



Court File No.: CV-21-00665194-00CP

ONTARIO
SUPERIOR COURT OF JUSTICE

THE HONOURABLE)
JUSTICE E.M. MORGAN) THURSDAY, THE 26th
DAY OF MARCH, 2026

B E T W E E N:

MARKO STAJIC,
MORDECAI BOBROWSKY, and KYLE YAMAMURA

Plaintiffs

and

WAYLAND GROUP CORP. and BENJAMIN ALLAN WARD

Defendants

Proceeding under the *Class Proceedings Act, 1992*

ORDER

THIS MOTION made by the Plaintiffs for, *inter alia*, an Order granting leave to proceed with a statutory claim for secondary market misrepresentation under Part XXIII.1, s. 138.8(1) of the *Securities Act*, R.S.O. 1990, c. S5 (“*OSA*”), certifying this action as a class proceeding pursuant to s. 5 of the *Class Proceedings Act, 1992*, SO 1992, c 6 (“*CPA*”), and for default judgment as against the Defendant Benjamin Allan Ward (“**Ward**”) was heard on this day at the Courthouse located at 130 Queen Street West.

ON READING the materials filed and on hearing the submissions of counsel for the Plaintiffs;

AND ON BEING ADVISED that attempts were made to serve Ward with the motion materials in support of this motion and Ward has not responded to Class Counsel's repeated attempts to contact him:

1. **THIS COURT ORDERS** that the Plaintiffs are granted leave to proceed under s. 138.8(1) of the *OSA* as against the defendant Benjamin Allan Ward ("**Ward**") to commence the causes of action pursuant to Part XXIII.1, s. 138.3 of the *OSA* respecting documents released by Wayland Group Corp. ("**Wayland**") on December 13, 2017; April 27, May 29, June 29, August 24, October 1, November 28, 2018; and April 23, 2019; and all linked to the public corrective statements released by Wayland on April 23, May 6, and August 2, 2019 against Ward as contained in the Third Fresh as Amended Statement of Claim issued January 15, 2026 attached at **Schedule "A"**.
2. **THIS COURT ORDERS** that this action is certified as a class proceeding as against Ward pursuant to s. 5(1) of the *CPA* for the causes of action of common law misrepresentation in the primary and secondary markets relating to the trading of Wayland securities and Parts XXIII and XXIII.1 of the *OSA*.
3. **THIS COURT ORDERS** that the Class is defined as "all persons, other than Excluded Persons, who acquired Wayland's common shares, and other securities sold by Wayland to purchase common shares, during the Class Period and who held some or all of those common shares until after the release of at least one of the Public Corrective Disclosures"

In the above Class definition:

"**Public Corrective Disclosures**" means the material facts released to the market on: April 23, 2019; May 6, 2019; and August 2, 2019;

“**Class Period**” means the period of December 13, 2017 to August 2, 2019;

“**Excluded Persons**” means:

- (i) Wayland’s executives, and their family members and any entities that they owned a financial interest in which made investments in Wayland;
- (ii) Benjamin Ward, his family members and business associates, and any entity that he or family member owned which had a financial interest in Wayland;
- (iii) Yoel Altman, Jeffrey Ayott, Roger Daher, David Danzinger, Andre DeFrancesco, John Esteireiro, John Fitzgerald, Errol Gordon, Peter Kirby, Paul Leggett, Craig Bridgman and their business and family’s investment companies;
- (iv) all the entities identified within Wayland’s news release dated January 31, 2019;
- (v) any person that received Wayland’s securities from the acquisitions of Colma Pharmaceutical SAS, Haxxon AG, Nanoleaf Technologies Inc., Proimaging AG, and Theros Pharma Ltd; and
- (vi) Alpha Blue Ocean, Inc., DEMECAN Holdings GmbH, European High Growth Opportunities Securitization Fund, Grandhill Capital Inc., INEG Holdings UG, Proimaging AG, and their related companies and investments;

4. **THIS COURT ORDERS** that Marko Stajic is appointed as the representative plaintiff for the Class.

5. **THIS COURT ORDERS** that the following common issues are certified as the common issues for the Class:
 - i. Did Ward make, or authorize the making of, any misrepresentations or fail to disclose a material change or material fact concerning Wayland, its operations and/or financial status, including in connection with its production facility located in Langton, Ontario, during the period of December 13, 2017 to August 2, 2019?
 - ii. Is Ward liable to some or all of the Class Members for damages?
 - iii. If the answer to (ii) is “yes”, what is the quantum of damages?
6. **THIS COURT ORDERS** that the Litigation Plan attached hereto as **Schedule “B”** is approved.
7. **THIS COURT ORDERS** that the Class shall be given notice of the certification of this action as a class proceeding as against Ward pursuant to the Notice of Certification attached hereto as **Schedule “C”** in accordance with the Notice Program as set out in Article Four of the Litigation Plan.
8. **THIS COURT ORDERS** that the Opt-out Form attached hereto as **Schedule “D”** is approved.
9. **THIS COURT DECLARES** that that Class Members may opt-out of the Class by completing the Opt-out Form and sending it to Class Counsel at 330 Bay Street, Suite 505, Toronto, Ontario, M5H 2S8, or by email to canadainfo@bergermontague.com within 60

days of the date of this Order (the “**Opt-out Deadline**”). If the Opt-out Form is sent by regular mail, it will only be valid if it is postmarked with a date being 60 days from the date of the Opt-out Deadline. Otherwise, the Opt-out Form will only be valid if it is received by Class Counsel no later than the Opt-out Deadline. After the Opt-out Deadline, Class Members may opt-out of the Class only with leave of the Court.

