the proposed Notice of Civil Claim at Schedule “A”.

Petitioner’s Efforts to Cause Directors to Prosecute Proceeding

11. The Petitioner is concerned that the proposed Defendants, which include all but one of the current directors on Agra’s board, breached their fiduciary duties and duty of care and/or carried out a long-running conspiracy whereby over \$186.2 million of value was siphoned out of Agra.
12. The Petitioner has attempted to cause Agra’s directors to prosecute a claim against the proposed Defendants.
13. Among other things, on July 28, 2021, counsel to the Petitioner wrote a letter to the board of directors of Agra (the “Letter”) explaining that the proposed Defendants had participated in a years-long conspiracy pursuant to which they had conducted at least 17 transactions whereby they had siphoned off at least \$171 million in value from Agra.

14. This Letter, which is appended as Exhibit “A” to the Affidavit of Taek Soo Shin which is included with this Petition, outlined exactly when each transaction occurred, who the proposed perpetrators and/or beneficiaries of each transaction were, the reasons why each transaction was illegitimate, what the loss was to Agra from each transaction, and who should be a proposed Defendant with regards to each Impugned Transaction.

15. The Letter also included a chart summarizing this information (found at Exhibit “B” to the Affidavit of Taek Soo Shin), which is substantially similar to the chart included as Schedule “A” to the attached proposed Notice of Civil Claim.

16. Further, this Letter explained that there were a number of impugned share issuances whereby the proposed Defendants had simply given themselves tens of millions of Agra shares, warrants and options, for sham justifications and at unreasonable valuations (i.e., the options were often already “in-the-money” as of the moment when they were granted). The letter included specific examples of when these Impugned Share Issuances occurred and to whom the securities were granted.

17. In this Letter, the Petitioner’s counsel demanded that the board of directors of Agra take legal action against the proposed Defendants outlined therein to recoup the sums lost from these Impugned Transactions and Impugned Share Issuances. The Petitioner’s counsel made it absolutely clear that if Agra’s board of directors refused to do so, the Petitioner would bring an petition for leave of the Court to advance a derivative action against the proposed Defendants on Agra’s behalf, pursuant to sections 232 and 233 of the *BCBCA*.

18. On July 30, 2021, the Petitioner’s counsel received a call from a lawyer (the “First Lawyer”) who advised that he had been consulted by Agra relative to the issues raised in the Letter, and asked that Petitioner’s counsel forward to him the Letter and its attachments. Petitioner’s counsel did so.

19. On August 4, 2021, the First Lawyer advised that he was in the process of being retained by Agra and advised that he expected that he would be in a position to respond to the Letter by “early next week.” He further requested confirmation that Petitioner’s counsel would not take any further steps without first advising him.

20. Petitioner’s Counsel agreed to wait an additional two weeks before taking any further steps without further advising the First Lawyer.

21. On August 18, 2021 (two weeks from August 14, 2021), Petitioner’s counsel requested an update from the First Lawyer.

22. That same date, another lawyer from the same law firm as the First Lawyer advised that Agra was in the process of retaining British Columbia counsel and that he “expect[s] that those solicitors will advise you about the company’s intended course of conduct once that occurs.”

23. The Petitioner has made reasonable efforts to cause Agra’s directors to prosecute the proposed legal proceeding, and has provided ample notice to Agra and its directors of his intention to bring this Petition should they not do so in a timely manner.

PART 3: LEGAL BASIS

24. The Petitioner relies on the:

- a. *Business Corporations Act*, SBC 2002, c 57, including sections 1(1), 136(1), 142, 232 and 233;
- b. *Supreme Court Civil Rules*, BC Reg 168/2009, including rules 1-2(4), 1-3, 8-1 and 14-1;
- c. *Court Jurisdiction and Proceedings Transfer Act*, SBC 2003 c 28, as amended;
- d. *Court Order Interest Act*, RSBC 1996, c 79, as amended;
- e. The inherent jurisdiction of the Court; and
- f. Such further and other provisions as counsel may advise.

25. Under section 233 of the *BCBCA*, the Court may grant leave under section 232(2) to a complainant to prosecute a legal proceeding in the name and on behalf of Agra, on terms it considers appropriate, if:

- a. the complainant has made reasonable efforts to cause the directors of Agra to prosecute the legal proceeding;
- b. notice of the application for leave has been given to Agra and to any other person the Court may order;
- c. the complainant is acting in good faith; and
- d. it appears to the Court that it is in the best interests of Agra for the legal proceeding to be prosecuted.

Reasonable Efforts to Cause Directors to Prosecute Action, and Notice of Application

26. A “complainant” is defined in section 232(1) of the *BCBCA* to mean a shareholder or director of the company.

27. The Petitioner is a significant shareholder of Agra and is a complainant within the meaning of sections 232 and 233 of the *BCBCA*.

28. The Petitioner provided Agra's CEO and board of directors with a detailed letter and chart on July 28, 2021 outlining exactly what the impugned transactions and share issuances were which comprised the alleged Scheme, the reason each transaction or share issuance was illegitimate, and who should be sued with regards to each transaction.

29. The Letter unequivocally notified Agra's CEO and board of directors that the Petitioner intended to bring an application for leave under s. 232 and 233 of the *BCBCA* to prosecute the proposed action, if Agra's board of directors did not do so.

30. The Petitioner provided Agra's CEO and board of directors three weeks in total to investigate his allegations.

31. To date Agra has not advised Petitioner's counsel of its agreement to bring the lawsuit as set out in the Letter.

32. Further, three of the four current directors on Agra's board are alleged to have permitted and benefited from the scheme and are proposed Defendants. It would appear unlikely that Agra's board of directors would agree to prosecute themselves even if they do eventually retain counsel.

33. The Petitioner has made reasonable efforts to cause Agra's directors to prosecute the legal proceeding and has given notice of his intention to bring this petition if Agra did not take the actions set out in the Letter. However despite Agra having three weeks to confirm its intentions, Agra has failed or refused to take the action requested in the Letter or to advise of its intentions to do so.

Good Faith of Petitioner

34. The test for good faith is whether the action is primarily for the purposes of pursuing a claim on the Company's behalf.

35. The Petitioner, Brian Mohammed, is a long-term and significant shareholder of Agra who, along with the members of his immediate family with whose investments he assists, has cumulatively spent over \$170,000 on their investments in Agra.

36. As at the end of July 2021, the Petitioner still held more than 1.85 million common shares of Agra.

37. The Petitioner brings this proposed action to recoup the losses inflicted on Agra by the proposed Defendants, and for no other or improper reason.

38. The Petitioner is acting in good faith to enforce the rights, duties or obligations owed to Agra and to obtain damages for Agra arising out of the alleged breaches of those rights, duties or obligations.

Best Interest of Agra

39. It is alleged that Agra has been damaged nearly \$200 million by the actions of the proposed Defendants, many of whom are current or former directors, officers, consultants and other insiders of the Company.

40. To demonstrate that a proposed derivative action is in the best interests of a company, the complainant must demonstrate an “arguable case”. The action must have a “reasonable prospect of success”.

41. The Court should not resolve conflicting versions of the facts in the leave application. The sole purpose of considering the Respondent’s version of the facts is to test the reasonableness on its face of the Petitioner’s versions.

42. The Petitioner has demonstrated that there is an arguable case that the proposed Defendants breached their fiduciary and other duties by preferring their own interests to that of the Company and/or were negligent in carrying out the Scheme. There is also an arguable case that the proposed Defendants committed a civil conspiracy which harmed Agra and were unjustly enriched by their carrying out of the Scheme.

43. It is in the best interest of Agra that a legal proceeding be prosecuted against its impugned insiders and the other proposed Defendants in connection with the alleged Scheme so that it may recoup the losses caused to it by the Scheme.

PART 4: MATERIAL TO BE RELIED ON

1. Affidavit #1 of Brian Mohammed, made on August 24, 2021;
2. Affidavit #1 of Taek Soo Shin, made on August 19, 2021; and
3. Such further and other material as counsel may advise and this Honourable Court may permit.

The Petitioner estimates that the hearing of this petition will take: 4 hours.

- ☐ This matter is within the jurisdiction of the master.
☒ This matter is not within the jurisdiction of a master.

Date: August 26, 2021


Signature of _____

☐ Filing party

☒ Lawyer for filing party

Eli Karp

To be completed by the court only:

Order made

- ☐ in the terms requested in paragraphs _____ of Part 1 of this notice of application
☐ with the following variations and additional terms:

APPENDIX

THIS APPLICATION INVOLVES THE FOLLOWING:

- | | |
|--|--|
| <input type="checkbox"/> discovery: comply with demand for documents | <input type="checkbox"/> summary trial |
| <input type="checkbox"/> discovery: production of additional documents | <input type="checkbox"/> service |
| <input type="checkbox"/> other matters concerning document discovery | <input type="checkbox"/> mediation |
| <input type="checkbox"/> extend oral discovery | <input type="checkbox"/> adjournments |
| <input type="checkbox"/> other matter concerning oral discovery | <input type="checkbox"/> proceedings at trial |
| <input type="checkbox"/> amend pleadings | <input type="checkbox"/> case plan orders: amend |
| <input type="checkbox"/> add/change parties | <input type="checkbox"/> case plan order: other |
| <input type="checkbox"/> summary judgment | <input type="checkbox"/> experts |
| | <input type="checkbox"/> None of the above |

Schedule “A”

Proposed Notice of Civil Claim

No. _____
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

AGRA VENTURES LTD.

Plaintiff

AND

MM ASSET MANAGEMENT INC., MMCAP INTERNATIONAL INC. SPC, POWER TAP HYDROGEN CAPITAL CORP., TRANSNATIONAL CANNABIS LTD., BRANDON BODDY, 1061437 B.C. LTD., JERRY HABUDA, JOSEPH PERINO, BRIAN O'NEILL, PETER NGUYEN, RUMMY INVESTMENTS LTD., CHRISTOPHER CHERRY, CHERRY CONSULTING LTD., EUGENE BEUKMAN, PENDER STREET CORPORATE CONSULTING LTD., PARTUM ADVISORY SERVICES CORP., USURP VENTURES LIMITED, WALLACE HILL PARTNERS LTD., DEREK IVANY, JJ WOLF INVESTMENTS LTD., ELBEN CAPITAL CORP., EQUITY ANALYTICA INC., DAVID PARRY, CLAIREWOOD PARTNERS INC., SHENYANG AND TSINGTAO INVESTMENTS INC., LUCAS BIRDSALL, 1132902 B.C. LTD., WILLIAM GARETH BIRDSALL, INTERCONTINENTAL ADVISORY CORP., PAMELA STONE, 1218677 B.C. LTD., CHRISTOPHER HORNUNG, KENEX MANUFACTURING LIMITED, ADAMS PACKAGING & MANUFACTURING CO., BETTY QUON, JBQ ENTERPRISES, BRENDAN PURDY, SLAM DASH HOLDINGS LTD., JOEL DUMARESQ, JOHANNES PETRUS MATHEUS VAN DER LINDE, 1166450 B.C. LTD., SEAN MCCONNELL, 9956565 CANADA LTD., CORNELIUS HOUWELING, RUEBEN HOUWELING, HOUWELING NURSERIES PROPERTY LTD., PROPAGATION SERVICES CANADA INC., CHENEL FAUSTIN, MATTHEW FISH, MAROON INVESTMENTS CORP., FISH LAW PROFESSIONAL CORPORATION, JEFFREY DAVIS, CIRCA CAPITAL CORP., DAMA SUPERANNUATION FUND LTD., DEREK HUSTON, 1093780 B.C. LTD., GARY PURDON, 1197127 B.C. LTD. 558396 B.C. LTD., JAMES BARRY ROTENBERG, AARON ROTENBERG, MULBERRY CAPITAL INC., ALEXANDER SEKELLA, 1187744 B.C. LTD., KENNETH BLAKE, BEANTOWN CONSULTING LTD., AND EIZA REDILA

Defendants

NOTICE OF CIVIL CLAIM

This action has been started by the plaintiff for the relief set out in Part 2 below.

If you intend to respond to this action, you or your lawyer must

- (a) file a response to civil claim in Form 2 in the above-named registry of this court within the time for response to civil claim described below, and
- (b) serve a copy of the filed response to civil claim on the plaintiff.

If you intend to make a counterclaim, you or your lawyer must

- (a) file a response to civil claim in Form 2 and a counterclaim in Form 3 in the above-named registry of this court within the time for response to civil claim described below, and
- (b) serve a copy of the filed response to civil claim and counterclaim on the plaintiff and on any new parties named in the counterclaim.

JUDGMENT MAY BE PRONOUNCED AGAINST YOU IF YOU FAIL to file the response to civil claim within the time for response to civil claim described below.

Time for response to civil claim

A response to civil claim must be filed and served on the plaintiff,

- (a) if you were served with the notice of civil claim anywhere in Canada, within 21 days after that service,
- (b) if you were served with the notice of civil claim anywhere in the United States of America, within 35 days after that service,
- (c) if you were served with the notice of civil claim anywhere else, within 49 days after that service, or
- (d) if the time for response to civil claim has been set by order of the court, within that time.

CLAIM OF THE PLAINTIFF

Table of Contents

PART 1: STATEMENT OF FACTS.....	4
NATURE OF THE ACTION.....	4
DEFINITIONS	6
OVERVIEW	8
THE PARTIES	9
THE DEFENDANTS' OBLIGATIONS TO AGRA	25
THE MATERIAL FACTS GIVING RISE TO THIS ACTION	26
THE IMPUGNED TRANSACTIONS.....	28
THE IMPUGNED SHARE ISSUANCES	41
THE CORRELATION BETWEEN THE SCHEME AND AGRA'S LOSSES	50
PART 2: RELIEF SOUGHT	52
PART 3: LEGAL BASIS.....	52
UNJUST ENRICHMENT.....	53
BREACH OF DUTY TO MANAGE.....	53
BREACH OF FIDUCIARY DUTY AND DUTY OF CARE.....	54
NEGLIGENCE	54
CIVIL CONSPIRACY (UNLAWFUL MEANS)	55
REMEDY OF DISGORGEMENT/WAIVER OF TORT.....	56
JURISDICTION <i>SIMPLICITER</i>	56
APPENDIX	59

PART 1: STATEMENT OF FACTS

Nature of the Action

1. This derivative action arises out a coordinated and unlawful conspiracy by the Defendants (also referred to herein as “Co-Conspirators”) – all of whom were either directors, officers, significant shareholders, so-called “consultants”, “agents” and/or otherwise related parties of the Plaintiff Agra Ventures Ltd. (“Agra”), and/or of Powertap Hydrogen Capital Corp (“Powertap”) and/or of Transnational Cannabis Corp. (“Transnational”) – in order to enrich themselves hundreds of millions of dollars through a repetitive and systematic transfer of wealth from Agra.

2. Specifically, in breach of their statutory and common law fiduciary and other duties, the Co-Conspirators engaged in an unlawful “Scheme” whereby they utilized their positions as directors, officers and/or insiders of Agra to cause the Company to engage in:

- a. 18 Impugned Transactions between June 6, 2019 and November 5, 2020, whereby over \$185.1 million worth of consideration rightly belonging to Agra was siphoned off:
 - i. by making Agra acquire worthless companies and assets (either directly, or indirectly through Powertap) that had recently been incorporated and were owned by the Co-Conspirators, at highly inflated prices using Agra’s securities as currency, and then subsequently impairing the value of those investments (almost always to \$nil);
 - ii. by granting tens of millions of dollars in supposed “loans” to Co-Conspirators that were never repaid nor intended to be, and subsequently writing off those loans; and/or
 - iii. by providing fake “finder’s fees” and other bonuses to Co-Conspirators in connection with the aforementioned sham acquisitions and fake loans; and
- b. 17 Impugned Share Issuances between March 29, 2018 and May 1, 2020, whereby Agra granted the Co-Conspirators over \$7.27 millions dollars’ worth of common shares, as well as 128.53 million options conservatively estimated to be

worth at least \$3.86 million¹, stemming from sham consulting agreements, falsified achievement bonuses, and to settle sham debts.

3. The Plaintiff advances claims for:
 - a. unjust enrichment and civil conspiracy against all of the Defendants;
 - b. breach of fiduciary duty and breach of duty of care pursuant to ss. 142(1)(a) & (b) of the *BCBCA* and at common law, as well as a claim for common law negligence, against only those Defendants who are or were ever directors or officers of Agra (the “D&O Defendants”); and
 - c. breach of the duty to manage pursuant to s. 136(1) of the *BCBCA* against only those Defendants who are or were ever directors of Agra (the “Director Defendants”).
4. As a result of the Defendants’ misconduct as alleged, the Plaintiff has suffered loss and damage for which the Defendants are liable.

¹ While valuating options can be quite complicated, even assuming an average value of \$0.03 per option (which is rather conservative considering that the vast majority of the impugned options were already “in-the-money” when granted), the more than 128.53 million options would be worth \$3,855,900.