10. **THIS COURT ORDERS** that Berger Montague (Canada) PC is appointed as Class Counsel.
13. **THIS COURT ORDERS** that the motion for default judgment of the common issues as against Ward is granted.
14. **THIS COURT DECLARES** that Ward owed a duty of care to the Plaintiffs and Class Members and breached the applicable standard of care in making or authorizing the making of the misrepresentations that were released during the Class Period, and in certifying that the core documents released during the Class Period did not contain any untrue statements of material fact or omit to state any material facts.
15. **THIS COURT DECLARES** that Ward is liable for common law primary and secondary market negligent misrepresentation and statutory primary and secondary market misrepresentation under the *OSA*.
16. **THIS COURT ORDERS** that Ward shall pay damages in the amount of \$53,616,189, plus interest since September 3, 2019, within thirty (30) days of the date of this Order.

17. **THIS COURT ORDERS** that Ward shall pay costs to the Plaintiffs in the amount of \$200,000 within thirty (30) days of the date of this Order.

A handwritten signature in blue ink, appearing to read "Morgan J.", is centered on a light blue rectangular background.

Morgan J.

SCHEDULE A

AMENDED THIS 15-JAN-2026 PURSUANT TO
MODIFIÉ CONFORMÉMENT À

RULE/LA RÈGLE 26.02 (A)

Court File no.: CV-21-00665194-00CP

THE ORDER OF _____ *ONTARIO*
L'ORDONNANCE DU SUPERIOR COURT OF JUSTICE
DATED/FAIT LE _____

LISA LAWSON Digitally signed by LISA LAWSON
Date: 2026.01.15 14:50:58 -0500 B E T W E E N:

REGISTRAR
SUPERIOR COURT OF JUSTICE

GREFFIER
COUR SUPÉRIEURE DE JUSTICE **MARKO STAJIC,**
MORDECAI BOBROWSKY, and KYLE YAMAMURA

Plaintiff

– and –

WAYLAND GROUP CORP. and BENJAMIN ALLAN WARD
~~CANACCORD GENUITY CORP., and GMP SECURITIES L.P.~~

Defendants

Proceeding under the *Class Proceedings Act, 1992*

THIRD SECOND FRESH AS AMENDED STATEMENT OF CLAIM

TO THE DEFENDANTS:

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the plaintiff. The claim made against you is set out in the following pages.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or an Ontario lawyer acting for you must prepare a statement of defence in Form 18A prescribed by the Rules of Civil Procedure, serve it on the plaintiff's lawyers or, where the plaintiff does not have a lawyer, serve it on the plaintiff, and file it, with proof of service in this court office, WITHIN TWENTY DAYS after this statement of claim is served on you, if you are served in Ontario.

If you are served in another province or territory of Canada or in the United States of America, the period for serving and filing your statement of defence is forty days. If you are served outside Canada and the United States of America, the period is sixty days.

Instead of serving and filing a statement of defence, you may serve and file a notice of intent to defend in Form 18B prescribed by the Rules of Civil Procedure. This will entitle you to ten more days within which to serve and file your statement of defence.

IF YOU FAIL TO DEFEND THIS PROCEEDING, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO DEFEND THIS PROCEEDING BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

IF YOU PAY THE PLAINTIFFS' CLAIM, and \$5,000.00 for costs, within the time for serving and filing your statement of defence you may move to have this proceeding dismissed by the court. If you believe the amount claimed for costs is excessive, you may pay the plaintiff's claim and \$400.00 for costs and have the costs assessed by the court.

TAKE NOTICE: THIS ACTION WILL AUTOMATICALLY BE DISMISSED if it has not been set down for trial or terminated by any means within five years after the action was commenced unless otherwise ordered by the court.

<p>Date Issued:</p> <p><i>Originally on September 3, 2019, City of Sarnia, Ontario; transferred to the City of Toronto, Ontario, resulting in a new case number.</i></p>	<p>Issued by: _____ Local Registrar</p>
	<p><i>Address of Court Office:</i> Superior Court of Justice 330 University Avenue, 7th Floor Toronto, Ontario, M5G 1R8</p>

TO: WAYLAND GROUP CORP.
3-845 Harrington Court
Burlington, Ontario L7N 3P3

Noted in Default, Order dated August 17, 2022

AND TO: BENJAMIN ALLAN WARD
3-845 Harrington Court
Burlington, Ontario L7N 3P3

Noted in Default, Order dated August 17, 2022

DEFINED TERMS

1. In addition to the terms defined in ss. 1(1) and 138.1 of the *Securities Act*, R.S.O. 1990, c. S. 5, and elsewhere herein, the following capitalized terms used throughout this fresh as amended statement of claim have the meanings indicated below:

- (a) “**AIF**” means Annual Information Form;
- (b) “**Audit Committee**” means Wayland’s Audit Committee, ~~Messrs. Gerhard Muller, Paul Pathak, and Michael Stein~~, which reported that it was responsible for monitoring the Company’s systems and procedures for financial reporting and internal control, reviewing disclosure documents and accuracy of the Company’s regulatory filings;
- (c) “**Canaccord**” means Canaccord Genuity Corp., which served as a co-lead agent of Wayland’s ~~the~~ October 1, 2018 offering and the lead underwriter of the October 24, 2018 offering, by banker Peter Kirby and others, served as Wayland’s investment banker for projects relating to publishing research reports and selling assets known as Project Vulcan, and published research reports for the members of the Class authored by Derek Dley and Neil Maruoka;
- (d) “**CCC**” means Canadian Cannabis Corporation, which was created by Benjamin A. Ward, John Esteireiro, Silvio Serrano, and Scott Keevil;
- (e) “**CCAA Proceeding**” means Wayland’s application and proceeding under the Companies’ Creditors Arrangement Act, CV-19-00632079-00CL;
- (f) “**CEO**” means Chief Executive Officer;
- (g) “**CFO**” means Chief Financial Officer;

- (h) “**Class**” means all persons, other than Excluded Persons, who acquired Wayland’s common shares, and other securities sold by Wayland to purchase common shares, during the Class Period and who held some or all of those common shares until after the release of at least one of the Public Corrective Disclosures;
- (i) “**Class Period**” means the period of April 27, 2018 to April 23, 2019 December 13, 2017 to August 2, 2019;
- (j) “**Company**” means Wayland (f/k/a, Maricann Group Corp.);
- (k) “**CPA**” means the *Class Proceedings Act, 1992*, S.O. 1992, c. 6, as amended;
- (l) “**Eight Capital**” means Eight Capital Corporation, the investment bank that assisted Wayland in selling of securities by bankers John Esteireiro, Anthony Sutton and Elizabeth Staltari, and published research reports, authored by Daniel Pearlstein and William Haynes;
- (m) “**Esteireiro**” means John Esteireiro who was a partner with Mr. Ward at CCC, principal and head of equities at Eight Capital, head of Canadian institutional equity trading at Canaccord;
- (n) “**Equivalent Securities Act**” means, collectively, the *Securities Act*, R.S.A. 2000, c. S-4, as amended; the *Securities Act*, R.S.B.C. 1996, c 418, as amended; *The Securities Act*, C.C.S.M. c. S50, as amended; the *Securities Act*, S.N.B. 2004, c. S-5.5, as amended; the *Securities Act*, R.S.N.L. 1990, c S-13, as amended; the *Securities Act*, S.N.W.T. 2008, c. 10, as amended; the *Securities Act*, R.S.N.S. 1989, c. 418, as amended; the *Securities Act*, S Nu 2008, c. 12, as amended; the *Securities Act*, R.S.P.E.I. 1988, c S-3.1, as

amended; the *Securities Act*, R.S.Q. c V-1.1, as amended; *The Securities Act*, 1988, S.S. 1988-89, c. S-42.2, as amended; and the *Securities Act*, S.Y. 2007, c. 16, as amended;

(o) **“Excluded Persons”** means:

(i) Wayland’s executives, and their family members and any entities that they owned a financial interest in which made investments in Wayland;

(ii) Benjamin Ward, his family members and business associates, and any entity that he or family member owned which had a financial interest in Wayland;

(iii) the Defendants’ business partners Yoel Altman, Jeffrey Ayott, Roger Daher, David Danzinger, Andre DeFrancesco, John Esteireiro, John Fitzgerald, Errol Gordon, Peter Kirby, Paul Leggett, Craig Bridgman, and their businesses and family’s investment companies;

(iv) all the entities identified within Wayland’s news release dated January 31, 2019;

(v) any person that received Wayland’s securities from the acquisitions of Colma Pharmaceutical SAS, Haxxon AG, Nanoleaf Technologies Inc., Proimaging AG, and Theros Pharma Ltd; and

(vi) Alpha Blue Ocean, Inc., DEMECAN Holdings GmbH, European High Growth Opportunities Securitization Fund, Grandhill Capital Inc., INEG Holdings UG, Proimaging AG, and their related companies and investments.