Definitions

5. In this Notice of Civil Claim, in addition to terms defined elsewhere herein, the following definitions apply:

- a. **“Agra”** means the Plaintiff, Agra Ventures Ltd.;
- b. **“BCBCA”** means the *Business Corporations Act*, SBC 2002, c 57 as amended;
- c. **“BCSC”** means the British Columbia Securities Commission, which is Agra’s principal securities regulator;
- d. **“Co-Conspirators”** means the Defendants and any other related parties who took part in the Scheme;
- e. **“Company”** means Agra;
- f. **“CSE”** means the Canadian Securities Exchange;
- g. **“D&O Defendants”** means the Defendants who are, or were at any point since 2017, a director and/or officer of Agra, and specifically refers to:
 - i. The Director Defendants; plus
 - ii. Peter Nguyen; and
 - iii. Christopher Cherry;
- h. **“Director Defendants”** means those Defendants who are, or were at any point since 2017, a director of Agra, and specifically refers to:
 - i. Brandy Boddy;
 - ii. Jerry Habuda;
 - iii. Joseph Perino;
 - iv. Brian O’Neill;
 - v. Derek Ivany; and
 - vi. Christopher Hornung
- i. **“DOCC”** means 1180782 B.C. Ltd, which does business under the name Delta Organic Cannabis Corp.;
- j. **“Impugned Share Issuances”** means the 17 allegedly improper, unjustified and unlawful securities issuances identified in Schedule “B”, which are alleged to have

been conducted by the Co-Conspirators in order to defraud more than \$11.1 million from Agra for their own personal benefit;

- k. **“Impugned Transactions”** means the 18 allegedly improper, unjustified and unlawful transactions identified in Schedule “A”, which are alleged to have been conducted by the Co-Conspirators in order to defraud more than \$185.1 million from Agra for their own personal benefit;
- l. **“MM Hedge Fund”** means collectively, Defendants MM Asset Management Inc. and MMCAP International Inc. SPC;
- m. **“OTC”** means the over-the-counter securities exchange in the United States;
- n. **“Scheme”** means the wide ranging, organized and intentional plan and pattern of conduct of the Co-Conspirators which was designed to, and which had the effect of, unlawfully and unjustifiably siphoning tens of millions of dollars’ worth of consideration from Agra to the Co-Conspirators through: (1) the Impugned Transactions and/or (2) the Impugned Share Issuances; and
- o. **“SEC”** means the United States Securities and Exchange Commission;

Overview

6. Agra is a publicly traded corporation headquartered in British Columbia that describes itself as a vertically integrated cannabis company equipped with a robust portfolio of licensed upstream, downstream and product formulation assets.

7. In its public filings and in statements by its insiders, Agra purports to be actively pursuing opportunities within the cannabis industry. Unbeknownst to Agra and the general public however, the opportunities which Agra's management has been pursuing for at least the last four years were ones that were solely intended to enrich its officers, directors, and other Co-Conspirators, and which were pursued at the expense and harm of Agra itself.

8. Over the course of the Scheme, Agra directors and officers such as Brandon Boddy, Derek Ivany and Peter Nguyen as well as their Co-Conspirators, sold Agra worthless assets and/or caused Agra to give them loans that were never intended to be repaid on more than 18 occasions for more than \$185.1 million in the aggregate (i.e., the "Impugned Transactions"), They additionally caused Agra to engage in 17 Impugned Share Issuances whereby they collectively received over \$11.1 million dollars' worth of Agra securities (i.e., the "Impugned Share Issuances").

9. As described in detail below and summarized in the charts appended hereto at Schedule "A" (the Impugned Transactions) and Schedule "B" (the Impugned Share Issuances) respectively, the Defendants, who are all either insiders of Agra, Powertap and Transnational, or are related parties to one another, collectively earned hundreds of millions from this unlawful means conspiracy, while causing Agra to suffer corresponding losses with no juristic reason for said losses.

10. The Co-Conspirators would use Agra's securities to engage in the Impugned Transactions and Impugned Share Issuances. Unsurprisingly, the constant and repeated securities issuances to the Co-Conspirators (whether to acquire sham assets or as compensation for sham consulting agreements and sham debt settlements) had the effect of massively diluting Agra's outstanding share amount.

11. As at January 1, 2015 before Derek Ivany became involved with Agra, there were roughly 38.9 million issued and outstanding shares of the Company. As at May 31, 2021, there

were roughly 1.95 billion Agra shares issued and outstanding (with over 1.13 billion issued just in 2019 and 2020 at the height of the alleged conspiracy).²

12. In the spring of 2019 (before the first Impugned Transaction was carried out), Agra had a market capitalization that was greater than \$356 million. As of the date of this claim, Agra's market capitalization is roughly \$38.5 million.

13. Under the "leadership" of Derek Ivany, Brandon Boddy, Peter Nguyen, Christopher Cherry and their Co-Conspirators, Agra has lost over 89% of its market capitalization while simultaneously diluting its shareholders by over 98%. Conversely, Ivany, Nguyen and their Co-Conspirators have walked away with over \$196.2 million in ill-gotten gains.

The Parties

The Plaintiff

14. Agra Ventures Ltd. (formerly AgraFlora Organics International Inc.) is a public company that was incorporated pursuant to the *BCBCA*.

15. Agra's head office is located at 789 West Pender Street, Suite 810, in Vancouver, British Columbia. This also the current address of Defendants Powertap, Partum Advisory Services Corp., Rummy Investments Ltd., Intercontinental Advisory Corp., 1166450 B.C. Ltd, DOCC, and 1218677 B.C. Ltd., and until recently was the address of Transnational.

16. At all times relevant to this Action, Agra's shares were listed on the Canadian Securities Exchange ("CSE") under the ticker symbol "AGRA". They also traded on the over-the-counter market in the United States under the ticker symbol AGFAF, as well as the Frankfurt Stock Exchange in Germany under the ticker symbol "PU31".

Current Agra Officers and Directors Alleged to Be Co-Conspirators

17. Jerry Habuda is currently, and has been, a director of Agra since May 6, 2016. He was a director on Agra's board at the time of every single Impugned Transaction and every single Impugned Share Issuance referenced in the within action. Habuda is a member of Agra's audit committee.

18. Joseph Perino is currently, and has been, a director of Agra since September 23, 2016. He was a director on Agra's board at the time of every single Impugned Transaction and every

² All share amounts referenced herein have been adjusted to account for Agra's 4 for 1 share consolidation on or about June 28, 2016 AND Agra's 1 for 5 share split conducted on or about November 16, 2018. As such all share figures are "apples-to-apples" and can be directly compared.

single Impugned Share Issuance referenced in the within action. Perino is a member of Agra's audit committee. Perino was also a member of Powertap's board of directors from June 3, 2020 until November 23, 2020.

19. Brian O'Neill is currently, and has been, a director of Agra since May 27, 2019. He was a director on Agra's board at the time of every single Impugned Transaction referenced in the within action, as well as at the time of the majority of the Impugned Share Issuances.

MM Asset Management Inc. and MMCAP International Inc. SPC

20. MM Asset Management Inc. is an investment management firm which is headquartered in Toronto, Ontario.

21. MMCAP International Inc. SPC ("MMCAP") is an offshore hedge/investment fund that was incorporated in the Cayman Islands. MM Asset Management Inc. has power and control over MMCAP. Throughout the rest of this Notice of Civil Claim, MM Asset Management Inc. and MMCAP will be collectively referred to as "MM Hedge Fund".

22. MM Hedge Fund was a very large shareholder who had significant ownership interests in Agra, Transnational, Powertap, and DOCC at the time of every single Impugned Transaction.

23. Specifically, MM Hedge Fund owned and/or had power or control over (as calculated on a partially diluted basis and reported by MM Hedge Fund itself):

- a. between 8.92% to 22.9% of the outstanding shares of Transnational, at all times after April 6, 2018;
- b. a 77.14% ownership interest in 1180782 B.C. Ltd. ("DOCC") (whose sole asset was an equity interest in Agra and a streaming interest from Agra's Delta facility) from DOCC's incorporation on September 25, 2018 until its acquisition by Powertap on March 18, 2019;
- c. between 4.57% to 40.26% of the outstanding shares of Powertap, at all times after March 18, 2019; and
- d. between 7.68% to 15.97% of the outstanding shares of Agra at all times after January 7, 2020 (however MM Hedge fund held a 15.43% interest through being majority owner of DOCC which owned 20% of Agra, as of September of 2018. Additionally, MM Hedge Fund was party to securities lending arrangements whereby it would borrow tens of millions of Agra common shares from well before January 2020).

Powertap Hydrogen Capital Corp.

24. Powertap is a company that was continued under the *BCBCA* on December 6, 2018. Powertap's head office is 789 West Pender Street, suite 810 in Vancouver.

25. Powertap's management, board of directors, and consultants were comprised of Co-Conspirators at most relevant times, including:

- a. Joel Dumaresq has been interim CFO since March 13, 2019, was CEO from March 13, 2019 until March 16, 2021, and was a director from October 15, 2018 until June 3, 2020;
- b. Johannes (aka Theo) has been a director since July 18, 2018;
- c. Brendan Purdy has been a director since March 8, 2019, and his company Slam Dash Holdings was a consultant to Powertap;
- d. Eugene Beukman's companies Pender Street Corporate Consulting Ltd. and Partum Advisory Services Corp. were both consultants to Powertap;
- e. Joseph Perino was a director from June 3, 2020 until November 23, 2020;
- f. Lucas Birdsall's company 1132902 B.C. Ltd. was a consultant;
- g. William Gareth Birdsall's company Intercontinental Advisory Corp. was a consultant;
- h. Eiza Redila (who appears to have the same home address as William Gareth Birdsall) was a consultant;
- i. Kenneth Blake's company Beantown Consulting Ltd. (f/k/a 2193975 Alberta Ltd.) was a consultant;
- j. Gary Purdon's company 1197127 B.C. Ltd. was a consultant;
- k. Matthew Fish's law firm, Fish Law Professional Corporation, was a consultant; and
- l. Pamela Stone was a consultant.

26. At all times relevant to this action, Powertap was a reporting issuer in British Columbia and a responsible issuer within the meaning of the *Securities Act*.

Transnational Cannabis

27. Transnational is a company that was incorporated under the *BCBCA*. For most (if not all) of the time relevant to this action, Transnational's head office was located at 789 West Pender Street, suite 810 in Vancouver.

28. At all times relevant to this action, Transnational was a reporting issuer in British Columbia and a responsible issuer within the meaning of the *Securities Act*.

29. Transnational's management, board of directors and consultants were comprised of Co-Conspirators at most relevant times, including:

- a. Chenel Faustin is currently the only director, with all other directors and officers resigning their positions abruptly on June 19, 2020;
- b. Eugene Beukman was CEO from June 28, 2018 until April 15, 2019, and a director from April 23, 2018 until June 19, 2020;
- c. Eugene Beukman's company Wallace Hill Partners Ltd. was a consultant;
- d. Peter Nguyen was CFO from June 13, 2018 until January 10, 2020, and a director from June 6, 2019 until January 10, 2020;
- e. Brendan Purdy was a director from June 28, 2018 until June 19, 2020, and interim CFO from January 10, 2020 until June 19, 2020;
- f. Matthew Fish was a director from May 29, 2019 until June 19, 2020;
- g. Johanne van der Linde's was identified as a consultant both in his personal capacity as well as via his company 1166450 B.C. Ltd.;
- h. Lucas Birdsall was identified as a consultant both in his personal capacity as well as via his company 1132092 B.C. Ltd.;
- i. William Gareth Birdsall's company Intercontinental Advisory Corp. was a consultant;
- j. Derek Huston was a consultant;
- k. Gary Purdon was identified as a consultant both in his personal capacity as well as via his company 558396 B.C. Ltd.;
- l. Alexander Sekella was a consultant; and
- m. Brandon Boddy's (now defunct) company Boddy & Co. Investments Ltd. was a consultant.

Derek Ivany and His Companies

30. Derek Ivany is a former director and officer of Agra who has sold numerous companies to Agra and has been given millions of Agra common shares, options and warrants. Since leaving as a director and officer, he has been identified by Agra in filings with the CSE as a supposed “consultant”.

31. Ivany was at various times (including occasionally simultaneously):

- a. the President, CEO, and a director of Agra (from April 19, 2016 to May 20, 2019);
- b. the current President, controlling mind, and 50% owner of JJ WOLF Investments Ltd. (and was 100% owner prior to Agra purchasing a 50% interest from him in July 2019);
- c. a part-owner of Vapetronix Inc. (acquired by Agra in 2015);
- d. a part-owner as well as the CFO and Treasurer of Natures Hemp Corp. (acquired by Agra in 2017); and
- e. a part-owner of 1216165 B.C. Ltd. (partly acquired by Agra in 2019).

32. JJ WOLF Investments Ltd. (“JJ WOLF”) is a company that was incorporated under the *BCBCA* by Derek Ivany on June 6, 2019. On about July 24, 2019, Agra sold JJ Wolf all of Agra’s investments in public and private entities in exchange for 10 million common shares of JJ WOLF (i.e., less than seven weeks after JJ WOLF has first been incorporated).

33. Elben Capital Corp. (“Elben”) is a company incorporated pursuant to the *Canada Business Corporations Act* on October 14, 2015. Elben is owned by and under the control of Derek Ivany, who is a director of Elben.

34. Equity Analytica Inc. (“Equity Analytica”) is a company incorporated pursuant to the *Canada Business Corporations Act* on April 23, 2018. Equity Analytica is owned by and under the control of Derek Ivany, who is a director of Equity Analytica.

Eugene Beukman and His Companies

35. Eugene Beukman was at various times (including occasionally simultaneously):

- a. The CEO and a director of Transnational;
- b. A consultant to Agra (both personally, and through his company Usurp Ventures Limited); and

- c. One of the largest shareholders of Eurasia Infused Cosmetics Corp (which was acquired by Agra in August of 2019) through his corporation Usurp Ventures Limited (“Usurp”)

36. Pender Street Corporate Consulting Ltd., also known as the Pender Group, is a privately held company that is owned and controlled by Eugene Beukman. Beukman is the President of Pender Street Corporate Consulting Ltd. Pender Street Corporate Consulting is a consultant to Powertap and has been under a management agreement with Powertap since 2017. This management agreement was assigned to Partum Advisory Services Corp on April 3, 2019.

37. Partum Advisory Services Corp. (“Partum”) is a company that is jointly controlled by Eugene Beukman. Beukman is identified as the “corporate counsel” of Partum in various filings with the CSE. Peter Nguyen also appears to be a director, owner or employee of Partum. Partum’s corporate address is 789 West Pender Street, suite 810, in Vancouver. Partum is a consultant to Powertap, and has been working under a management agreement with Powertap since 2019.

38. Usurp is a company that was incorporated under the *BCBCA* on April 22, 2020, under its original name, Finn Ventures Ltd. On November 19, 2020, Finn Ventures Ltd. changed its name to Usurp Ventures Limited. Usurp is a purported consultant to Agra. Usurp is owned and controlled by Eugene Beukman, who is also a director of the company. Usurp’s corporate address is 789 West Pender Street, suite 810, in Vancouver.

39. Wallace Hill Partners Ltd. (“Wallace Hill”) is a company that was incorporated pursuant to the *BCBCA* on November 15, 2017. Wallace Hill is a stock promotion company, which takes a position in a company and then provides online marketing services to that company (oftentimes issuing overly promotional material that has not been approved by the company). Wallace Hill is under the power and control of Eugene Beukman. Wallace Hill Partners is a purported “consultant” to Transnational.

40. Eugene Beukman and Johannes van der Linde are the directors of, and have power and control over another corporation as well, T & E R F Corp., whose registered address is also 789 West Pender Street, suite 810 in Vancouver. While T & E R F. Corp is not a Defendant in this action, the joint control of T & E R F Corp. between Beukman and van der Linde just serves to highlight how the parties are not “arm’s length”.

Peter Nguyen and His Companies

41. Peter Michael Nguyen was:

- a. the CFO of Agra from June 27, 2019 to May 1, 2021, including for every Impugned Transaction other than the acquisitions from Powertap that occurred on June 6, 2019 (i.e., Impugned Transactions 11 to 18); and simultaneously
 - b. the CFO of Transnational from June 13, 2018 until January 10, 2020 and a director of Transnational from June 6, 2019 until January 10, 2020 (while Eugene Beukman was CEO and a director of Transnational).
42. Nguyen sold numerous (worthless) companies indirectly to Agra (through Powertap), and has been given millions of Agra common shares, options and warrants.
43. Nguyen also appears to work for and/or partly own Partum (Eugene Beukman's company), as he signs multiple documents with the email pnguyen@partumadvisory.com.
44. Rummy Investments Ltd. is a company incorporated pursuant to the British Columbia *Business Corporations Act* on May 5, 2020, that is owned and/or controlled by Peter Nguyen. Nguyen is a director of Rummy Investments Ltd. Rummy Investment Ltd.'s corporate address is 789 West Pender Street, suite 810 in Vancouver.
45. Rummy Investments Ltd. was represented by Agra to be a purported "consultant" to the Company, and was granted millions of Agra securities for this supposed consulting work. For example, Rummy Investments Ltd. was granted 11.3 million Agra options just on August 1, 2019 (and a total of 14.3 million options between August 1, 2018 and August 1, 2019).

Brandon Boddy, Pamela Stone and Their Companies

46. Brandon Boddy was appointed a director on Agra's board on April 23, 2019, was made Agra's CEO and the Chairman of its board of directors on May 20, 2019, and was made Agra's Corporate Secretary on April 24, 2020. He resigned from all of these positions abruptly on or about March 8, 2021.
47. Brandon Boddy was also the President of Boddy & Co. Investments Ltd., which was a British Columbia corporation that was dissolved in or about February of 2019. Boddy & Co. Investments Ltd. was granted 346,926 options of Transnational on or about September 13, 2018, and 546,926 options of Transnational on or about July 17, 2019, for serving as a purported consultant to Transnational.
48. 1061437 B.C. Ltd. is a company that was incorporated pursuant to the *BCBCA* on January 13, 2016. 1061437 B.C. Ltd. is owned by and/or under the control of Brandon Boddy. On November 15, 2019, 1061437 B.C. Ltd. received a bonus of 1 million Agra shares with a

value of \$190,000 from Agra, supposedly in connection to the performance of Canutra Naturals Ltd. (despite Cantura Naturals Ltd. being represented by Agra itself as having a value of \$nil).

49. Pamela Stone is a purported consultant to both Agra and Powertap. On May 27, 2019 (while Brandon Boddy was CEO and Chairman of Agra's board of directors), she was given 1.2 million Agra options by Agra. On or about June 10, 2019, she was granted 2 million Powertap common shares at a deemed value of \$860,000 as a finder's fee for Powertap's acquisition of Canutra Naturals Ltd., which was sold to Agra less than two weeks later.