- (p) “Form 9 Reports” means a report that identifies the purchasers of securities from selling securities of a reporting issuer, except if conducted by way of a bought deal whereby an underwriter purchases all the securities from the reporting issuer and resells said securities to investors, in which case the underwriter would have a separate list;
- (q) “GMP” means GMP Securities L.P., which served as a co-lead agent of the October 1, 2018 offering and an underwriter of the October 31, 2018 offering;
- (r) “Impugned Statements” means the documents or statements containing alleged misrepresentations released on December 13, 2017; January 9, 2018; January 11, 2018; January 24, 2018; February 28, 2018; March 28, 2018; April 27, 2018; May 29, 2018; June 29, 2018; August 24, 2018; October 1, 2018; October 24, 2018; November 28, 2018; January 31, 2019; February 21-22, 2019; and April 23, 2019 all concerning how Defendant Wayland and Ward were going to use the proceeds from each of the Company’s Class Period offerings would be used, how much each phase of the expansion of the Langton Facility would cost and when it would be completed, that the expansion of the Langton Facility was fully funded, and how much cannabis the Company would produce beginning in 2019;
- (s) ~~“Langille” means Scott Langille who served as Wayland’s Chief Financial Officer during the Class Period;~~

- (t) “**Langton Facility**” means Wayland’s main production facility located in Langton, Ontario, which at all times during the Class Period was undergoing a multi-phase expansion that began in November 2016;
- (u) ~~“**McLeod**” means Matthew G. McLeod, who between November 19, 2018 and April 22, 2020, served as Wayland’s general counsel, president, and, ultimately, Chief Executive Officer;~~
- (v) “**MD&A**” means management discussion and analysis;
- (w) ~~“**Muller**” means Gerhard Muller, the Chair of Wayland’s Audit Committee and Board of Directors during the Class Period, who resigned on July 8, 2019;~~
- (x) “**NI 51-102**” means the CSA’s National Instrument 51-102—*Continuous Disclosure Obligations*, as amended;
- (y) “**NI 52-109**” means the CSA’s National Instrument 52-109—*Certification of Disclosure in Issuers’ Annual and Interim Filings*, as amended;
- (z) “**NOBO List**” means a list of shareholders that do not object to being identified as the beneficial owner of securities at any point in time to the issuer through the issuer’s transfer agent/register;
- (aa) “**OSA**” means the *Securities Act*, R.S.O. 1990 c. S.5, as amended;
- (bb) “**OSC**” means the Ontario Securities Commission;
- (cc) ~~“**Pathak**” means Paul Pathak, a member of Wayland’s Audit Committee and Board of Directors during the Class Period, who resigned on April 23, 2020, who was Yoel Altman’s nominee as a director of Wayland, and a founding~~

~~partner of the law firm Chitiz Pathak that provided legal services to
Wayland, who became a director of a Canaccord investment fund;~~

- (dd) **“Primary Market Claim”** means the common law and statutory claims being advanced by the Plaintiff, on behalf of himself and on behalf of all similarly situated investors, that purchased Wayland’s securities in an offering arising from the January 9, August 10, October 1-3, and October 24, 2018 final short form prospectuses, offering memoranda, etc., including the distribution period, ~~against the Underwriter Defendants;~~
- (ee) **“Public Corrective Disclosures”** means the material facts released to the market on: October 1, 2018; November 28, 2018; February 21-22, 2019; ~~and April 23, 2019; and August 2, 2019,~~ concerning when the various phases of expansion of the Langton Facility would be completed, how much each phase would cost, whether the expansion was fully-funded, and how the funds raised in each financing offering conducted during the Class Period were distributed as well as the April 30, 2019 announcement affirming that a failure-to-file cease trade order was being issued after the close of May 5, 2019;
- (ff) **“Secondary Market Claim”** means the common law and statutory claims being advanced by the Plaintiffs, on behalf of themselves and on behalf of all similarly situated investors, that purchased Wayland’s securities in the secondary market, against Defendant Wayland and Ward;
- (gg) **“SEDAR”** means the Canadian Securities Administrators’ System for Electronic Document Analysis and Retrieval;

- (hh) ~~“Stein” means Michael Stein, a member of Wayland’s Audit Committee and Board of Directors during the Class Period, who resigned February 21, 2019;~~
~~“Underwriter Defendants” means Canaccord and GMP;~~
- (ii) **“Ward”** means Benjamin Allan Ward, the former Chief Executive Officer of Wayland between August 22, 2016 and August 2, 2019, and prior to this time was the CEO of CCC; and
- (jj) **“Wayland”** means Wayland Group Corp. (formerly known as Maricann Group, Inc. prior to January 7, 2019).

LIFTING OF THE STAY OF PROCEEDINGS AND LIMITATIONS PERIOD

2. On December 2, 2019, on application of Defendant Wayland, and its related entities, the Ontario Superior Court of Justice (Commercial List) granted a stay of proceedings.
3. On July 9, 2020, the Ontario Superior Court of Justice (Commercial List) lifted the stay of proceedings “solely for the limited purpose of granting the plaintiff in Court File No. CV-19-114 (“Class Plaintiff”) leave to establish the claims of the Class Plaintiff” and to enforce such claims only against (i) the Insurers and/or the Defendants named in CV-19-114 under any relevant insurance policies issued to Defendant Wayland; and (ii) Defendant Ward, and not against any present or future assets of Wayland but not Defendant Ward. ~~The stay of litigation does not apply to third parties, such as the Underwriter Defendants.~~
4. On July 15, 2020, the Ontario Superior Court of Justice (Commercial List) further clarified and ordered that any claim against Defendants Wayland and any other current or former director and officer of Wayland, excluding Defendant Ward, based in whole or

in part on any action or omission, taking place prior to April 24, 2020 in respect to Defendant Wayland (the “D&O Claims”) as reflected in CV-19-114 shall only be permitted to commence and/or continue its D&O Claim to the point of determination of liability, if any, and seeking the enforcement of any judgement solely as against any insurance policy maintained by the Defendant Wayland. On February 22, 2022, the CCAA Proceeding’s Stay of Litigation expired.