50. The address that Pamela Stone uses in filings with the CSE is the same address used by Brandon Boddy in filings with the SEC in the United States. The two are not arms' length parties.

51. 1218677 B.C. Ltd. is a company that was incorporated pursuant to the *BCBCA* by Pamela Stone on August 6, 2019. Pamela Stone is a director of 1218677 B.C. 1218677 B.C. Ltd.'s corporate address is 789 West Pender Street, suite 810 in Vancouver.

52. 1218677 B.C. is represented by Agra in filings with the CSE as being a "consultant" and has been given millions of Agra securities in this capacity. For example, just on August 1, 2019, 1218677 B.C. Ltd. was granted 3.45 million Agra options.

53. 1218677 B.C. Ltd. was a part owner of Eurasia Infused Cosmetics Corp. (along with Eugene Beukman through his company Usurp, Lucas Birdsall through his company 1132902 B.C. Ltd. and Jeffrey Davis through his company Dama Superannuation Fund Ltd.) which Agra acquired on August 19, 2019 (while Boddy was CEO and Chairman of Agra's board of directors).

Christopher Cherry and His Company

54. Christopher Cherry was Agra's CFO from January 19, 2016 until June 27, 2019. Cherry was CFO of Agra at the time of the Company's acquisition of worthless assets from Powertap (i.e., the first 10 of the 18 Impugned Transactions).

55. Cherry Consulting Ltd. is a company that is under the power and control of Christopher Cherry, who is the president of Cherry Consulting Ltd.

Joel Dumaresq

56. Joel Dumaresq was at all times relevant to this action, either the CEO, the Interim CFO, and/or a director of Powertap.

Johannes van der Linde And His Company

57. Johannes (a/k/a Theo) Petrus Matheus van der Linde was at all times relevant to this action a director on the board of Powertap, as well a consultant to Transnational (through his company 1166450 B.C. Ltd). He was also a consultant to Agra in his personal capacity, who was granted 2 million Agra options just on August 1, 2019.

58. 1166450 B.C. Ltd. is a company incorporated pursuant to the *BCBCA* by Johannes van der Linde on May 31, 2018. 1166450 B.C. is under the power and control of van der Linde. 1166450 B.C. Ltd was a purported consultant to Transnational. 1166450 B.C. Ltd.'s corporate address is 789 West Pender Street, suite 810 in Vancouver.

David Parry and His Companies

59. David Parry was at various times, including simultaneously:

- a. A purported consultant to Agra (both in his personal capacity and through his two companies identified below); and
- b. A director and part owner of Natures Hemp (acquired by Agra in 2017).

60. Clairewood Partners Inc. is a company that is under the direction and control of David Parry, which Agra has described in filings with the CSE as a purported consultant to Agra.

61. Shenyang and Tsingtao Investments Inc. is a company that is under the direction and control of David Parry, which Agra has described in filings with the CSE as a purported consultant to Agra.

The Rotenbergs, Mulberry Capital Inc. and SUHM Investments Inc.

62. James Barry Rotenberg is an individual residing in Ontario.

63. Aaron Rotenberg is an individual residing in Ontario.

64. Mulberry Capital Inc. is a company that is owned by and/or under the power and control of Aaron and James Barry Rotenberg. Mulberry Capital Inc. sold 100% of SUHM Investments Inc. (which was 80% owner of Edibles & Infusions Corporation) to Powertap on or about April 25, 2019, which was then sold to Agra on or about June 6, 2019.

65. Due to various amendments to the original agreement between Mulberry Capital Inc. and Powertap, Mulberry Capital Inc. was subsequently given back a 26.25% interest in SUHM Investment Inc. as well as given a 10% interest in Agra.

Brendan Purdy, Matthew Fish, Chenel Faustin and their Companies

66. Brendan Purdy was at various times, including simultaneously:

- a. The CFO and a director of Transnational; and
- b. A director and consultant to Powertap.

67. Slam Dash Holdings Ltd. is a company that is owned and/or controlled by Brendan Purdy. Slam Dash Holdings Ltd. is a purported consultant/advisor to Powertap. On or about June 10, 2019 (while Purdy was a director of Powertap), Slam Dash Holdings Ltd. was given \$380,000 in Powertap shares as a finder's fee or commission in connection with Powertap's acquisition of Trichome Cannabrand Inc. (which was then acquired by Agra from Powertap shortly afterwards).

68. Brendan Purdy's law firm (Purdy Law) acted as a legal advisor to Powertap in its acquisition of SUHM Investments from Mulberry Capital Inc. on or about May 8, 2019. Purdy Law also acted as legal advisor to Agra and SUHM Investments Inc. (partly re-owned by Mulberry Capital Inc. again by that time) in their sale of their jointly owned "Edibles & Infusions Corporation", which was announced on April 6, 2021.

69. Matthew Fish is an individual residing in Ontario. Fish was a director on Transnational's board from May 29, 2019 until June 19, 2020 when he, Beukman and Purdy suddenly resigned from all director and officer positions at Transnational.

70. Maroon Investments Corp. is a company that is owned by and/or under the power and control of Matthew Fish. Maroon Investments Corp is a purported agent or consultant to Agra. On or about December 31, 2020, Agra gave Maroon Investments Corp. 280,000 shares with a deemed value of \$70,000. Maroon Investments Corp was also part owner of Trichome Cannabrand Inc., which was acquired by Powertap and then immediately sold to Agra in 2019.

71. Fish Law Professional Corporation ("Fish Law") is a law firm that is owned by and/or under the power and control of Matthew Fish. Fish Law is a purported agent or consultant to Powertap. On or about June 10, 2019, Fish Law was given 333,000 common shares with a value of \$135,865 as a finder's fee or compensation in connection with Powertap's acquisition of 11122347 Canada Corp. from Peter Nguyen (which was then acquired by Agra from Powertap shortly afterwards).

72. Chenel Faustin is currently the only director of Transnational, having been appointed on June 19, 2020 when Beukman, Purdy and Fish abruptly resigned all director and officer positions.

Christopher Hornung, Betty Quon and Their Companies

73. Christopher Hornung was a director of Agra from February 6, 2014 until March 10, 2021.

74. Kenex Manufacturing Limited (sometimes referred to in filings as Kenex Manufacturing Co Ltd.) is a company under the direction and control of Christopher Hornung and members of his immediate family, and is a purported consultant to Agra (while Hornung was simultaneously a director on Agra's board). Hornung has been identified as either the president or vice-president of Kenex Manufacturing Limited in various documents since at least 1999.

75. Adams Packaging & Manufacturing Co. is a company under the direction and control of Christopher Hornung and members of his immediate family. Chris Hornung is identified in various documents as a "vice president" of Adams Packaging & Manufacturing Co. Adams Packaging and Manufacturing was granted millions of shares of Agra in the last few years, purportedly "to settle debt". Adams Packaging & Manufacturing Co. has the same corporate address as Kenex Manufacturing Limited.

76. Kenex Manufacturing Limited and Adams Packaging & Manufacturing Co. hold themselves out to be arm's length from Agra, despite the fact that Christopher Hornung was at all relevant times a director of Agra as well as a controlling mind of both companies.

77. Betty Janet Quon has been a manager and/or Vice President Operations of AAA Heidelberg Inc. (a company owned by Christopher Hornung which was acquired by Agra then subsequently sold at a fraction of the price in another sham transaction) since on or about May 15, 2014. She is also represented in filings by Agra to be a "consultant" to Agra who is arm's length from the Company, despite working for Agra's director.

78. JBQ Enterprises is a company that is owned by and/or under the control of Betty Quon. JBQ Enterprises was also one of the shareholders of AAA Heidelberg Inc., and received over 3.8 million in Agra shares as well as cash payments pertaining to Agra's acquisition of AAA Heidelberg Inc.

The Houwelings, Their Company, and Propagation Services Canada Inc.

79. Cornelius (a/k/a Casey) Houweling is an individual residing in British Columbia. He is the son of the founder, the head of, and the majority owner of Houwelings Nurseries Property Ltd. ("Houwelings Nurseries").

80. Casey Houweling is also identified as a consultant by Agra, including as a greenhouse consultant for its medical cannabis "Northern Rivers Project" as well as a consultant for Agra's "Solaris Nutraceuticals" subsidiary in Australia.

81. Rueben Houweling is an individual residing in British Columbia. He is an immediate family member of Cornelius (Casey) Houweling and is identified by Agra itself in various press releases and other disclosure documents to be the “general manager” of Houweling Nurseries. Rueben Houweling is also represented by Agra to be a supposed consultant to the Company. Just between August 1, 2018 to August 1, 2019, he was granted 1.3 million options of Agra in connection with his supposed consulting work.

82. Houweling Nurseries is a company that was incorporated pursuant to the *BCBCA* on March 21, 2014, that is under the power and control of Cornelius and Rueben Houweling. Houwelings Nurseries owns and operates a greenhouse and vegetable propagation business in a 2.2 million square feet facility in Delta, British Columbia (the “Delta Facility”).

83. Houweling Nurseries, sometimes identified as the Houwelings Group, formed a partnership with Agra on or about May, 22 2018 to start a jointly-owned subsidiary, Propagation Services Canada Inc. (“PSC”).

84. Pursuant to that agreement:

- a. Agra and Houweling Nurseries would each own a 50% joint ownership interest in PSC (subsequently amended to give Agra 70% and Houweling Nurseries 30% ownership interests);
- b. Pursuant to a 15-year facility lease agreement, PSC would initially lease 419,500 square feet of Houwelings Nurseries’ Delta facility, with the right to increase growing area as industry demand increases up to 2.2 million square feet;
- c. Pursuant to a management agreement, Houweling Nurseries’ staff would manage cannabis propagation operations on behalf of PSC;
- d. Agra would commit up to \$6 million in a non-interest-bearing capital loan to PSC for upgrades to the Houweling Nurseries’ greenhouse facility to be compliant with Health Canada guidelines and other capital improvements;
- e. Agra would pay for all license application costs which would be recoverable from future profits of PSC; and
- f. Delivery of first plants was anticipated for the first quarter of 2019.

85. As of the beginning of the third quarter of 2021, Agra had expended at least \$68.8 million on PSC, including forgiving at least \$25.9 million in loans and writing off over \$14 million

in investments and interest owed to it, and still not one single gram of cannabis grown in the Delta Facility has yet been sold.

86. Agra identifies Houweling Nurseries and Cornelius (Casey) Houweling to be arm's length from Agra in various public filings with the CSE (such as the Form 9 – Notice of Issuance or Proposed Issuance of Listed Securities dated April 24, 2019). This is despite the fact that Agra and Houwelings Nurseries are joint owners of PSC and despite the fact that Rueben and Casey Houweling (the managing minds of Houweling Nursersies) are both identified personally as being consultants to Agra.

The Birdsalls and Their Companies

87. Lucas Birdsall has been called a purported “consultant” or “strategic advisor” to Agra, as well as represented by Transnational to be a consultant to Transnational.

88. William Gareth Birdsall is Lucas Birdsall's younger brother. He is the former CEO and director of Braxia Scientific Corp., whose board of directors was comprised of current Agra directors Joseph Perino and Jerry Habuda, as well as Defendant Matthew Fish.

89. 1132902 B.C. Ltd. is a company incorporated on September 5, 2017, that is owned by and/or under the control of Lucas Birdsall. 1132902 B.C. Ltd. was represented to be a consultant to all of Transnational, Powertap, and Agra, and received hundreds of thousands of Powertap, Agra and Transnational securities as consulting or finder's fees in relation to various sham transactions explicated below. For example, 1132902 B.C. Ltd. was granted 5.45 million Agra options on August 1, 2019 (and 6.45 million Agra options just between August 1, 2018 to August 1, 2019) for supposed consulting work.

90. Additionally, 1132902 B.C. Ltd. was also part owner of Eurasia Infused Cosmetics Inc. (acquired by Agra on August 19, 2019). 1132902 B.C. Ltd. further received a bonus from Agra of 1 million Agra shares with a value of \$190,000 with regards to the performance of Canutra Naturals Ltd. on November 15, 2019 (despite Cantura Naturals Ltd. being represented by Agra itself as having a value of \$nil).

91. Intercontinental Advisory Corp. is a company that was incorporated under the *BCBCA* on May 8, 2018, which is owned by and/or under the power and control of William Gareth Birdsall. Intercontinental Advisory Corp is a purported agent or consultant to Powertap and received a \$250,950 finder's fee in connection with Powertap's acquisition of 11353675 Canada Corp. (subsequently acquired by Agra).

92. Intercontinental Advisory Corp is also a purported agent or consultant to Agra, and received a \$412,500 finder's fee from Agra in relation to Agra's acquisition of Eurasia Infused Cosmetics Inc. (partly owned by William Gareth Birdsall's brother Lucas Birdsall through his company 1132902 B.C. Ltd.).

93. Intercontinental Advisory Corp. is also a purported agent or consultant to Transnational, and was granted 806,451 Transnational common shares (with a deemed value of \$274,193) as a finder's fee in connection with Transnational's acquisition of VendaPharm EU LLC on or about June 8, 2019.

94. Intercontinental Advisory Corp's corporate address is 789 West Pender Street, suite 810, in Vancouver.

95. Eiza Redila is a purported "consultant" to Powertap. Her home address in documents filed with the CSE is the same address as William Gareth Birdsall's home address. Ms. Redila was also the contact person for another company that was acquired by a corporation of which William Gareth Birdsall was CEO and a director. Ms. Redila is not arm's length from the Birdsalls.

Kenneth Blake and His Company

96. Kenneth Blake is an individual residing in Edmonton, Alberta.

97. Beantown Consulting Ltd. is a company that was incorporated under the Alberta *Business Corporations Act*, RSA 2000, c B-9, on May 17, 2019, originally under the name 2193975 Alberta Ltd. On May 20, 2020, 2193975 Alberta Ltd. changed its name to Beantown Consulting Ltd.

98. Kenneth Blake is a director of Beantown Consulting Ltd., and is the owner of and/or has power and control of Beantown Consulting Ltd.

99. Beantown Consulting Ltd. is purported to be a consultant or agent to Powertap, and received:

- a. a finder's fee of \$128,385 in connection with Powertap's acquisition of 11122347 Canada Corp. from Peter Nguyen (which was acquired by Agra from Powertap almost immediately afterwards, and deemed to have a value of \$nil on the date of acquisition);
- b. a finder's fee of \$430,000 in connection with Powertap's acquisition of Potluck Potions and Edibles Inc. from Peter Nguyen (which was acquired by Agra from

Powertap almost immediately afterwards, and deemed to have a value of \$nil on the date of acquisition);

- c. a finder's fee of \$64,050 in connection with Powertap's acquisition of 11353675 Canada Corp. from Peter Nguyen (which was acquired by Agra from Powertap almost immediately afterwards, and deemed to have a value of \$nil on the date of acquisition);
- d. a finder's fee of \$200,000 in connection with Powertap's acquisition of 11353705 Canada Corp. from Peter Nguyen (which was acquired by Agra from Powertap almost immediately afterwards, and deemed to have a value of \$nil on the date of acquisition); and
- e. a finder's fee of \$200,000 in connection with Powertap's acquisition of 11406426 Canada Corp. from Peter Nguyen (which was acquired by Agra from Powertap almost immediately afterwards, and deemed to have a value of \$nil on the date of acquisition).

Jeffrey Davis and His Companies

100. Jeffrey Davis is an individual residing in British Columbia.

101. Circa Capital Corp. is a company that was incorporated under the *BCBCA* on March 19, 2009. Circa Capital Corp is owned by and/or under the power of control of Jeffrey Davis, who is a director of Circa Capital Corp.

102. In filings with the CSE, Agra states that Circa Capital Corp is "arm's length" from the Company. Circa Capital Corp. is represented to be a consultant to Agra in filings the Company made with the CSE. For example, between August 1, 2018 and August 1, 2019, Agra represented it had granted 1.4 million Agra options to Circa Capital Corp. for consulting work.

103. Circa Capital Corp was also a co-owner of Vapetronix Inc. (along with Derek Ivany and Sean McConnell), which was acquired by Agra in or about May of 2015 (again with Agra representing that Circa Capital Corp. was arm's length from Agra in relevant filings with the CSE).

104. Dama Superannuation Fund Ltd. is a company that was incorporated under the *BCBCA* on July 3, 2017, originally under the name "African Biomedical Cannabis Inc.". On September 20, 2017, African Biomedical Cannabis Inc. changed its name to Dama Superannuation Fund Ltd.

105. Dama Superannuation Fund Ltd. is owned by and/or under the power and control of Jeffrey Davis.

106. Dama Superannuation Fund Ltd. was a part owner of Eurasia Infused Cosmetics Corp. (along with Eugene Beukman through Usurp, Lucas Birdsall through 1132902 B.C. Ltd., and Pamela Stone through 1218677 B.C. Ltd.) which Agra acquired on August 19, 2019 (while Brandon Boddy was CEO and Chairman of the board of directors of Agra).

Sean McConnell and His Company

107. Sean McConnell is an individual that is purported by Agra in filings with the CSE to be “arm’s length” from the Company. McConnell was a co-owner of Vapetronix Inc. (along with Derek Ivany, and Jeffrey Davis via his company Circa Capital Corp), which was acquired by Agra in or about May of 2015.

108. McConnell also incorporated, was a director of, and had power and control over 1205293 B.C. Ltd., which was acquired by Powertap only weeks after it was incorporated, and which was immediately then sold to Agra at an inflated price.

109. 9956565 Canada Ltd. is a company that was incorporated under the *Canada Business Corporations Act* on or about October 24, 2016, which is owned by and/or under the power and control of Sean McConnell.

110. 9956565 Canada Ltd. is represented by Agra to be a “consultant” to the Company. 9956565 Canada. Ltd was granted thousands in cash and Agra finder’s warrants in connection with Agra’s non-brokered private placement that occurred on or about November 4, 2016 (just days after it was incorporated).

Huston, Purdon and Their Companies

111. Derek Huston is an individual who resides in British Columbia. Huston is also represented by Transnational as being a consultant to that company.

112. 1093780 B.C. Ltd. is a company that was incorporated under the *BCBCA* on October 20, 2016, which is owned by and/or under the power and control of Derek Huston. 1093780 B.C. Ltd. is a purported consultant to Powertap, and on or about May 8, 2019 was given \$312,500 in Powertap shares as a finder’s fee in connection with Powertap’s acquisition of SUHM Investments Inc./Edibles & Infusions Corporation, which was then immediately sold to Agra.

113. Gary Purdon is an individual who resides in British Columbia. Purdon is also represented by Transnational as being a consultant to that company.

114. 1197127 B.C. Ltd. is a company that was incorporated under the *BCBCA* on February 8 2019, which is owned by and/or under the power and control of Gary Purdon. 1197127 B.C. Ltd. is a purported consultant to Powertap, and on or about May 8, 2019 was given \$312,500 in Powertap shares as a finder's fee in connection with Powertap's acquisition of SUHM Investments Inc./Edibles & Infusions Corporation, which was then immediately sold to Agra.

115. 558396 B.C. Ltd. is a company that is owned by and/or under the power and control of Gary Purdon and his wife Deanie Purdon. 558396 B.C. Ltd. is a purported consultant to Agra that has been granted hundreds of thousands of Agra securities, as well as a purported consultant to Transnational.

Alexander Sekella and His Company

116. Alexander Sekella is a purported "consultant" to Transnational, who was granted 100,000 options of Transnational Cannabis on or about November 15, 2018.

117. 1187744 B.C. Ltd. is a company that was incorporated pursuant to the *BCBCA* on November 23, 2018. Alexander Sekella and his family member Michelle Sekella are two of the three directors of 1187744 B.C. 1187744 B.C. is under the power and control of Alexander Sekella.

118. 1187744 B.C. is identified by Agra as a consultant to Agra. On or about May 30, 2019, 1187744 B.C. Ltd. was granted 200,000 Agra options.

119. 1187744 B.C. was also a part owner, along with Lucas Birdsall (through his company 1224422 B.C. Ltd.) and former Agra CEO and director Brandon Boddy (through his company 1218677 B.C. Ltd.) of Artisan Growers Ltd., an allegedly worthless company that was sold to Braxia Scientific Corp. while William Gareth Birdsall was CEO of Braxia Scientific Corp, which is the subject of another class action in British Columbia also alleging undisclosed related-party transactions in worthless assets (*Liu v Champignon Brands Inc. et al*). 1187744 B.C. Ltd. and Sekella are not arm's length from Agra, Brandon Boddy, or the Birdsalls.

The Defendants' Obligations to Agra

120. As directors and/or officers of Agra, pursuant to s. 142 of the *BCBCA* the D&O Defendants owed to Agra:

- a. A fiduciary duty to act honestly and in good faith with a view to the best interests of the Company;

- b. A duty to exercise the care, diligence and skill that a reasonably prudent individual would exercise in comparable circumstances; and
- c. A duty to act in accordance with the *BCBCA* and its regulations.

121. As directors of Agra, the Director Defendants owed to Agra a duty to manage or supervise the management of the business and affairs of the Company pursuant to s. 136(1) of the *BCBCA*.

122. In connection with these duties, the Director Defendants and the D&O Defendants were required to conduct due diligence and reasonable investigations to ensure that the Impugned Share Issuances and Impugned Transactions were in the best interest of Agra. Further, these Duties required the Director Defendants and the D&O Defendants to refrain from any actions or decisions that caused a conflict of interest or that put their own interests ahead of Agra's.

123. Each of the Director Defendants and D&O Defendants knew, from the time that they accepted their positions with Agra, that they were subject to the above duties and were to refrain from acting against the interests of the Company.

The Material Facts Giving Rise to This Action

124. Between June 6, 2019 and November 25, 2020, the Co-Conspirators caused Agra to engage in 18 Impugned Transactions, collectively causing over \$185.1 million in losses to Agra:

1. The overpriced acquisition of DOCC from MM Asset Management Inc., Beukman and others (indirectly through Powertap);
2. The acquisition of SUHM Investments Inc./Edibles and Infusions Corp. from Mulberry Capital Inc. (indirectly through Powertap), with finder's fees to Purdon, Huston and Lucas Birdsall;
3. The acquisition of Canutra Naturals Ltd. (indirectly through Powertap), with a finder's fee paid to Stone and achievement bonuses paid to Boddy and Lucas Birdsall;
4. The 80% acquisition of 11122347 Canada Corp. from Nguyen (indirectly through Powertap), with finder's fees paid to Blake, Fish and Lucas Birdsall;
5. The 80% acquisition of Potluck Potions and Edibles Inc. from Nguyen (indirectly through Powertap), with a finder's fee paid to Blake;

6. The 80% acquisition of 11353675 Canada Corp. (d/b/a Canabeer) from Nguyen (indirectly through Powertap), with finder's fees paid to Blake and William Gareth Birdsall;
7. The 80% acquisition of 11353705 Canada corp. (d/b/a Canada Cannabis Therapeutics company) from Nguyen (indirectly through Powertap), with a finder's fee paid to Blake;
8. The 80% acquisition of 11406426 Canada Corp. (d/b/a/ Colorado Science Company) from Nguyen (indirectly through Powertap), with a finder's fee paid to Blake;
9. The acquisition of Trichome Cannabrands Inc. from Matthew Fish and an another entity (indirectly through Powertap), with a finder's fee paid to Brendan Purdy;
10. The acquisition of 1205293 B.C. Ltd. from Sean McConnell and 11 other unidentified parties (indirectly through Powertap), with a finder's fee paid to Redila;
11. The loan given to Alexander Sekella's company that was never intended to be repaid that was forgiven (and accrued interest);
12. The sale of all of Agra's investments in public and private entities to Derek Ivany in exchange for 10 million shares of JJ WOLF (and the immediate impairment of value of that deal);
13. The 50% acquisition of Eurasia Infused Cosmetics Corp. from Beukman, Stone, Davis and Lucas Birdsall, with a finder's fee paid to William Gareth Birdsall;
14. The "special warrants" sold to Transnational (and given to Beukman), the deferred payments owed by Transnational to be paid back from the "offtake agreement" which were never paid by Transnational, and the finder's fee given to Lucas Birdsall in connection with the offtake agreement;
15. The raising \$30 million from MM Hedge fund and others and using it to acquire (and subsequently write-off) USD \$18 million (CDN \$23.68 million) of worthless Transnational debentures from MM Hedge Fund, Beukman, and an unknown third seller purported to be "arm's length" from Agra;
16. The forgiveness of \$25.9 million loaned to Propagation Services Canada Inc. ("PSC"), referred to as a "contribution" in Agra's disclosure documents;

17. The at least \$14 million invested, loaned, or advanced to PSC which was subsequently impaired or forgiven; and

18. The acquisition of 1274418 B.C. Ltd. from Transnational and Faustin.

125. The 18 Impugned Transactions are explicated below in detail in paragraphs 128 to 226, and summarized in the chart appended at Schedule “A”.

126. Between March 29, 2018 and May 1, 2020, the Co-Conspirators caused Agra to engage in 17 Impugned Share Issuances, collectively causing over an estimated \$11.1 million in losses to Agra.

127. The 17 Impugned Share Issuances are explicated below in detail in paragraphs 227 to 283, and summarized in the chart appended at Schedule “B”.

The Impugned Transactions

128. The first 10 of the 18 Impugned Transactions, all of which were conducted on June 6, 2019, were acquisitions that were conducted indirectly via Powertap. In other words, rather than Agra purchasing the target company directly from the Co-Conspirator who had just incorporated and who owned that company, Powertap would acquire the target company, usually even disclosing that it was doing so with the sole intention of immediately selling the acquired company to Agra. Agra then subsequently purchased the 10 companies from Powertap for a sizeable premium.

129. There would be no valid reason for Agra to have Powertap acquire these assets specifically for the purpose of immediately selling the assets to Agra, and then for Agra to pay a higher price than paid by Powertap to acquire them from Powertap. This would only serve the purpose of increasing the price Agra had to pay (as is evident from Schedule “A”, which shows that Powertap only paid \$102.1 million for assets for which Agra immediately paid \$140.4 million).

130. The only reason to use Powertap as a middleman for these transactions would be:

- a. To conceal the fact that Agra was buying worthless assets from Co-Conspirators who were not arm’s length from Agra’s insiders;
- b. To increase the amount paid to the Co-Conspirators by paying two sets of finder’s fees (as Powertap and Agra each paid a set of finder’s fees to the Co-Conspirators in connection with the transactions) and to be able to increase the acquisition price (as Agra paid more than Powertap had for each acquisition even

though Agra bought them almost immediately after Powertap had acquired them).

131. In fact, the roughly \$140.42 million that Agra paid Powertap to acquire just the 10 companies that were recently acquired by Powertap, was roughly 78% greater than Powertap's entire market capitalization of \$78.98 million on the date of the announcement (May 23, 2019).³ In other words, for what Agra paid Powertap, it could have acquired all of Powertap and still have paid a 78% premium, rather than acquiring the 10 worthless assets Powertap had recently acquired from the Co-Conspirators.

Impugned Transaction # 1 – DOCC

132. On September 25, 2018, 1180782 B.C. Ltd. (i.e. Delta Organic Cannabis Corp, or "DOCC") was incorporated by Eugene Beukman using 789 West Pender Street, Suite 810 as DOCC's registered office address. At all times prior to its acquisition by Powertap and then Agra, DOCC was majority (more than 77%) owned by MM Hedge Fund.

133. That very same day (September 25, 2018), DOCC and Agra signed an equity participation and earn-in agreement ("Streaming Agreement"), which provided for an investment of \$40 million paid in tranches, in exchange for roughly 89.16 million shares of Agra at a price of \$0.448/share, which amounted to a roughly 20% ownership interest in Agra as well as a 20% interest in Agra's 50% joint venture Propagation Services Canada Inc. ("PSC"), which owned Agra's yet to be finished Delta Facility.

134. On December 7, 2018, Powertap announced that it had entered into an agreement with DOCC to acquire 37.5% of the outstanding equity of DOCC in exchange for \$7.5 million in cash.

135. On March 6, 2019, Powertap announced that it was acquiring the remaining 62.5% of DOCC which it did not already own, in exchange for consideration of \$38.5 million, including a \$2.35 million finder's fee (believe to have been paid to one of the Co-Conspirators). This finder's fee is particularly egregious given that Powertap already owned 37.5% of DOCC at this time and the transaction was among related parties, begging the question what it was exactly that the finder had done to warrant a multi-million dollar payoff.

136. In total, Powertap paid \$7.5 million in cash and \$38,498,682 in common shares and warrants, or \$46 million to acquire DOCC, whose only asset was its \$40 million investment in

³ As at May 23, 2019, Powertap had less than 207,851,106 shares outstanding, and its closing price on the NEO exchange was \$0.38 per share, giving it a market capitalization of \$78.98 million.

Agra. Given that DOCC's only asset was the 89.16 million shares of Agra it owned and the 20% interest in the unbuilt Delta Facility, this means that Powertap paid \$46 million essentially to acquire 89.16 million shares of Agra, working out to \$0.52 per Agra share. For context, between September 25, 2018 (when DOCC was incorporated) and February 25, 2019 (the week before Powertap's acquisition of DOCC), Agra never once closed higher than \$0.30 per share and **never once even traded higher than \$0.325 per share for even a single transaction.**

137. In an agreement first announced on May 23, 2019, Agra acquired DOCC for total consideration of \$69.26 million. In other words, Agra spent \$69.26 million acquiring a company whose sole asset was a \$40 million dollar investment made in Agra itself over just the preceding few months.

138. As at December 31, 2019, Agra's own financial statements valued the investment in DOCC to be worth \$12.0 million (or only roughly 17% of the total \$69.26 million acquisition price and finder's fee paid by Agra). Even accepting as accurate the amount that is listed in Agra's fiscal 2019 financial statements (which was prepared by the Co-Conspirators and is believed to be overstated), this means that Agra's purchase of DOCC resulted in a \$57.26 million loss to Agra in less than 7 months after it closed the acquisition, with a corresponding gain to MM Hedge Fund and the other Co-Conspirators.

Impugned Transaction # 2 – SUHM Investments/Edibles & Infusions Corporation

139. SUHM Investments Inc. is a corporation that was owned and controlled by Mulberry Capital Inc. Mulberry Capital Inc. is owned and controlled by Barry and Aaron Rotenberg, and others. SUHM's only asset was an 80% interest in The Edibles & Infusions Corporation ("EIC").

140. On April 25, 2019, Powertap reached an agreement (the "Powertap Agreement") with Mulberry Capital Inc. to acquire SUHM Investments Inc. for total consideration of \$20.194 million, including:

- a. a \$375,000 finder's fee paid to Lucas Birdsall's company, 1132902 B.C. Ltd.;
- b. a \$312,500 finder's fee to Derek Huston's company, 1093780 B.C. Ltd; and
- c. a \$312,500 finder's fee paid to Gary Purdon's company, 1197127 B.C. Ltd.

141. In a deal that was first announced less than a month later on April 23, 2019 and completed on or about June 6, 2019, Agra acquired SUHM Investments Inc. from Powertap for total consideration of \$22.2 million, including a finder's fee. This initially gave Agra an 80%

interest in EIC. This purchase price does not include potentially millions more that Agra would be required to pay in possible earnout payments.

142. Agra entered into three amendments to the Powertap Agreement with Mulberry Capital Inc., the third of which was announced on February 11, 2021. Pursuant to this third amendment, Mulberry Capital Inc. waived its supposed right to up another \$27.5 million in potential earnout payments, in exchange for Agra giving Mulberry Capital Inc. back a 26.25% interest in SUHM Investments Inc. and issuing Mulberry Capital Inc. 10% of the issued and outstanding shares of Agra.

143. On April 6, 2021, Organigram Holdings Inc. (“Organigram”) acquired all of the shareholders of EIC, including SUHM Investments Inc., in exchange for total consideration of 5,045,872 Organigram shares worth \$22.0 million. Due to the agreement between Agra and Mulberry Capital reducing Agra’s ownership of EIC to 43%, Agra only received \$9.46 million worth of Organigram shares (meaning Agra lost roughly \$12.74 million on its purchase and subsequent sale of SUHM Investments Inc./EIC).

Impugned Transaction # 3 – Canutra Naturals Ltd.

144. On or about April 12, 2019, Powertap entered into a letter of intent to acquire Canutra Naturals Ltd. (“Canutra”) for total consideration of \$10.86 million including a \$860,000 finder’s fee to Pamela Stone (who listed her home address in the relevant CSE filing to be the same address as listed by Agra’s CEO Brandon Boddy to be his home address in filings with the SEC).

145. While it is unclear who the 132 purportedly “arm’s length” owners of Canutra were at the time of Powertap’s acquisition, at least some are believed to be the Defendants.

146. In a deal first announced roughly six weeks later on May 23, 2019, Agra agreed to acquire Canutra for total consideration of \$11.463 million (which Agraflora recorded as having a fair value of \$9.72 million). Canutra only had \$240,354 in net assets, so the remaining \$9.48 million (or 98% of the purchase price) was attributed to goodwill.

147. Immediately upon acquisition of Canutra, Agra determined that the true value of Canutra was only \$4,000,000, and wrote down the remaining 5.72 million (equalling 59% of the purchase price) on the very date of acquisition (begging the question why it agreed to pay \$9.72 million for something worth only \$4 million on the very day that it bought it). In 2020, Agraflora wrote down all of the remaining goodwill in Canutra to \$nil, meaning that Agraflora paid a true amount of \$10.99 million for a company that it wrote down by 100% within 18 months.

148. Despite writing down Canutra's goodwill to \$nil in the annual financial statements for the year ended December 31, 2020, nonetheless on November 15, 2019, Agraflora issued a total of 2 million common shares worth \$380,000 to 1132902 B.C. Ltd. (controlled by Lucas Birdsall) and 1061437 B.C. Ltd. (owned and controlled by Agraflora's CEO and Chairman Brandon Boddy) as a bonus pertaining to the performance of Canutra.

Impugned Transaction # 4 – 11122347 Canada Corp. (80% Interest)

149. On November 29, 2018, Peter Nguyen incorporated 11122347 Canada Corp.

150. In an agreement reached on or about April 16, 2019, 80% of the outstanding shares of 11122347 Canada Corp. were sold to Powertap for total consideration of \$4.4 million, including:

- a. a \$101,250 finder's fee paid to Lucas Birdsall's company, 1132902 B.C. Ltd.;
- b. a \$134,856 finder's fee paid to Matthew Fish's law firm, Fish Law Professional Corporation; and
- c. a \$128,385 finder's fee paid to Kenneth Blake's company, 2193975 Alberta Limited.

151. The 80% interest was then sold by Powertap to Agra in a deal first announced roughly a month later (on May 23, 2019), for total consideration of \$5.9 million.

152. Agra subsequently disclosed that it had "assessed the fair value of this to be \$Nil at acquisition date" and wrote off the entire acquisition amount (begging the question why it had paid \$5.9 million for it).

Impugned Transaction # 5 – Potluck Potions and Edibles Inc. (80% Interest):

153. On October 10, 2018, Potluck Potions and Edibles ("Potluck") was incorporated by Peter Nguyen.

154. In an agreement reached on or about April 23, 2019, 80% of the outstanding shares of Potluck were sold to Powertap for total consideration of \$4.73 million, including a \$430,000 finder's fee to Kenneth Blake's company, 2193975 Alberta Limited.

155. The 80% interest in Potluck was then sold by Powertap to Agra in a deal first announced exactly a month later (May 23, 2019) for total consideration of \$6.73 million.

156. Agra subsequently disclosed that it had "assessed the fair value of this to be \$Nil at acquisition date" and wrote off the entire acquisition amount (begging the question why it paid \$6.73 million for it).