5. ~~On April 13, 2023, this Honourable Court directed another Stay of Litigation until after the parties engaged in a mediation. This mediation transpired on January 11, 2024, and the mediation period was extended to on or about February 26, 2024.~~

CAUSES OF ACTION

6. The causes of action asserted by the Plaintiffs in this proceeding are:
 - (a) Primary Market common law and statutory claims against the ~~Underwriter~~ Defendants Wayland and Mr. Ward that certified the accuracy of the relevant prospectuses for the January 9, August 10, October 1 - 3 (which is now understood to be the automatic conversion date of the August 10 offering), and 31, 2018 offerings; and
 - (b) Secondary Market common law and statutory claims, if s. 138.8 of the OSA is granted, against the Defendant Wayland and Mr. Ward, limited to the available insurance and not the assets or future assets of Wayland, ~~and~~ but against Mr. Ward’s insurance and assets.

RELIEF CLAIMED

7. The Plaintiffs claim on their own behalf and on behalf of the members of the Class, subject to further disclosures, discovery and due diligence:

- (a) An order pursuant to s. 5 of the *CPA* certifying this action as a class proceeding and appointing them as the representative plaintiffs for the Classes advancing the causes of action identified herein;
- (b) An order granting leave to pursue the statutory causes of action as set out in Part XXIII.1 of the *OSA* and the comparable provisions in the Equivalent Securities Acts;
- (c) A declaration that the Impugned Statements released by the Defendants contained misrepresentations related to the Company's business, operations and finances because the documents omitted material facts regarding the cost and timing of the expansion of Wayland's facility in Langton, Ontario, misrepresented that the expansion allegedly was fully-funded from prior public offerings, misrepresented how proceeds from each public offering conducted during the Class Period would be used, and misrepresented the amount of production the Company would be able to achieve in 2019;
- (d) Damages in a sum identified herein or, alternatively, to be determined, or such other sum as this Court finds appropriate at the trial of the common issues or at a reference or references;

- (e) An order directing a reference or giving such other directions as may be necessary to determine issues not determined in the trial of the common issues;
- (f) Prejudgment and post-judgment interest, compounded, or pursuant to ss. 128 and 129 of the *CJA*;
- (g) Costs of this action on a full indemnity scale, or in an amount that provides substantial indemnity, plus, pursuant to s. 26(9) of the *CPA*, the costs of administering the plan of distribution of the recovery in this action; and
- (h) Such further and other relief that this Honourable Court deems just.

NATURE OF THIS ACTION

8. Wayland was is a Canadian cannabis producer which at all times relevant to this action was in the process of expanding its main production facility in Langton, Ontario (i.e. the Langton Facility).

9. Wayland conducted multiple public offerings and made representations with its prospectuses that contained misrepresentations:

- (a) about how the proceeds from those public offerings would be used;
- (b) regarding when each phase of the expansion of the Langton Facility would be completed and how much each phase would cost;
- (c) that the expansion of the Langton Facility was fully-funded from prior public offerings;
- (d) that the *pro forma* output and revenues from the additional cannabis that would be produced beginning in 2019, as a result of the expansion of the Langton Facility was not reasonable when released; and,

- (e) the core documents incorporated by reference did not contain misrepresentations.

10. Despite the Company's repeated misrepresentations of material fact, Wayland subsequently released a series of public corrective disclosure statements that revealed:

- (a) the expansion of the Langton Facility was not fully-funded;
- (b) the expansion would not be completed when the Company had represented it would be and would cost more than the Company represented;
- (c) it would not achieve the production or revenue targets the Company had represented it would achieve in 2019;
- (d) it would not be able to release its annual 2018, Q1 2019, and Q2 2019 financial statements and MD&A; and,
- (e) its auditors were blaming, in part, Individual Defendant Ward's Class Period conduct for the Company's accounting problems ~~and members of the Board of negligence.~~

11. The Public Corrective Disclosures had the foreseeable effect of removing the artificial inflation in the Company's stock price that had resulted from the aforementioned misrepresentations:

- (a) October 1, 2018: Wayland released a prospectus qualifying the securities for a public offering which had previously closed on August 10, 2018. In this core document, Wayland disclosed, in contradiction to its prior statements, that its Phase One expansion would now be completed in Q1 2019, rather than during 2018. This corrective statement caused the price