Impugned Transaction # 6 – 11353675 Canada Corp. (80% Interest)

157. On April 11, 2019, 11353657 Canada Corp (d/b/a “CanaBeer”) was incorporated by Peter Nguyen.

158. Less than one month later on May 7, 2019, Powertap agreed to acquire 80% of the outstanding shares of CanaBeer for total consideration of \$3.98 million, including:

- a. a \$250,950 finder’s fee paid to William Gareth Birdsall’s company, Intercontinental Advisory Corp.; and
- b. a \$64,050 finder’s fee paid to Kenneth Blake’s company, 2193975 Alberta Limited.

159. Roughly two weeks after that on May 23, 2019, Agra announced it was acquiring CanaBeer from Powertap for total consideration of \$5.9 million.

160. Agra subsequently disclosed that it had “assessed the fair value of this to be \$Nil at acquisition date” and wrote off the entire acquisition amount (begging the question why it paid \$5.9 million for it).

Impugned Transaction # 7 – 11353705 Canada Corp. (80% Interest)

161. That very same day (April 11, 2019), Peter Nguyen also incorporated another company, 11353705 Canada Corp (d/b/a “Canada Cannabis Therapeutics Company”).

162. Six weeks later on May 28, 2019, Powertap agreed to acquire 80% of the outstanding shares of Canada Cannabis Therapeutics Company for total consideration of \$2.07 million, including a \$200,000 finder’s fee to Kenneth Blake’s company, 2193975 Alberta Limited.

163. Powertap expressly disclosed that it was making this acquisition to sell Canada Cannabis Therapeutics Company to Agra, pursuant to an announcement it had made five days prior.

164. The 80% interest in Canada Cannabis Therapeutics Company was sold by Powertap to Agraflora in a deal first announced on May 23, 2019 (i.e. five days before Powertap had even made the acquisition) for total consideration of \$3.2 million.

165. Agra subsequently disclosed that it had “assessed the fair value of this to be \$Nil at acquisition date” and wrote off the entire acquisition amount (begging the question why it paid \$3.2 million for it).

Impugned Transaction # 8 – 11406426 Canada Corp. (80% Interest)

166. On May 12, 2019, 11406426 Canada Corp. (d/b/a “Colorado Science Company”) was incorporated by Peter Nguyen.

167. 16 days later on May 28, 2019, Powertap agreed to acquire 80% of the outstanding shares of Colorado Science Company for total consideration of \$2.07 million, including a \$200,000 finder’s fee to Kenneth Blake’s company, 2193975 Alberta Limited.

168. Powertap expressly disclosed that it was making this acquisition to sell Colorado Science Company to Agra, pursuant to an announcement it had made five days prior.

169. The 80% interest in Colorado Science Company was sold by Powertap to Agra in a deal first announced on May 23, 2019 (i.e. five days before Powertap had even made the acquisition) for total consideration of \$3.2 million.

170. Agra subsequently disclosed that it had “assessed the fair value of this to be \$Nil at acquisition date” and wrote off the entire acquisition amount (begging the question why it paid \$3.2 million for it).

Impugned Transaction # 9 – Trichome Cannabrand Inc.

171. Trichome Cannabrand Inc. (“Trichome”) is an Ontario corporation that was partly owned by Matthew Fish through his company Maroon Investment Corp.

172. On May 29, 2019, Powertap agreed to acquire Trichome for total consideration of \$4.015 million, including a \$380,000 finder’s fee to Brendan Purdy’s company Slam Dash Holdings Inc.

173. Powertap expressly disclosed that it was making this acquisition to sell Trichome to Agra, pursuant to an announcement it had made six days prior.

174. Trichome was sold by Powertap to Agra in a deal first announced on May 23, 2019 (i.e. six days before Powertap had even made the acquisition) for total consideration of \$6.406 million.

175. Agra subsequently disclosed that it had “assessed the fair value of this to be \$Nil at acquisition date” and impaired the entire purchase price (begging the question why it paid \$6.406 million for it).

Impugned Transaction # 10 – 1205293 B.C. Ltd.

176. On April 15, 2019, 1205293 B.C. Ltd. (d/b/a “True Focus Canada”) was incorporated by Sean McConnell, who was also identified as a director of that company. There appears to be eleven initial owners of 1205293 B.C. Ltd. in addition to Sean McConnell.

177. Sometime between April 15, 2019 and June 30, 2019, Agra purchased 5 million common shares and 2.5 million warrants of True Focus Canada for a total cost of \$500,000.

178. On May 30, 2019 (i.e. roughly six weeks after Sean McConnell incorporated the company), Powertap entered into an “Exclusive Sub-License Agreement” with True Focus Canada for total deemed consideration of \$3.86 million, including a \$395,362.20 finder’s fee to Eiza Redila (whose listed address in the relevant CSE filings is the same one listed in various documents as William Gareth Birdsall’s home address).

179. Powertap expressly disclosed that it was entering into this agreement to sell the Exclusive Sub-License Agreement with True Focus Canada to Agra, pursuant to an announcement it had made a week prior.

180. The Exclusive Sub-License Agreement was sold by Powertap to Agra in a deal first announced on May 23, 2019 (i.e., a week before Powertap had even made the agreement) for total consideration of \$6.058 million. Agra later revealed that it had “assessed the fair value of this to be \$Nil”.

181. On July 24, 2019, Agra gave its 5 million common shares and 2.5 million warrants of True Focus Canada to the newly incorporated JJ WOLF (owned by its former CEO, Derek Ivany), in exchange for common shares of JJ WOLF.

Impugned Transaction # 11 – The \$200,000 “Loan” to 1187744 B.C. Ltd. (Alexander Sekella)

182. On July 10, 2019, Agra advanced \$200,000 as a supposed “loan” to Alexander Sekella’s company, 1187744 B.C. Ltd, due July 10, 2020 and bearing interest at 6% per annum.

183. As at September 30, 2020, a balance of \$212,033 (including accrued interest) remained due and receivable.

184. In its financial statements for the year ended December 31, 2020, Agra recorded a loss provision of \$212,033 against the loan and impaired the loan receivable to \$Nil. In other words, Agra just forgave the \$212,033 owed by Sekella’s company. No reason was given for the forgiveness of the loan nor does a juristic reason exist.

185. 1187744 B.C. and the Co-Conspirators are liable to Agra for the \$212,033 in principal and interest pertaining to this Impugned Transaction.

Impugned Transaction # 12 – The Sale of All Investment Assets for JJ WOLF Shares

186. JJ WOLF Investments Ltd. (“JJ WOLF”) is a company that was incorporated under the BCBCA by Derek Ivany on June 6, 2019.

187. Roughly six weeks later on or about July 24, 2019, Agra sold JJ WOLF all of its investments in public and private entities in exchange for 10 million common shares of JJ WOLF. Specifically, Agra sold JJ Wolf:

- a. 9.974 million shares of Sire Bioscience Inc;
- b. 4.26 million shares of Roughrider Capital Corp.;
- c. 625,000 shares of Volt Energy Corp.;
- d. 3 million shares of Cannabis Clonal Corp.;
- e. 10 million shares and 10 million warrants of Empower Clinics Inc.;
- f. 5 million shares and 2.5 million warrants of 1205293 B.C. Ltd. (i.e., True Focus Canada, as mentioned above in paragraphs 176 to 181);
- g. 1 million shares in Transnational;
- h. 888,889 shares in Mindful Capital Inc.;
- i. 3.616 million shares of Eurolife Brands Inc; and
- j. 3.75 million shares of Glow Lifetech Ltd.

188. In total, the aforementioned public and private entities had cost \$3,986,513 to acquire, as itemized in Schedule “A”.

189. Agra itself valued and represented these assets to be worth \$4,658,482 and the 10 million shares of JJ WOLF to be worth \$2,266,236 on the date of acquisition, and thus immediately recorded a realized loss on the sale of \$2,392,246 (begging the question why its insiders had agreed to the deal in the first place).

190. As at December 31, 2020, Agra valued the 10 million shares of JJ WOLF to be worth \$1,203,096, resulting in a total loss to Agra of over \$2.78 million relative to the acquisition cost of the assets, and a total loss of \$3.46 million relative to what Agra itself valued the assets to be worth at the time of their sale.

Impugned Transaction # 13 – The Acquisition of Eurasia (50% Interest)

191. On February 12, 2019, Eurasia Infused Cosmetics Inc. (“Eurasia”) was incorporated under the *BCBCA* as “Greece Hemp Corp.”

192. On August 19, 2019, Agra entered into a share purchase agreement whereby it acquired 50% of the equity of Eurasia, in exchange for consideration of 16 million Agraflora shares with a

deemed value of \$4.54 million. This included a finder's fee of 1.5 million Agraflora common shares with a deemed value of \$412,500 to William Gareth Birdsall's company, Intercontinental Advisory Corp.

193. The selling shareholders of Eurasia included the following Defendants:

- a. Usuro Ventures Ltd. (owned and controlled by Eugene Beukman) received 4.5 million Agra common shares with a deemed value of \$1,237,500;
- b. 1218677 B.C. Ltd. (owned and controlled by Pamela Stone and possibly Brandon Boddy) received 3 million Agra common shares with a deemed value of \$825,000;
- c. 1132902 B.C. Ltd. (owned and controlled by Lucas Birdsall) received 3 million Agra common shares with a deemed value of \$825,000; and
- d. Dama Superannuation Fund Ltd. (owned and controlled by Jeffrey Davis) received 500,000 Agra common shares with a deemed value of \$137,500.

194. On September 3, 2019, Agra advanced USD \$25,000 to Eurasia as a purported shareholder loan. Between September 31, 2019 and December 31, 2019, Agra advanced an additional USD \$25,000 to Eurasia as another shareholder loan.

195. The entirety of the USD \$50,000 (CDN \$67,599) loan, which was unsecured and did not bear interest, was written off during the 2020 fiscal year.

196. Agra stated in its financial statements for the 2019 fiscal year that the 50% interest in Eurasia "had a fair value of \$Nil" (begging the question why Agraflora had agreed to make the purchase). Accordingly, in its 2019 annual audited financial statements, Agraflora wrote down the entire purchase price of Eurasia.

197. In total, Agra suffered \$4.61 million of damages stemming from the acquisition and loans to Eurasia in just four months, with the Defendants reaping a corresponding gain.

Impugned Transaction # 14 – Transnational Offtake Agreement and Deferred Payment for Special Warrants

198. On or about May 21, 2019, Agra entered into a commercial rights and offtake agreement with Transnational (the "Offtake Agreement"), whereby Transnational (which was headed by CEO Beukman and CFO Nguyen at the time) agreed to purchase 20,000 kilograms of dried cannabis per annum for a term of 5 years expiring on December 31, 2024 from Agra's joint venture PSC.

199. On or about May 27, 2019, Agra gave 2 million common shares with a value of \$980,000 to Lucas Birdsall's company, 1132902 B.C. Ltd., as a finder's fee pertaining to the Offtake Agreement. In the relevant *Form 9 – Notice of Issuance or Proposed Issuance of Listed Securities*, Agra represented that the finder's fee was given to Birdsall's company supposedly for "the assistance by the finder in introducing the parties and in facilitating the execution of a commercial rights and offtake agreement" (despite the fact that Transnational, Beukman and Nguyen were all related parties to Agra and would not have needed to be introduced to the Company by a finder).

200. On or about September 26, 2019, Agra issued 6,666,667 transferable "Special Warrants" to Transnational at a price of \$0.30 per Special Warrant for gross proceeds of \$2,000,000. Each Special Warrant was convertible into one Agra common share and one transferable common share purchase warrant entitling the holder to purchase one additional Agra common share at a price of \$0.50 per share for a period of 36 months from the date of issuance.

201. However, in announcing the issuance of Special Warrants, Agra disclosed that:

In consideration for the Offering, AgraFlora has agreed to defer payment (the "Deferred Payments") for the initial C\$2,000,000 purchase of dried cannabis flower, under the previously announced [Offtake] Agreement. Such Deferred Payments shall be repaid in equal portions of C\$250,000 across the subsequent C\$8,000,000 in anticipated dried cannabis flower purchases.

202. Transnational never paid a cent of the deferred payments, or in fact any payment under the Offtake Agreement, and AgraFlora simply removed all mention of the Offtake Agreement and the deferred payment from their financial statements and MD&A for the interim period ended March 31, 2021.

203. The transferrable special warrants were transferred from Transnational to Eugene Beukman.

204. On January 28, 2020 (i.e., immediately once the four month hold period for the Special Warrants expired), the Special Warrants were exercised and the company issued Beukman 6,666,667 common shares and 6,666,667 warrants of Agra for \$616,666.

Impugned Transaction # 15 – Acquisition of Worthless Transnational Debentures

205. On or about March 8, 2019, Transnational completed a private placement, whereby it issued 20,000 convertible debenture units (the “Transnational Debentures”) to MM Hedge Fund, Eugene Beukman and an as-yet-unknown third party for gross proceeds of US \$20 million (CDN \$26,741,600). The Transnational Debentures were convertible into common shares of Transnational.

206. On or about December 9, 2019, Agra itself completed a private placement of 30,000 convertible debentures for gross proceeds of \$30 million. 80% of these debentures (i.e., \$24 million of the \$30 million raised) were sold to MM Hedge Fund. These debentures were subjected to interest of 10% per year payable semi-annually until March 12, 2021.

207. On December 18, 2019, Transnational announced it was voluntarily delisting its common shares from the CSE, thereby essentially eliminating much of the value in the Transnational Debentures as the common shares into which they could convert would now be extremely illiquid and difficult to sell, and because it also cast doubt on Transnational’s ability to service the debt.

208. Almost immediately afterwards on December 30, 2019, Agra used the money raised from MM Hedge Fund and others to purchase the 20,000 worthless Transnational Debentures from MM Hedge Fund, Beukman, and the yet unidentified third owner for USD \$18 million (CDN \$23,682,600).

209. Despite the multiple relationships between Agra, MM Hedge Fund and Beukman, in describing this transaction in its MD&A for fiscal year 2019, Agra represented that the Transnational Debentures had been purchased “from three arm’s length parties”.

210. To put it another way, Agra’s insiders raised \$24 million from MM Hedge Fund, at 10% annual interest, and used that money to purchase \$23.68 million of worthless Transnational Debentures also from MM Hedge Fund, while simultaneously claiming that the transaction was with an “arm’s length party”.

211. Incredibly, even despite Transnational delisting its common shares, up until and including in its financial statements and MD&A for the three and nine-month period ended September 31, 2020 (released on November 30, 2020), Agra claimed that the fair value of the Transnational Debentures was \$29,210,673 and actually recorded a gain on the investment of \$4,553,742.

212. Just a month after the release of these financial statements and MD&A for the third quarter of 2021 however, as at December 31, 2020, Agra’s management supposedly suddenly

determined that the recoverable value of the Transnational Debentures was \$Nil. Accordingly on its financial statements for the 2020 fiscal year, Agra impaired the entire value of the Transnational Debentures and recorded a loss from the write-off of \$29,210,673.

213. MM Hedge Fund, Beukman, and possibly other Co-Conspirators caused Agra to purchase the worthless Transnational Debentures from them for \$23.68 million. Agra has been damaged by at least this amount (not including the opportunity cost of investing \$24 million elsewhere, nor any accrued interest that Agra would have been owed). MM Hedge Fund, Beukman Transnational, and the other Defendants are liable for Agra's damages.

Impugned Transaction # 16 & 17 – Propagation Services Canada Loan & Investment:

214. On or about May 22, 2018 Agra entered into a letter of intent with Houweling Nurseries to form a joint-venture owned 50% by each, named Propagation Services Canada Inc. (i.e. "PSC"), to supposedly create flower ready starter plants for other cannabis cultivators at PSC's facility in Delta, B.C.

215. On September 25, 2018, Agra reached an agreement with DOCC (described above in paragraph 133) pursuant to which DOCC (owned by Beukman, MM Asset Management and others) received a 20% interest in PSC, leaving Agra with a 40% interest and Houweling Nurseries with a 50% interest in PSC.

216. On or about April 24, 2019, Agra gave another 20,588,235 common shares worth \$14 million (\$0.68 per share) to David Parry and Houweling Nurseries Property Ltd. for an additional 10% of PSC's Class B non-voting shares, bringing Agra's ownership interest up to 50%.

217. On or about June 6, 2019, Agra acquired DOCC from Powertap (i.e. Impugned Transaction #1), bringing Agra's ownership interest of PSC up to 70%.

218. By November 6, 2020, by Agra's own calculations, Agra had "loaned" PSC a total of \$38,604,344.

219. On November 6, 2020, Agra entered into a definitive loan agreement with PSC for a new, interest free loan with a fair value of \$12,708,253. As a result of executing this new definitive loan agreement, the original advances of \$38.6 million were extinguished and replaced with this new loan.

220. The difference between the original loan and the fair value of the new loan was \$25,896,081, which Agra recorded in its financial statements as a "contribution to PSC". Agra

also wrote off the interest owed to it by PSC for the original loan. This resulted in a loss to Agra of at least \$25.9 million (i.e., Transaction #16 in Schedule “A”).

221. In addition to the “contribution”, Agra invested or otherwise gave a further \$29,160,537 to PSC from May 22, 2018 until March 31, 2021. Agra itself values this investment to be worth \$15,076,061 as at March 31, 2021, meaning it has impaired or otherwise lost a further \$14,084,476 on its PSC investment (i.e. Transaction #17 in Schedule “A”).

222. In total, Agra invested, loaned, advanced, or otherwise gave PSC (and thereby David Parry and Houweling Nurseries Properties Ltd.) in excess of \$68.8 million dollars. Agra itself values its investment in PSC to be worth roughly \$27.23 million as at March 31, 2021, meaning at the very least Agra has lost over \$39.98 million due to the sham investments in and loans to PSC.

223. PSC and the Co-Conspirators are liable to Agra for the at least \$39.98 million loss pertaining to these Impugned Transactions.

Impugned Transaction #18 – 1274418 B.C. Ltd.

224. On November 12, 2020, Brendan Purdy incorporated 1274418 B.C. Ltd. on behalf of Chenel Faustin. Chenel Faustin was identified as a director of 1274418 B.C. Ltd. 1274418 B.C.’s corporate address was 789 West Pender Street, suite 810, in Vancouver (i.e. the same address used by Agra, Powertap, DOCC, Transnational, Rummy Investments Ltd., etc.).

225. Less than two weeks later on November 25, 2020, Agra acquired 1274418 B.C. Ltd. from Chenel Faustin for \$500,000.

226. 1274418 B.C. Ltd. was worthless, a sham transaction, and only acquired so as to provide a means by which to simply give Chenel Faustin and other Co-Conspirators \$500,000, with a corresponding deprivation to Agra. The Co-Conspirators are liable to Agra for this loss.

The Impugned Share Issuances

227. In addition to the aforementioned Impugned Transactions, between March 29, 2018 and May 1, 2020, the Co-Conspirators also caused Agra to engage in at least 17 separate impugned Share Issuances whereby tens of millions of Agra shares and options with a value estimated to exceed \$11.1 million were just given to the Defendants for sham consulting agreements, achievement bonuses, and debt settlements.

Impugned Share Issuance #1 – March 29, 2018

228. On December 29, 2017, Agra announced it had granted “incentive stock options” to certain directors, officers and consultants to purchase a total of 2.5 million common shares at an exercise price of \$1.33 per share.

229. However, between January 30, 2018 and March 28, 2018, Agra’s stock price on the CSE never closed higher than \$1.28 per share.

230. Accordingly, on March 29, 2018, Agra granted 3.325 million stock options, to the same directors, officers and consultants, with a now lowered strike price of \$0.84 per share (with a total value of \$2.793 million). The day prior, Agra’s shares on the CSE had closed at \$0.92 per share and that day they closed at \$0.84 per share, meaning that these new stock options with a lower strike price were immediately “in-the-money”. In-the-money stock options are essentially tantamount to cash.

231. It was expressly stated in a press release that this stock option grant was to “supersede the press release of December 29”, which had granted only 2.5 million options and at a much higher strike price that did not seem attainable. It appears that the only reason for the change was to make the options immediately exercisable., as well as to grant the Co-Conspirators 825,000 more options.

232. Pursuant to this Impugned Share Issuance:

- a. Derek Ivany received 300,000 options in his personal capacity and 750,000 options through his company Elben Capital Corp, all of which he exercised on March 5, 2019 and March 13, 2019;
- b. Derek Parry received 750,000 options in his personal capacity and 150,000 options through his company Clairewood Partners Inc;
- c. Christopher Hornung, who was correctly identified as a director, personally received 100,000 options (with a total value of \$84,000);
- d. Kenex Manufacturing Ltd., which was misrepresented to be a “Consultant” despite being under the power and control of Hornung who was a director of Agra at the time, received 200,000 options (with a total value of \$168,000);
- e. Circa Capital Corp. received 50,000 options (with a value of \$42,000); and
- f. Current Agra directors Perino and Habuda each received 100,000 options each (with a total value of \$168,000).

233. These “incentive stock options” were just a way for the Co-Conspirators to siphon money rightly belonging to Agra, made all the more egregious that the strike price was actually lowered when the Defendants were not able to immediately cash in on the options.

234. The Defendants are liable to Agra for the damages it incurred resulting from this sham Impugned Share Issuance.

Impugned Share Issuance #2 – September 10, 2018

235. On or about September 10, 2018, Defendant Rueben Houweling, who was identified in the relevant filings to be a “consultant”, was given 100,000 Agra options with an exercise price of \$0.64.

236. That same day, Agra’s stock price closed at \$0.64 per share, meaning the options were immediately in-the-money as of the day of the grant.

237. There was no valid reason for Rueben Houwelin, who is a managing mind of Houweling Nurseries (which is Agra’s joint venture partner in PSC), to also be getting paid in-the-money options as a consultant. He and the Co-Conspirators are liable to Agra for the damages it incurred resulting from this sham Impugned Share Issuance.

Impugned Share Issuance #3 – September 18, 2018

238. On or about September 18, 2018, Agra gave then-CEO Derek Ivany as well as David Parry 2 million common shares with a value of \$1.46 million for supposed past consulting services related to PSC.

239. More specifically, pursuant to this Impugned Share Issuance:

- a. David Parry’s company Shenyang and Tsingtao Investments Inc, was granted 1 million common shares with a value of \$730,000;
- b. Derek Ivany in his personal capacity was granted 250,000 common shares with a value of \$182,500; and
- c. Derek Ivany’s company Elben Capital Corp. was granted 750,000 common shares with a value of \$547,500.

240. This \$1.46 million payment was for sham consulting services, particularly given that Ivany was Agra’s President, CEO and a director at the time. The Defendants are liable to Agra for the damages it incurred resulting from this Impugned Share Issuance.

Impugned Share Issuance # 4 – December 31, 2018

241. On or about December 31, 2018, Agra issued 2,291,727 with a value of approximately \$653,142.20 (\$0.285 per share)⁴ to two of the co-conspirators:

- a. Adams Packaging and Manufacturing (controlled by then-Agra director Christopher Hornung and his family) received 1,392,118 shares with a value of \$396,753.63; and
- b. Betty Quon received 899,609 shares with a value of \$256,388.57.

242. These shares were supposedly pertaining to Agra's purchase of AAA Heidelberg Inc. from Hornung and others, which is also believed to be a sham transaction (and which was subsequently sold to an unnamed party for a fraction of what Agra spent to purchase it, and with a corresponding 13% finder's fee associated with that sale). This supposed debt was just part of the Scheme by which the Co-Conspirators could siphon value out of Agra.

243. The Defendants are liable to Agra for the damages it incurred resulting from this sham Impugned Share Issuance.

Impugned Share Issuance # 5 – March 15, 2019

244. On or about March 15, 2019, Agra granted 20.4 million stock options with an exercise price of \$0.55 per option to a number of supposed "consultants" of the Company.

245. Agra's stock price on the CSE at opening on March 15, 2019 was \$0.57 per share, meaning these options were immediately in-the-money upon being granted.

246. Pursuant to this impugned Share Issuance:

- a. Peter Nguyen's company Rummy Investments Ltd. was granted 3 million options;
- b. David Parry was granted 2 million options in his personal capacity, and his companies Shenyang and Tsingtao Investments Inc. and Clairewood Partners Inc. were each granted 1 million options for a total of 4 million options;
- c. Sean McConnell's company 9956565 Canada Ltd. was granted 2.5 million options;
- d. Jeffrey Davis' company Circa Capital Corp. was granted 1 million options; and
- e. Rueben Howelings was granted 100,000 options.

⁴ While Agra valued these shares at \$0.1667 per share, the company's closing price on day of the grant was \$0.23 per share and on the next trading day was \$0.285 per share, which is the value used.

247. These options were given to the Defendants pursuant to sham consulting agreements. The Defendants are liable to Agra for the damages it incurred resulting from this Impugned Share Issuance.

Impugned Share Issuance # 6 – April 24, 2019

248. On or about April 24, 2019, Agra simply gave its then CEO and director, Derek Ivany 5 million common shares with a value of \$2.55 million, supposedly for “past consulting services”.

249. More specifically, pursuant to this Impugned Share Issuance:

- a. Ivany in his personal capacity was given 1.25 million shares worth \$637,500; and
- b. Ivany’s company Elben Capital Corp was given 3.75 million shares worth \$1,912,500.

250. This \$2.55 million payment was clearly for sham consulting services considering that Ivany was Agra’s President, CEO and a director of the Company at the time. The Defendants are liable to Agra for the damages it incurred resulting from this Impugned Share Issuance.

Impugned Share Issuance # 7 – April 25, 2019

251. On or about April 25, 2019, Agra gave Cornelius Houweling 1.25 million shares with a deemed value of \$637,500, purportedly as an installment bonus pertaining to PSC (despite PSC still not having achieved any revenue as of August 2021).

252. This so-called bonus payment was simply a way to siphon value out of Agra, and the Defendants are liable to Agra for this sham Impugned Share Issuance.

Impugned Share Issuance # 8 – May 21, 2019

253. On or about May 21, 2019, Agra granted 6 million so-called “incentive stock options” with an exercise price of \$0.46 to a number of directors, officers and supposed consultants, most of whom are among the list of Defendants.

254. Agra’s share price on the CSE opened at \$0.465 per share on May 21, 2019 and closed at \$0.49 per share, so once again these stock options were already in-the-money as of the moment when they were granted.

255. Pursuant to this Impugned Share Issuance:

- a. Current Agra directors Jerry Habuda and Joseph Perino were each granted 200,000 options;

- b. Agra's then-CEO and director Brandon Boddy was granted 2.1 million options;
- c. Agra's then-CFO Christopher Cherry was granted 250,000 options;
- d. Lucas Birdsall's Company 1132902 B.C. Ltd. was granted 600,000 options;
- e. Christopher Hornung was granted 400,000 options in his personal capacity, and his company Kenex Manufacturing Co. Ltd. was granted an additional 400,000 options;
- f. Gary Purdon's company 558396 B.C. Ltd was granted 300,000 options; and
- g. Betty Quon was granted 100,000 options.

256. These "incentive stock options" were a sham and utilized by the Co-Conspirators to siphon money rightly belonging to Agra. The Defendants are liable to Agra for the damages it incurred resulting from this sham Impugned Share Issuance.

Impugned Share Issuance # 9 – May 30, 2019

257. On or about May 30, 2019, Agra granted 3 million so-called "incentive stock options" with an exercise price of \$0.39 to a number of directors, officers and supposed consultants, most of whom are among the list of Defendants.

258. Agra had hit highs of \$0.40 or higher every single day between March 1, 2019 and May 29, 2019, meaning the options were again intended to be and were in fact "in-the-money" on the day they were granted (with the stock hitting a high of \$0.39 per share on the date of grant as well).

259. Pursuant to this Impugned Share Issuance:

- a. Current Agra director Brian O'Neill was granted 500,000 options;
- b. Current Agra directors Jerry Habuda and Joe Perino were granted 100,000 options each;
- c. Then-CEO Brandon Boddy's company 1061437 B.C. Ltd. was granted 600,000 options;
- d. Lucas Birdsall's company 1132902 B.C. Ltd. was granted 400,000 options;
- e. Derek Ivany's company Elben Capital Corp. was granted 300,000 options;
- f. David Parry was granted 200,000 options;
- g. Alexander Sekella's Company, 1187744 B.C. Ltd. was granted 200,000 options

- h. Jeffrey Davis' company Circa Capital Corp. was granted 200,000; and
- i. Then-director Christopher Hornung was granted 100,000 options;

260. These "incentive stock options" were a sham and utilized by the Co-Conspirators to siphon money rightly belonging to Agra. The Defendants are liable to Agra for the damages it incurred resulting from this sham Impugned Share Issuance.

Impugned Share Issuance # 10 – June 26, 2019

261. On or about June 26, 2019, Agra gave Cornelius Houweling 1.25 million shares with a deemed value of \$525,000, purportedly as the second installment bonus pertaining to PSC (despite PSC still not having achieved any revenue as of August 2021).

262. This so-called bonus payment was simply a way to siphon value out of Agra, and the Defendants are liable to Agra for this sham Impugned Share Issuance.

Impugned Share Issuance # 11 – August 1, 2019

263. On or about August 1, 2019, Agra granted 30 million stock options with a strike price of \$0.31 to a number of directors, officers and supposed consultants, most of whom are among the list of Defendants.

264. The day prior, Agra's shares on the CSE had closed at \$0.315 per share and on August 1, 2019 they opened at \$0.325 per share, so these stock options were intended to be and were in fact once again immediately in-the-money upon being granted.

265. Pursuant to this Impugned Share Issuance:

- a. Current Agra director Brian O'Neill was granted 400,000 options;
- b. Current Agra directs Jerry Habuda and Joseph Perino were granted 150,000 options each;
- c. Peter Nguyen's company Rummy Investments Ltd. was granted 11.3 million options;
- d. Lucas Birdsall's company 1132902 B.C. Ltd. was granted 5.45 million options;
- e. Pamela Stone's company 1218677 B.C. Ltd. was granted 3.45 million options;
- f. Then-CEO and Chairman of the board of directors Brandon Boddy's company 1061437 B.C. Ltd was granted 2 million options;
- g. Theo van der Linde was granted 2 million options;

- h. Eugene Beukman was granted 1 million options;
- i. Then-Agra director Christopher Hornung was granted 200,000 options;
- j. Derek Ivany was granted 200,000 options;
- k. Rueben Houweling was granted 200,000 options;
- l. Jeffrey Davis' company Circa Capital Corp. was granted 200,00 options; and
- m. Alexander Sekella's company 1187745 B.C. Ltd. was granted 200,000 options

266. These stock options were utilized by the Co-Conspirators to siphon money rightly belong to Agra. The Defendants are liable to Agra for the damages it incurred resulting from this sham Impugned Share Issuance.

Impugned Share Issuance # 12 – October 15, 2019

267. On or about October 15, 2019, Agra gave Cornelius Houweling 1.25 million shares with a deemed value of \$318,750, purportedly as the third installment bonus pertaining to PSC (despite PSC still not having achieved any revenue as of August 2021).

268. This so-called bonus payment was simply a way to siphon value out of Agra, and the Defendants are liable to Agra for this sham Impugned Share Issuance.

Impugned Share Issuance # 13 – November 29, 2019

269. On or about November 29, 2019, Agra just gave Brandon Boddy and another yet-unidentified co-conspirator 3 million shares with a value of \$525,00 as purported "milestone" issuance.

270. Specifically, in this Impugned Share Issuance:

- a. Then CEO and Chairman of the board of directors Brandon Boddy's company 1061437 B.C. Ltd. received 1.5 million shares with a value of \$262,500; and
- b. Another party in British Columbia (yet unidentified, but believed to be one of the Co-Conspirators or a company over which they have power and control) was also granted 1.5 million shares with a value of \$262,500.

271. Under the section which required Agra to identify the "Date of news release announcing proposed issuance" on the *Form 9 – Notice of Issuance of Proposed Issuance of Listed Securities* that was filed with the CSE, Agra had explicitly represented that "the Issuer will issue a news release on closing of the milestone issuances" (implying the purported milestone had

not even yet been achieved). However it does not appear Agra ever identified the reason that its then CEO and another party were just given \$525,000 in shares.

Impugned Share Issuance # 14 – December 5, 2019

272. On or about December 5, 2019, Agra gave Cornelius Houweling 1.25 million shares with a deemed value of \$218,750, purportedly as the fourth installment bonus pertaining to PSC (despite PSC still not having achieved any revenue as of August 2021).

273. This so-called bonus payment was simply a way to siphon value out of Agra, and the Defendants are liable to Agra for this sham Impugned Share Issuance.

Impugned Share Issuance # 15 – April 6, 2020

274. On or about April 6, 2020, Agra issued 3,444,444 with a value of approximately \$309,999.96 (\$0.09 per share) to two of the co-conspirators:

- a. Kenex Manufacturing Co. Ltd (controlled by recently resigned Agra director Christopher Hornung and his family) received 1,722,222 shares with a value of \$154,999.98; and
- b. Betty Quon received 1,722,222 shares with a value of \$154,999.98.

275. These shares were supposedly issued to “settle debt” (presumably pertaining to Agra’s purchase of AAA Heidelberg Inc. from Hornung and others, which is also believed to be a sham transaction). This was just part of the Scheme by which the Co-Conspirators could siphon value out of Agra.

276. The Defendants are liable to Agra for the damages it incurred resulting from this sham Impugned Share Issuance.

Impugned Share Issuance # 16 – April 30, 2020

277. On or about April 30, 2020, Agra granted 95 million so-called “incentive stock options” with an exercise price of \$0.075 to a number of directors, officers and supposed consultants, most of whom are among the list of Defendants.

278. Pursuant to this Impugned Share Issuance:

- a. Current Agra directors Jerry Habuda, Joseph Perino, and Brian O’Neill were each granted 2.5 million options;
- b. Agra’s then-CEO and Chairman of its board of director Brandon Boddy was granted 6 million options;

- c. 15 other parties, only identified as “Consultant” but believed to be largely made up of the Defendants, were cumulatively granted a total of 81.5 million options

279. These “incentive stock options” were a sham and utilized by the Co-Conspirators to siphon money rightly belonging to Agra. The Defendants are liable to Agra for the damages it incurred resulting from this sham Impugned Share Issuance.

Impugned Share Issuance # 17 – May 1, 2020

280. On or about May 1, 2020, Agra issued 2,692,905 with a deemed value of \$201,967.88 (\$0.075 per share) to a number of parties, including two of the co-conspirators:

- a. Kenex Manufacturing Co. Ltd (controlled by recently resigned Agra director Christopher Hornung and his family) received 413,333 shares with a deemed value of 30,999.98 and
- b. Betty Quon received 620,000 shares with a deemed value of \$46,500.

281. These shares were supposedly issued “to settle debt”. This supposed debt was a sham, and was just a method by which the Co-Conspirators could siphon value out of Agra.

282. The Defendants are liable to Agra for the damages it incurred resulting from this sham Impugned Share Issuance.

283. The above 17 Impugned Share Issuances are merely the ones that could be definitively confirmed at this time. It is believed there were even more Impugned Share Issuances to the Co-Conspirators since 2018 that are yet to be confirmed.

The Correlation Between the Scheme and Agra’s Losses

284. The value of Agra and the Company’s market capitalization were directly harmed as a result of the Defendants carrying out the Scheme.

285. Specifically, the Impugned Transactions resulted in Agra spending at least \$185.1 million more on acquiring assets than they were worth, with the vast majority of those assets being worth absolutely nothing as of the very date of their acquisition. This resulted in at least \$185.1 million in loss to Agra.