- of Wayland's shares on the CSE to diminish from \$1.80 down to \$1.58, or a drop of 12.2%;
- (b) November 28, 2018: Wayland released its Q3 2018 financial statements and MD&A and disclosed, in contradiction to its prior statements, that its Phase One and Two expansions no longer had completion dates. This corrective statement caused the price of Wayland's shares on the CSE to diminish from \$1.44 down to \$1.32, or a drop of 8.3%;
- (c) February 21 and 22, 2019: Wayland released statements that its Board members Michael Stein, who was a member of Wayland's Audit Committee, and Eric Silver, who was a member of Wayland's Corporate Governance and Compensation Committee, were resigning effective immediately. This corrective statement caused the price of Wayland's shares on the CSE to diminish from \$1.17 down to \$0.98, or a drop of 16.2%; ~~and,~~
- (d) April 23, 2019: Wayland released a statement announcing that it would delay the release of its annual 2018 financial statements and MD&A. This corrective statement caused the price of Wayland's shares on the CSE to diminish from \$0.88 down to \$0.71, or a drop of 19.3%;
- (e) April 30, 2019: Wayland released a statement affirming the April 23, 2019 news and that it expected an issuance of a cease trade order; and
- (f) May 5, 2019: the final day of Wayland's securities trading on the CSE, its main stock exchange and shares closed at \$0.72; thereon after the shares dropped to \$0.00, and never traded or, otherwise resumed trading on the

CSE. Wayland's securities continued to trade on the US OTC and FSE markets after May 5, 2019.

(g) August 2, 2019: Wayland released a statement announcing the resignation of MNP as its auditor and the resignation of Individual Defendant Ward as CEO and Director.

12. Ultimately, at the close of the Class Period, Wayland had approximately 220,500,000 shares outstanding and as of May 6, 2019, these shares essentially became worthless to the members of the Class.

THE PLAINTIFF (SECONDARY MARKET CLAIMS)

13. Marko Stajic is an investor who resides in Windsor, Ontario, Canada. During the Class Period, he purchased at least 172,750 shares of Wayland listed on the CSE, with a book value of approximately \$373,362, and suffered a loss by holding those securities until after the Public Corrective Disclosures.

14. In making his decision to purchase and hold Wayland's securities, he reviewed each quarterly report MD&A and various news releases about the Langton Facility. He also voted in Wayland's annual general meeting, corresponded with the investor relations department, and ultimately held over 172,750 shares when the halt-trading order commenced. He was identified by Wayland's NOBO List as one of the top 50 investors, globally.

15. He suffered a complete financial loss and measured by s. 138.5(1)(3)(i) and (ii) of the OSA, his damages are: (a) 172,750 shares held after May 6, 2019, closing at \$0.72, which never resumed trading so the value became \$0.00; and (b) the total financial loss was \$373,362.

THE PLAINTIFFS (PRIMARY MARKET CLAIMS)

16. Mordecai Bobrowsky is an investor who resides in North York, Ontario, Canada. During the Class Period, he purchased 6,100 shares of Wayland in an October 2018 offering at a price of \$1.65, for a total price of \$10,065, from Canaccord, and suffered a loss by holding those securities until after the Public Corrective Disclosures.

17. He suffered a complete financial loss and measured by s. 130 of the OSA, his damages are: (a) 6,100 shares held after May 6, 2019, closing at \$0.72, which never resumed trading so the value became \$0.00; and (b) the total financial loss was \$10,065.

18. Kyle Yamamura is an investor who resides in Toronto, Ontario, Canada. During the Class Period, he purchased 6,900 shares of Wayland in an October 2018 offering at a price of \$1.65, for a total price of \$11,385, from Canaccord, and suffered a loss by holding those securities until after the Public Corrective Disclosures. He also purchased shares in the secondary market and suffered a 100% financial loss.

19. He suffered a complete financial loss and measured by s. 138.5(1)(3)(i) and (ii) of the OSA, his damages are: (a) 6,900 shares held after May 6, 2019, closing at \$0.72, which never resumed trading so the value became \$0.00; and (b) the total financial primary market loss was \$11,385.

THE DEFENDANTS

I. Wayland Group Corp.

20. Wayland is a company incorporated pursuant to Ontario's *Business Corporations Act*, which maintained its headquarters in Oakville, Ontario. Wayland was is a federally licensed producer and distributor of cannabis with production facilities in Canada and in Europe.

21. During the Class Period, Wayland's common shares, which ~~had~~ have a CUSIP identifier number of 944204 and the ISIN number was CA9442041062, were listed under the ticker symbol "WAYL" on the CSE, "75M" on the FSE, and "MRRCF" on the OTC Market. Wayland also issued other securities, such as Units and Warrants that could be converted to common shares.

22. At the beginning of the Class Period there were approximately 137,831,836 common shares and at the end of the Class Period there were 237,260,499 common shares outstanding and on an undiluted basis as reported by Form 7 and NOBO Lists.

23. The members of the Classes that held their shares after the final Public Correction, i.e., the halt trading that never ceased, the Class wide damages, at a minimum, are: (a) Primary Market \$37.8 million; and (b) Secondary Market \$86.7 million.

24. On December 2, 2019, Wayland filed an application for and received an order for protection pursuant to the Companies' Creditors Arrangement Act staying the within action: (a) on July 9, 2020, the stay of proceedings was lifted for this proceeding against the Insurers under any relevant insurance policies issued to Wayland; and (b) on July 15, 2020, another order was issued to clarify that this proceeding may continue against the relevant insurance policies to the point of determination of liability and enforcement of any judgment solely against any insurance policy maintained by Wayland. These limitations do not apply to Individual Defendant Ben Ward or any third-parties. These limitations also do not apply to any former director or officer that engaged in gross negligence, willful misconduct, or fraud.