286. The Impugned Share Issuances resulted in Agra simply giving away \$11.1 million in the Company’s securities, with no tangible benefit arising out of these sham consulting agreements and supposed debts. Accordingly this has resulted in at least \$11.1 million in damages to Agra.

287. As a result of the Impugned Share Issuances, as well as because the Impugned Transactions were mostly conducted using Agra's common shares as currency, Agra's outstanding share volume has increased by nearly 98% (from 38.9 million shares to 1.95 billion shares). However because the value of the Company did not increase, the value of each share has plummeted, and the Company's ability to raise capital has gotten significantly more difficult and more expensive. This causes damage and loss to Agra.

288. Since March of 2019, Agra's market capitalization has dropped by over \$317 million (or nearly 90%). In that same time, the Defendants siphoned off more than \$196 million rightly belonging to Agra.

289. The Defendants were aware at all material times of the effect of the Impugned Transactions and Impugned Share issuances upon the value and market capitalization of Agra, and upon its future ability to conduct financing at a viable price.

290. Information about the Impugned Share Issuances and Impugned Transactions was disseminated, among other places, in Agra's disclosure documents posted on the System for Electronic Document Analysis and Retrieval (SEDAR) and/or on the CSE's website, and thereby became immediately available to and digested by the investing public and by financial analysts, who then reacted and revaluated Agra's worth and/or made recommendations to purchase or sell Agra's securities based on this information.

291. Agra's securities were and are traded among other places on the CSE, which is an efficient and automated market. The prices at which Agra's securities traded (and thus Agra's market capitalization and overall value) promptly incorporated material information about Agra's disclosure documents concerning the Company's business and affairs, including the Scheme alleged herein, which was disseminated to the public by Agra as well as through other means.

292. If the Defendants had not engaged in the Impugned Share Issuances and Impugned Transactions:

- a. the value lost through purchasing hundreds of millions of dollars of worthless assets and giving away millions of dollars of Agra's securities, would have remained in the Company;
- b. investors would have valued Agra to be worth far more than they currently do because the company would not have squandered nearly \$200 million purchasing worthless assets which it immediately wrote-off;

- c. Agra's value and market capitalization would be worth significantly more than it currently is, and the company would not have lost nearly 90% of its market capitalization since 2019; and
- d. Agra would not have sustained the damages and loss that it sustained.

PART 2: RELIEF SOUGHT

1. The Plaintiff seeks:
 - a. an order pursuant to ss. 232 and 233 of the *BCBCA* granting leave of the Court to prosecute this action in the name and on behalf of Agra;
 - b. an order pursuant to s. 233(3) of the *BCBCA* authorizing the complainant, Brian Mohammed, to control the conduct of this legal proceeding;
 - c. an order pursuant to s. 233(4) of the *BCBCA* that the Defendants' pay the Plaintiff's costs and/or that the Defendants and/or the Plaintiff indemnify the complainant for the costs incurred by the complainant in prosecuting this legal proceeding;
 - d. A declaration that:
 - i. The Defendants, or some of them, engaged in a civil conspiracy and/or were unjustly enriched;
 - ii. The D&O Defendants, or some of them, breached their fiduciary duty and/or duty of care owed to Agra pursuant to ss. 142(1)(a) & (b) of the *BCBCA*;
 - iii. The D&O Defendants, or some of them, were negligent; and/or
 - iv. The Director Defendants breached their duty to manage owed to Agra pursuant to s. 136(1) of the *BCBCA*;
 - e. interest under the *Court Order Interest Act*, RSBC 1996, c 79, as amended;
 - f. costs of this proceeding; and
 - g. such further and other relief as this Honourable Court may deem just.

PART 3: LEGAL BASIS

1. The Plaintiff pleads and relies on the:

- a. *Business Corporations Act*, SBC 2002, c 57;
- b. *Court Jurisdiction and Proceedings Transfer Act*, SBC 2003 c 28, as amended;
and
- c. *Court Order Interest Act*, RSBC 1996, c 79 as amended.

Unjust Enrichment

2. Agra advances a claim for unjust enrichment against all of the Defendants arising out of their engaging in the Scheme.
3. The Defendants were enriched by their carrying out the Scheme.
4. Agra suffered a corresponding deprivation.
5. There was no juristic reason for the Defendants' enrichment and Agra's corresponding deprivation.
6. The Defendants are jointly and severally liable for the loss and damage suffered by Agra.

Breach of Duty to Manage

7. Agra advances a claim for a breach of the duty to manage under s. 136(1) of the *BCBCA* against the Director Defendants arising out of their permitting the Scheme to occur.
8. Agra is a corporation that was incorporated in British Columbia and as such is subject to the *BCBCA*.
9. All of the Director Defendants are or were at one-point directors on Agra's board.
10. The Director Defendants owed Agra a statutorily-imposed duty to manage or supervise the management of the business and affairs of Agra.
11. The Director Defendants breached that duty by engaging in and/or permitting the other Defendants to engage in the Scheme and thereby not properly managing or supervising the management of the business and affairs of Agra.
12. Agra suffered damages and loss as a result of the Director Defendants breaching their duty to manage, and the Director Defendants breach of their duty to manage is what caused Agra's loss.
13. The Director Defendants are jointly and severally liable for the loss and damage suffered by Agra.

Breach of Fiduciary Duty and Duty of Care

14. Agra Advances a claim for breach of fiduciary duty and breach of duty of care at common law and under ss. 142(1)(a) & (b) of the *BCBCA* against the D&O Defendants arising out of their carrying out the Scheme.

15. All of the D&O Defendants are or were at one-point directors and/or officers of Agra.

16. The D&O Defendants owed Agra a duty at common law and imposed under s. 142(1) of the *BCBCA* when exercising the powers and performing the functions of a director or officer of the Company to:

- a. act honestly and in good faith with a view to the best interests of the company;
and
- b. exercise the care, diligence and skill that a reasonably prudent individual would exercise in comparable circumstances.

17. The D&O Defendants breached their fiduciary duty owed to Agra by *inter alia* engaging in the Scheme whereby they acted dishonestly and in bad faith with a view to their own best interests and to advancing the financial interests of their fellow Co-Conspirators rather than of Agra.

18. Further, the D&O Defendants breached their duty of care owed to Agra because it would have been very clearly evident to any reasonably prudent individual conducting even the bare minimum diligence that the Impugned Transactions and Impugned Share Issuances pertained to worthless assets and sham consulting agreements, were harmful to Agra, and were only intended to benefit the Co-Conspirators.

19. Agra suffered damages and loss as a result of the D&O Defendants' breach of their fiduciary duty and duty of care, and the D&O Directors' breach of these duties is what caused Agra's loss.

20. The D&O Defendants are jointly and severally liable for the loss and damage suffered by Agra.

Negligence

21. Agra advances a claim for common law negligence against the D&O Defendants arising out of their permitting and/or participating in the Scheme.

22. The D&O Defendants, all of whom were at some points directors and or officers of Agra, owed Agra a duty both at common law and statutorily to exercise reasonable care to avoid causing an unreasonable risk of harm to Agra.
23. The D&O Defendants failed to exercise reasonable care and breached the applicable standard of care by permitting and/or participating in the Impugned Share Issuances and Impugned Transactions, when it was evident that harm to Agra would occur as a result.
24. It was reasonably foreseeable that the Defendants' negligent conduct would cause loss and damages to Agra.
25. Harm and loss to Agra did in fact occur.
26. The damages and loss to Agra were caused by or contributed to, factually and legally, by the D&O Defendants' negligent conduct.
27. The D&O Defendants are jointly and severally liable for the loss and damages suffered by Agra.

Civil Conspiracy (Unlawful Means)

28. Agra advances a claim for unlawful means civil conspiracy against all of the Defendants arising out of their having engaged in the Scheme.
29. The Defendants, or at least some of them, acted in concert, by agreement or with a common design or intention in implementing and carrying out the Scheme.
30. The Defendants engaged in conduct that was unlawful, namely the breaches of their fiduciary duty, duty of loyalty and duty to manage, their negligence, and/or their unjust enrichment, as outlined above.
31. Specifically, it was unlawful for the Director Defendants and the D&O Defendants to breach their fiduciary duty, duty of care and/or duty to manage, and to be negligent in the carrying out of the respective roles.
32. Additionally, the other Defendants who were not directors and/or officers of Agra were well aware of the position and duties owed by the Director Defendants and D&O Defendants, and engaged in a conspiracy to assist the Director Defendants and D&O Defendants to commit unlawful acts and violate those duties for their own personal gain.
33. Further, the Defendants' unjust enrichment was unlawful.
34. The Defendants' unlawful conduct was directed towards Agra.

35. Given the circumstances, the Defendants should have known that loss to Agra was likely to result.

36. Damages and loss to Agra did in fact result.

37. The Defendants are jointly and severally liable for the loss and damage suffered by Agra.

Remedy of Disgorgement/Waiver of Tort

38. The Plaintiff requests disgorgement, or “waiver of tort” as a remedy for the Plaintiffs’ above-mentioned causes of action.

39. While not a stand-alone cause of action, disgorgement is available as a remedy if all of the constituent elements of one or more causes of action (such a breach of duty in tort, contract, or equity) is made out.

40. The circumstances justify an award of disgorgement of the Defendants’ ill-gotten gains. There is a legitimate interest in preventing the Defendants from engaging in such profit-making activity.

41. The Defendants are liable to Agra for any benefit or financial enrichment that they gained as a result of the Scheme being committed against Agra. Due to the wrongful conduct of the Defendants described herein, Agra is entitled to a restitutionary award of the benefits which accrued to the Defendants as a result of their wrongful conduct

Jurisdiction *Simpliciter*

42. There is a real and substantial connection between British Columbia and the facts alleged in this proceeding. The Plaintiff and the other Class Members plead and rely upon the *Court Jurisdiction and Proceedings Transfer Act* in respect of the Defendants. Without limiting the foregoing, a real and substantial between British Columbia and the facts alleged in this proceeding exists pursuant to section 10(e) to (h) of the *Court Jurisdiction and Proceedings Transfer Act* because this proceeding:

- (e) concerns contractual obligations, and
 - i. the contractual obligations, to a substantial extent, were to be performed in British Columbia;
 - ii. by its express terms, the contract is governed by the law of British Columbia; or

iii. the contract:

- (A) is for the purchase of property, services or both, for use other than in the course of the purchaser's trade or profession; and
- (B) resulted from a solicitation of business in British Columbia by or on behalf of the seller;
- (f) concerns restitutionary obligations that, to a substantial extent, arose in British Columbia;
- (g) concerns a tort committed in British Columbia;
- (h) concerns a business carried on in British Columbia.

Plaintiff's address for service: **KND Complex Litigation**
c/o Eli Karp / Hadi Davarinia
1186 Eglinton Avenue West
Toronto, ON. M6C 2E3

Place of trial: Vancouver, British Columbia

The address of the registry is: 800 Smithe Street, Vancouver, BC. V6Z 2E1

August 25, 2021

Signature of Lawyer for the Plaintiff
Eli Karp

Rule 7-1(1) of the Supreme Court Civil Rules states:

- (1) Unless all parties of record consent or the court otherwise orders, each party of record to an action must, within 35 days after the end of the pleading period,
 - (a) prepare a list of documents in Form 22 that lists:
 - (i) all documents that are or have been in the party's possession or control and that could, if available, be used by any party at trial to prove or disprove a material fact, and
 - (ii) all other documents to which the party intends to refer at trial, and
 - (b) serve the list on all parties of record.

ENDORSEMENT ON ORIGINATING PLEADING OR PETITION FOR SERVICE OUTSIDE BRITISH COLUMBIA

The Plaintiff, Agra Ventures Ltd., claims the right to serve this pleading on the Defendants outside British Columbia on the ground that there is a real and substantial connection between British Columbia and the facts alleged in this proceeding and the Plaintiff and other Class Members plead and rely upon the *Court Jurisdiction and Proceedings Transfer Act* in respect of the Defendants. Without limiting the foregoing, a real and substantial connection between British Columbia and the facts alleged in this proceeding exists pursuant to section 10(e) to (h) of the *Court Jurisdiction and Proceedings Transfer Act* because this proceeding:

- (e) concerns contractual obligations, and
 - (i) the contractual obligations, to a substantial extent, were to be performed in British Columbia,
 - (ii) by its express terms, the contract is governed by the law of British Columbia, or
 - (iii) the contract
 - (A) is for the purchase of property, services or both, for use other than in the course of the purchaser's trade or profession, and
 - (B) resulted from a solicitation of business in British Columbia by or on behalf of the seller,
- (f) concerns restitutionary obligations that, to a substantial extent, arose in British Columbia;
- (g) concerns a tort committed in British Columbia; and
- (h) concerns a business carried on in British Columbia.

APPENDIX

[The following information is provided for data collection purposes only and is of no legal effect.]

Part 1: CONCISE SUMMARY OF NATURE OF CLAIM:

This is a derivative action for damages in the name of and on behalf of Agra Ventures Ltd., against certain current and former insiders and related parties of Agra Ventures Ltd., pursuant to sections 232 and 233 of the *Business Corporations Act*,

Part 2: THIS CLAIM ARISES FROM THE FOLLOWING:

A personal injury arising out of:

- ☐ a motor vehicle accident;
- ☐ medical malpractice
- ☐ another cause

A dispute concerning:

- ☐ contaminated sites
- ☐ construction defects
- ☐ real property (real estate)
- ☒ personal property
- ☐ the provision of goods or services or other general commercial matters
- ☐ investment losses
- ☐ the lending of money
- ☐ an employment relationship
- ☐ a will or other issues concerning the probate of an estate
- ☒ a matter not listed here

Part 3: THIS CLAIM INVOLVES:

- ☐ a class action
- ☐ maritime law
- ☐ aboriginal law
- ☐ constitutional law
- ☐ conflict of laws
- ☒ none of the above
- ☐ do not know

Part 4: ENACTMENTS RELIED ON:

All as amended:

1. *Business Corporations Act*, SBC 2002, c 57;
2. *Court Jurisdiction and Proceedings Transfer Act*, SBC 2003, c 28; and
3. *Court Order Interest Act*, RSBC 1996 c 79 as amended.

Schedule “A”

Impugned Transactions

**Schedule “A” – Impugned Transactions
The Powertap Acquisitions (June 6, 2019)**

Impugned Transaction #	Asset	Incorporation Date and Original Owner	Date of Purchase by Powertap	Price Paid by Powertap (including finders fee)	Price Paid by Agra (including finder’s fee)	Profit Made by Powertap & Consultants	Value as at Dec 31, 2020 (after Impairment)	Total Impairment/ Loss By Agra (including finder’s fee)	Proposed Defendants
1.	DOCC	September 25, 2018: MM Asset Management Inc., Eugene Beukman, and others (Beukman is incorporating party)	December 20, 2018 and March 6, 2019 (2 tranches)	\$46.0 million	\$69.26 million	\$20.76 million	\$12.0 million (according to Agra itself)	\$57.26 million	<ul style="list-style-type: none"> • Brandon Boddy • Christopher Cherry • Jerry Habuda • Brian O’Neill • Joseph Perino • MM Asset Management Inc. • Eugene Beukman
2.	SUHM (Edibles and Infusions)/ Mulberry	Mulberry Capital (Barry Rotenberg, Aaron Rotenberg) and others, with finder’s fees of \$1 million in common shares paid to 1197127 B.C. Ltd (Gary Purdon: \$312,500), 1093780 B.C. Ltd. (Derek Huston: \$312,500) and 1132902 B.C. Ltd. (Lucas Birdsall: \$375,000)	April 25, 2019	\$20.194 million	\$22.20 million	\$1.20 million	\$17.440 million (according to Agra itself) Agra ultimately sold its stake (43%) for \$9.46 million in 2021	\$4.761 million Agra lost about \$12.74 million total on this transaction as of 2021	<ul style="list-style-type: none"> • Brandon Boddy • Christopher Cherry • Jerry Habuda • Brian O’Neill • Joseph Perino • Mulberry Capital Inc. • 1197127 B.C. Ltd. • Gary Purdon • 1093780 B.C. Ltd. • Derek Huston • 1132902 B.C. Ltd. • Lucas Birdsall
3.	Canutra Naturals Ltd.	April 1, 2014: Original 132 owners are redacted, but finder’s fees were paid to Pamela Stone (using Brandon Boddy’s address) and bonuses paid to 1132902 B.C. Ltd. (Lucas Birdsall) and 1061437 B.C.	April 12, 2019	\$10.86 million	\$11.463 million	\$0.19 million	\$Nil (wrote down 59% right at acquisition date and 41% in fiscal 2020)	\$11.46 million in reality (Agra recorded it as only \$9.72 million impairment)	<ul style="list-style-type: none"> • Brandon Boddy • Christopher Cherry • Jerry Habuda • Brian O’Neill • Joseph Perino • 1061437 B.C. Ltd. • Pamela Stone • Lucas Birdsall • 1132902 B.C. Ltd. • Any of the 132 redacted original owners who are related parties

Schedule “A” – Impugned Transactions

		Ltd. (Brandon Boddy)								
4.	1112347 Canada Corp. (80% Interest)	November 29, 2018: Peter Nguyen with total of \$364,500 in finder’s fees paid to 1132902 B.C. (Lucas Birdsall: \$101,250); Fish Law Professional Corporation (Matthew Fish: \$134,865), and 2193975 Alberta Limited (Kenneth Blake: \$128,385)	April 16, 2019	\$4.4 million	\$5.872 million	\$1.26 million	\$Nil (on date of acquisition)	\$5.872 million		<ul style="list-style-type: none"> • Brandon Boddy • Christopher Cherry • Jerry Habuda • Brian O’Neill • Joseph Perino • Peter Nguyen • 1132902 B.C. Ltd. • Lucas Birdsall • Fish Law Professional Corporation • Matthew Fish • 2193975 Alberta Limited • Kenneth Blake
5.	Potluck Potions and Edibles Inc. (80% interest)	October 10, 2018: Peter Nguyen, with \$430,000 finder’s fee to 2193975 Alberta Limited (Kenneth Blake)	April 23, 2019	\$4.73 million	\$6.727 million	\$1.75 million	\$Nil (on date of acquisition)	\$6.727 million		<ul style="list-style-type: none"> • Brandon Boddy • Christopher Cherry • Jerry Habuda • Brian O’Neill • Joseph Perino • Peter Nguyen • 2193975 Alberta Limited • Kenneth Blake
6.	11353675 Canada Corp. (d/b/a CanaBeer) (80% interest)	April 11, 2019: Peter Nguyen, with total of \$315,000 in finder’s fees paid to Intercontinental Advisory Corp. (Gareth Birdsall: \$250,950) and 2193975 Alberta Limited (Kenneth Blake: \$64,050)	May 7, 2019	\$3.98 million	\$5.872 million	\$1.68 million	\$Nil (on date of acquisition)	\$5.872 million		<ul style="list-style-type: none"> • Brandon Boddy • Christopher Cherry • Jerry Habuda • Brian O’Neill • Joseph Perino • Peter Nguyen • Intercontinental Advisory Corp. • Gareth Birdsall • 2193975 Alberta Limited • Kenneth Blake
7.	11353705 Canada Corp. (d/b/a Canada Cannabis)	April 11, 2019: Peter Nguyen, with \$200,000 finder’s fee to 2193975	May 28, 2019 (i.e. after Agra acquisition announced)	\$2.07 million	\$3.20 million	\$1.02 million	\$Nil (on date of acquisition)	\$3.20 million		<ul style="list-style-type: none"> • Brandon Boddy • Christopher Cherry • Jerry Habuda • Brian O’Neill

Schedule “A” – Impugned Transactions

	Therapeutics Company) (80% interest)	Alberta Limited (Kenneth Blake)									<ul style="list-style-type: none">• Joseph Perino• Peter Nguyen• 2193975 Alberta Limited• Kenneth Blake
8.	11406426 Canada Corp. (d/b/a/ Colorado Science Company) (80% interest)	May 12, 2019: Peter Nguyen, with \$200,000 finder's fee to 2193975 Alberta Limited (Kenneth Blake)	May 28, 2019 (i.e. after Agra acquisition announced)	\$2.07 million	\$3.20 million	\$1.02 million	\$Nil (on date of acquisition)	\$3.20 million	<ul style="list-style-type: none">• Brandon Boddy• Christopher Cherry• Jerry Habuda• Brian O'Neill• Joseph Perino• Peter Nguyen• 2193975 Alberta Limited• Kenneth Blake		
9.	Trichome Cannabrand Inc.	Maroon Investments Corp. (Matthew Fish) and 2623269 Ontario Inc. (William Koble), with \$380,000 finder's fee to Slam Dash Holdings Inc. (Brendan Purdy)	May 29, 2019 (i.e. after Agra acquisition announced)	\$4.015 million	\$6.406 million	\$2.16 million	\$Nil (on date of acquisition)	\$6.406 million (Company sold to Transnational Cannabis for 30 million Transnational shares on March 6, 2020)	<ul style="list-style-type: none">• Brandon Boddy• Christopher Cherry• Jerry Habuda• Brian O'Neill• Joseph Perino• Matthew Fish• Maroon Investments Corp.• Slam Dash Holdings Inc.• Brendan Purdy		
10.	1205293 B.C. Ltd. (True Focus Canada Sub License Agreement)	April 15, 2019: Sean McConnell incorporated company and there appears to be 11 other initial sellers, with finder's fee of \$359,362 paid to Eiza Redila using Gareth Birdsall's home address	May 30, 2019 (i.e. after Agra acquisition announced)	\$3.86 million (deemed value by Company) \$3.745 million actual value (\$0.36 per share)	\$6.058 million	\$2.094 million	\$Nil (although not right on date of acquisition).	\$6.058 million	<ul style="list-style-type: none">• Brandon Boddy• Christopher Cherry• Jerry Habuda• Brian O'Neill• Joseph Perino• Sean McConnell• Eiza Redila• Any of the other 11 original owners who are related parties		
	TOTAL			\$102,062,708.00	\$140,422,016.78	\$33,137,669.98	\$29,440,000.00	\$110,982,016.78			

Total Loss to Agra = \$110.98 million

Schedule "A" – Impugned Transactions
The \$212,033 giveaway to 1187744 B.C. Ltd /Alexander Sekella (July 10, 2019)

Impugned Transaction #	Principal Amount of Loan	Interest	Total Owed to Agra	Total impairment/ Loss by Agra as at Dec. 31, 2020	Proposed Defendants
11.	\$200,000	\$12,033	\$212,033	\$212,033	<ul style="list-style-type: none"> • Brandon Boddy • Peter Nguyen • Jerry Habuda • Brian O'Neill • Joseph Perino • 1187744 B.C. Ltd. • Alexander Sekella

Total Loss to Agra = \$212,033

The Sale of Assets for 10 Million JJ WOLF Shares from Ivany (July 24, 2019)

Impugned Transaction #	Asset	Units Transferred	Initial Acquisition Cost to Agra	Value of 10 Million JJ Wolf Shares on Acquisition Date	Value of 10 Million JJ WOLF Shares on December 31, 2020	Total Impairment/Loss by Agra	Proposed Defendants
12.	Sire Bioscience Inc.	9,973,670 shares	\$498,000				<ul style="list-style-type: none"> • Brandon Boddy • Peter Nguyen • Jerry Habuda • Brian O'Neill • Joseph Perino • Derek Ivany
	Roughrider Capital Corp.	4,260,000 shares	\$376,250				
	Volt Energy Corp.	625,000 shares	\$350,000				
	Cannabis Clonal Corp.	3,000,000 shares	\$300,000				
	Empower Clinics Inc.	10,000,000 shares	\$1,000,000				
		10,000,000 warrants					
	1205293 B.C. Ltd.	5,000,000 shares	\$500,000				
		2,500,000 warrants					
	Transnational Cannabis Ltd.	1,000,000 shares	\$9,703				
	Mindful Capital Inc.	888,889 shares	\$400,000				
	Eurolife Brands Inc.	3,616,000 shares	\$352,560				
	Glow Lifetech Ltd.	3,750,000 shares	\$200,000				
	TOTAL		\$3,986,513	\$2,266,236	\$1,203.096	\$2,783,417	

Total Loss to Agra = \$2.78 million

Schedule “A” – Impugned Transactions
The 50% Acquisition of Eurasia (August 19, 2019):

Impugned Transaction #	Original Owner	Incorporation Date	Finder's Fee	Agra's Purchase Price (including Finder's Fee)	Value as at December 31, 2019	Total Impairment/Loss by Agra (including Finder's Fee)	Proposed Defendants
13.	Usurp Ventures (Eugene Beukman) 1218677 B.C. Ltd. (Pamela Stone) 1132902 B.C. Ltd. (Lucas Birdsall) Dama Superannuation Fund (Jeffrey Davis)	Feb. 12, 2019	\$412,500 to Intercontinental Advisory Corp. (Gareth Birdsall)	\$4.54 million + \$67,599 loan written off	\$Nil	\$4.61 Million	<ul style="list-style-type: none"> • Bradon Boddy • Peter Nguyen • Jerry Habuda • Brian O'Neill • Joseph Perino • Usurp Ventures • Eugene Beukman • 1218677 B.C. Ltd. • Pamela Stone • 1132902 B.C. Ltd. • Lucas Birdsall • Dama Superannuation Fund • Jeffrey Davis • Intercontinental Advisory Corp. • Gareth Birdsall

Total Loss to Agra = \$4.61 million

Transnational Offtake Agreement and Deferred Payment for Special Warrants (September 26, 2019):

Impugned Transaction #	Value of 6.67 million “Special Warrants” given to Beukman	Finder's Fee	Total Cost to Agra (including Finder's Fee)	Amount Received by Agra (upon Exercise of Warrants)	Total Loss by Agra (including Finder's Fee)	Proposed Defendants
14.	\$2 million (supposedly deferred payment)	\$980,000 to 1132902 B.C. Ltd. (Lucas Birdsall)	\$2,980,000	\$616,666	\$2,363,334	<ul style="list-style-type: none"> • Brandon Boddy • Peter Nguyen • Jerry Habuda • Brian O'Neill • Joseph Perino • Eugene Beukman • 1132902 B.C. Ltd. • Lucas Birdsall

Total Loss to Agra = \$2.36 million

Schedule "A" – Impugned Transactions

Transnational Debentures Acquisition (December 30, 2019):

Impugned Transaction #	Acquisition Cost to Agra	Supposed Gain on Acquisition Prior to December 31, 2020	Value as at December 31, 2020	Impairment Recorded By Agra	Total Actual Loss by Agra	Proposed Defendants (3 Parties who sold the Debentures)
15.	\$23,682,600 (USD \$18 million)	\$5,528,073 (Agra recorded a gain on investment of \$4,553,742)	\$Nil	\$29,210,673	\$23,682,600	<ul style="list-style-type: none"> • Brandon Boddy • Peter Nguyen • Jerry Habuda • Brian O'Neill • Joseph Perino • MM Asset Management Inc. • Eugene Beukman • Unknown, supposed "arm's length" third seller (Agra would be aware of this party's identity)

Total Loss to Agra = \$23.68 million

Propagation Services Canada Loan "Contribution" (November 6, 2020) and Investment Impairment):

Impugned Transaction #	Total Amount Loaned to PSC	Amount of new loan after "extinguishing" original advances under old loan	Total Write-down of Loan (called "Contribution"), i.e. Loss to Agra	Proposed Defendants
16.	At least \$39,641,805	\$13,745,724	At least \$25,896,081	<ul style="list-style-type: none"> • Brandon Boddy • Peter Nguyen • Jerry Habuda • Brian O'Neill • Joseph Perino • Cornelius Houweling • Houweling Nurseries Property Ltd. • David Parry
Impugned Transaction #	Total Investment in PSC apart from "Contribution"	Value of Investment as at March 31, 2021 (minus \$13.745 million loan)	Total Impairment on Investment, Loss on Equity Investment and Loss of Interest	
17.	At least \$29,160,537	\$15,076,061	At least \$14,084,476	
TOTAL	At least \$68,802,342 in loans, advances and investment	\$28,821,785 (Agra itself values its investment and loan total to be even lower, at \$27,226,418)	At least \$39,980,557	

Total Loss to Agra = \$39.98 million

Schedule “A” – Impugned Transactions

Acquisition of 1274418 B.C. Ltd. (November 25, 2020)

Impugned Transaction #	Date of Incorporation of 1274418 B.C. Ltd.	Incorporating Party	Owner/Director	Amount Lost by Agra	Proposed Defendants
18.	November 12, 2020	Brendan Purdy	Transnational Cannabis Chenel Faustin	\$500,000	<ul style="list-style-type: none"> • Brandon Boddy • Peter Nguyen • Jerry Habuda • Brian O’Neill • Joseph Perino • MM Asset Management Inc. • Transnational Cannabis • Chenel Faustin

Total Loss to Agra = \$500,000

Cumulative losses to Agra = \$185,111,556.78

Schedule “B”

Impugned Share Issuances

Schedule “B” – Impugned Share Issuances

No.	Date	Party	Type	Number of Securities	Price per share or strike price	Total Value	Reasons
1	March 29, 2018	Elben Capital Corp	Options	750,000	\$0.84		Incentive stock options to purchase a total of 3,325,000 common shares at an exercise price of \$0.84 per share for a period of two years to its directors, officers and consultants in accordance with the provisions of its stock option plan. (The same number of options that were announced on December 29, 2017, but explicitly re-granted at a lower price so that they would already be “in-the-money”).
		Derek Ivany		300,000	\$0.84		
		Clairewood Partners Inc.		150,000	\$0.84		
		David Parry		750,000	\$0.84		
		Chris Hornung		100,000	\$0.84		
		Joseph Perino		100,000	\$0.84		
		Jerry Habuda		100,000	\$0.84		
		Circa Capital Corp.		50,000	\$0.84		
		Kenex Manufacturing Ltd.		200,000	\$0.84		
2	September 10, 2018	Rueben Houweling	Options	100,000	\$0.64		Received as a consultant, no details on either Form 11 or MD&A.
3	September 18, 2018	Shenyang and Tsingtao Investments Inc. (David Parry)	Shares	1,000,000	\$0.73	\$1,460,000.00	Past consulting services related to the 2.2 million square foot greenhouse project located in Delta, BC.
		Derek Ivany		250,000			
		Elben Capital Corp.		750,000			
4	December 31, 2018	Adams Packaging & Manufacturing	Shares	1,392,118	\$0.285	\$653,142.20	Settle sham “debt”.
		Betty Quon		899,609			
5	March 15, 2019	Shenyang and Tsingtao Investments Inc.	Options	1,000,000	\$0.55		20,400,000 stock options to consultants of the company with an

Schedule “B” – Impugned Share Issuances

		Clairewood Partners Inc.		1,000,000	\$0.55			exercise price of \$0.55 per option expiring March 15, 2020.
		9956565 Canada Ltd		2,500,000	\$0.55			
		David Parry		2,000,000	\$0.55			
		Rummy Investments Ltd.		3,000,000	\$0.55			
		Circa Capital Corp.		1,000,000	\$0.55			
		Rueben Houwelings		100,000	\$0.55			
6	April 24, 2019	Derek Ivany	Shares	1,250,000	\$0.51	\$2,550,000.00		Past consulting services.
		Elben Capital Corp. (Derek Ivany)	Shares	3,750,000				
7	April 25, 2019	Cornelius Houwelings	Shares	1,250,000	\$0.51	\$637,500.00		First installment payment pertaining to bonus regarding PSC.
8	May 21, 2019	Brandon Boddy	Options	2,100,000	\$0.46			Incentive stock options to purchase a total of 6,000,000 common shares at an exercise price of \$0.46 per share for a period of five years to its directors, officers and consultants.
		Jerry Habuda		200,000	\$0.46			
		Joseph Perino		200,000	\$0.46			
		Christopher Hornung		400,000	\$0.46			
		Kenex Manufacturing Co. Ltd.		400,000	\$0.46			
		Betty Quon		100,000	\$0.46			
		Christopher Cherry		250,000	\$0.46			
		558396 BC Ltd		300,000	\$0.46			
9	May 30, 2019	1132902 BC Ltd.	Options	600,000	\$0.46			
		Brian O'Neill		500,000	\$0.39			

Schedule “B” – Impugned Share Issuances

		Jerry Habuda			100,000	\$0.39											Incentive stock options to purchase a total of 3,000,000 common shares at an exercise price of \$0.39 per share for a period of five years to its directors, officers and consultants.	
		Joe Perino			100,000	\$0.39												
		Chris Hornung			100,000	\$0.39												
		1187744 BC Ltd.			200,000	\$0.39												
		1132902 BC Ltd.			400,000	\$0.39												
		David Parry			200,000	\$0.39												
		Elben Capital Corp.			300,000	\$0.39												
		1061437 BC Ltd.			600,000	\$0.39												
		Circa Capital Corp.			200,000	\$0.39												
10	June 26, 2019	Cornelius Houweling		Shares	1,250,000	\$0.42				\$525,000.00							Second installment payment pertaining to bonus regarding PSC.	
		Eugene Beukman			1,000,000	\$0.31												
		Theo van der Linde			2,000,000	\$0.31												
		1132902 BC Ltd.			5,450,000	\$0.31												
		Circa Capital Corp.			200,000	\$0.31												
		Derek Ivany			200,000	\$0.31												
		Joseph Perino			150,000	\$0.31												
		Brian O'Neill			400,000	\$0.31												
		Christopher Hornung			200,000	\$0.31												
		Ruben Houweling			200,000	\$0.31												
		Rummy Investments Ltd.			1,130,000	\$0.31												
		1061437 BC Ltd.			2,000,000	\$0.31												
		Jerry Habuda			150,000	\$0.31												
11	August 1, 2019			Options													30,000,000 stock options to certain directors, officers and consultants with an exercise price of \$0.31 per option expiring August 1, 2024.	

Schedule “B” – Impugned Share Issuances

12	October 15, 2019	Cornelius Houweling	Shares	1,250,000	\$0.255	\$318,750.00	Third installment payment pertaining to bonus regarding PSC.
13	November 29, 2019	1061437 BC Ltd.	Shares	1,500,000	\$0.175	\$262,500.00	Achievement of supposed milestones (Explanatory news release was supposed to be released but never was).
		1 Unknown Party		1,500,000	\$0.175	\$262,500.00	
14	December 5, 2019	Cornelius Houweling	Shares	1,250,000	\$0.175	\$218,750.00	Fourth installment payment pertaining to bonus regarding PSC.
15	April 6, 2020	Kenex Manufacturing	Shares	1,722,222	\$0.09	\$154,999.98	Settle sham “debt”.
		Betty Quon		1,722,222	\$0.09	\$154,999.98	
16	April 30, 2020	Jerry Habuda	Options	2,500,000	\$0.075		Incentive stock options to purchase a total of 95,000,000 common shares at an exercise price of \$0.075 per share for a period of five years to its directors, officers and consultants.
		Joseph Perino		2,500,000	\$0.075		
		Brandon Boddy		6,000,000	\$0.075		
		Brian O'Neill		2,500,000	\$0.075		
		“Consultant” (15 in total)		81,500,000	\$0.075		
17	May 1, 2020	Betty Quon	Shares	620,000	\$0.075	\$30,999.98	Settle sham “debt”.
		Kenex Manufacturing		413,333	\$0.075	\$46,500.00	
17 Impugned Share Issuances		21,769,504 Shares 128,530,000 Options		\$7,275,642.14 Total Value of Shares			\$3,855,900 = Estimated minimum value of options (Total = \$11,131,552.14)