II. Benjamin A. Ward

25. Benjamin Allan Ward was Wayland's President, Chief Executive Officer and a director on its board from August 22, 2016~~April 20, 2017~~, until his resignation that was announced on August 2, 2019.

26. Prior to the Class Period, Mr. Ward was a founder and CEO of CCC, which was subject to two (2) investigations relating to investment misrepresentations by the OSC. Mr. Ward was also subject of an internal investigation (Wayland with MNP) and OSC investigations relating to his conduct at Wayland.

27. He made or authorized the making of the misrepresentations that were released during the Class Period, and certified that the core documents released during the Class Period did not contain any untrue statements of material fact or omit to state any material facts.

28. Prior to, during, and after the Class Period, Mr. Ward acknowledged that Wayland lacked internal control over financial reporting for various reasons.

29. On September 3, 2019, the Statement of Claim was issued, and Mr. Ward took actions to avoid being served , and appears to have relocated from Ontario, Canada to Zug, Switzerland.

~~Canaccord is an investment bank headquartered in Vancouver, British Columbia, that served as the co-lead selling agent for Wayland's offerings pursuant to the final short form prospectuses dated October 1 and October 24, 2018.~~

30. ~~GMP is an investment bank headquartered in Toronto, Ontario, that served as the co-lead selling agent for Wayland's offerings pursuant to the final short form prospectuses dated October 1 and October 24, 2018.~~

**MATERIAL EVENTS AND DISCLOSURES:
THE TOTAL MIX OF INFORMATION**

31. On January 24, 2018, Wayland released its AIF for the year ended December 31, 2016, as well as the CEO and CFO certifications on Form 52-109F1 attesting that the 2016 AIF did not contain any misrepresentations. However, the AIF contained multiple misrepresentations about the expansion of the Langton Facility, stating in relevant part that:

- (i) Phase One of the expansion of 217,000 sq. ft., of the three phase expansion for an overall 942,000 sq. ft., which had commenced in November 2016, was progressing on schedule and within 2% of budget, with an initial production capacity to be 22,500kg annually, and was expected to be completed in Q2 2018;
- (ii) Phase Two of the expansion of 635,000 sq. ft., which had commenced in January 2018, and was expected to be completed by the end of 2018, was expected to bring an additional 70,000kg of annual production on line by the end of 2018, thus representing that Phases One and Two would add an additional 92,500kg of production to the company's existing 2,000kg/year production capability by the end of 2018; and,
- (iii) Phase Three of the expansion of 90,000 sq. ft., had commenced and was expected to add additional processing capacity.

32. ~~This document contained a misrepresentation because the Defendants' statements that they expected either purported completion date to be achieved were unreasonable when made.~~ This document contained a misrepresentation because the Defendants' statements that they expected either purported completion date to be achieved were unreasonable when made.

33. On February 28, 2018, Wayland released a news release announcing that Mr. Ward was the subject of an OSC investigation relating to activities while he was the CEO of Canadian Cannabis Corp., and that the Board of Directors had created a Special Committee and hired Osler Hoskin & Harcourt LLP (“Osler”) a Bay Street law firm to act as the alleged independent counsel to these matters. This news release, which was approved by all parties referenced therein, negligently affirmed that Mr. Ward was fit to serve as Wayland’s Chief Executive Officer.

34. This non-core document contained a misrepresentation because Wayland, its Board of Directors, and Osler had no manner to confirm or deny the allegations against Mr. Ward already acknowledged internally and from reports created by its auditor that the Company did not have good reporting over financial controls or the cost and status of the build-out of Phase 1 (CNTRL14223).

35. On March 28, 2018, Wayland released its Code of Business Conduct affirming that its officers and directors were (i) promoting honest and ethical conduct, including the handling of conflicts of interest; (ii) promoting full, fair, and accurate timely disclosure in reports provided to securities regulators, and fostering a culture of honesty and accountability. The Code of Business was approved by Wayland’s full Board of Directors.

36. On March 28, 2018, Wayland released a final short form prospectus, which the CEO, CFO and Board certified contained all material facts. Wayland represented that:

- (i) The vast majority of the net proceeds from the Offering (roughly \$30 million of \$38 million) would be used to fund Phase Two and Phase Three of the expansion, and the remaining roughly \$8 million would be used for brand development and corporate marketing initiatives and for working

capital and general corporate purposes (i.e. none of the proceeds were required to fund Phase One);

- (ii) Phase One of the expansion of the Langton Facility was already fully-funded (at p.15), and management expected the Phase One expansion to be completed during Q2 2018 (at p.15);
- (iii) Phase Two and Phase Three of the Langton Facility expansion were targeted for Q4 2018 completion, including the concrete foundations and installation of the operational equipment (at p. 15); and,
- (iv) Upon completion of the Langton Facility expansion (i.e. in Q4 2018), Wayland expected annual production capacity to be in excess of 95,000kg of cannabis per year.

37. On April 27, 2018, Wayland released its annual 2017 financial statements and MD&A, as well as the CEO and CFO certifications on Form 52-109FV1 attesting that these core documents did not contain any misrepresentations. The MD&A represented that Phase One of the Langton Facility was expected to be completed in Q2 2018 (at pp. 4 and 16). Moreover, a different page of the same MD&A stated that Phase One would be “fully completed” in Q4 2018 (at p. 9). Wayland and the members of the Audit Committee authorized the content of this core document.

38. ~~This document contained a misrepresentation because it omitted the material facts that Phase One was not fully funded and the reasons why it would not be completed during Q2 2018 or fully completed by Q4 2018, and, at a minimum, the Defendants’ statements that they expected either purported completion date to be achieved were unreasonable when made.~~ This document contained a misrepresentation because it

omitted the material facts that Phase One was not fully-funded and the reasons why it would not be completed during Q2 2018 or fully completed by Q4 2018, and, at a minimum, the Defendants' statements that they expected either purported completion date to be achieved were unreasonable when made.

39. On May 29, 2018, Wayland released its Q1 2018 financial statements and MD&A, as well as the CEO and CFO certifications on Form 52-109FV2 attesting that these core documents did not contain any misrepresentations. The MD&A represented that Phase One of the Langton Facility was expected to be completed in Q4 2018 (at pp. 4, 7 and 14). Wayland and the members of the Audit Committee authorized the content of this core document.

40. ~~This core document contained a misrepresentation because it omitted the material facts that Phase One was not fully-funded and the reasons why it would not be completed during Q2 2018, and, at a minimum, the Defendants' statements that they expected either purported completion date to be achieved were unreasonable when made.~~ This core document contained a misrepresentation because it omitted the material facts that Phase One was not fully-funded and the reasons why it would not be completed during Q2 2018, and, at a minimum, the Defendants' statements that they expected either purported completion date to be achieved were unreasonable when made.

41. On June 29, 2018, Wayland released its AIF for the year ended December 31, 2017, as well as the CEO and CFO certifications on Form 52-109F1 attesting that the 2017 AIF did not contain any misrepresentations. The 2017 AIF represented that Phase One of the Langton Facility expansion was expected to be fully completed in Q4 2018, and that Phase Two was expected to bring additional cannabis production capacity on line

in Q1 2019 (at pp. 12). Wayland and the members of the Audit Committee authorized the content of this core document.

42. This core document contained a misrepresentation because it omitted the material fact that Phase One was not fully-funded and the reasons as to why it was not completed during Q2 2018 as well as the reasons as to why Phase Two would not be completed in Q4 2018 as previously represented. Further, the Defendants' statements that they expected Phase One to be finished in Q4 2018 and Phase Two in Q1 2019 were unreasonable when made; as it was already discussed between the management of Wayland and its former auditor that the Company did not have proper management over financial reporting or the status or costs of the Phase One expansion.

43. On August 24, 2018, Wayland released its Q2 2018 financial statements and MD&A, as well as the CEO and CFO certifications on Form 52-109FV2 attesting that these core documents did not contain any misrepresentations. The MD&A represented that Phase One of the Langton Facility was expected to be fully completed in Q4 2018 (at pp. 4 and 8). Wayland and the members of the Audit Committee authorized the content of this core document.

44. ~~This core document contained a misrepresentation because it omitted the material facts that Phase One was not fully funded and the reasons as to why it was not completed during Q2 2018, and, at a minimum, the Defendants' statements that they expected either purported completion date to be achieved were unreasonable when made.~~ This core document contained a misrepresentation because it omitted the material facts that Phase One was not fully-funded and the reasons as to why it was not completed during Q2 2018,

and, at a minimum, the Defendants' statements that they expected either purported completion date to be achieved were unreasonable when made.

45. On October 1, 2018, Wayland released a final short form prospectus qualifying the exempt distribution of units distributed pursuant to its offering that had previously closed on August 10, 2018, along with the corresponding CEO and CFO certifications as well as certifications from ~~the Defendant~~ Underwriters, Canaccord and GMP, attesting that this core document did not contain any misrepresentations. This core document represented that approximately \$15.1 million of the net proceeds raised from the offering would be allocated to the Phase One expansion of the Langton Facility, which was now expected to be completed on January 30, 2019 (at pp. 19-20), and the first-part of the Phase Two expansion was now not expected to be completed until Q3 2019.

46. Individual Defendant Ward provided a certification that this core document, together with all the incorporated documents, constituted full, true and plain disclosure of all the material facts relating to the offering.

47. ~~Underwriter Defendants Canaccord and GMP provided a certification that this core document, together with all the incorporated documents, constituted full, true and plain disclosure of all the material facts relating to the offering.~~

48. This core document contained a misrepresentation because it omitted the material facts that Phase One was not fully-funded as previously represented as well as the reasons as to why it was not completed during Q2 2018 and would be even further delayed from Q4 2018 to Q1 2019, and also because it omitted to disclose why Phase Two was now being described as a two-part process and why the first part of the Phase Two expansion would not be completed until Q3 2019.

49. This core document also served as a partial public corrective disclosure as it revealed to the market that Phase One of the expansion would not be complete in Q4 2018 and Phase Two would not be bringing additional cannabis production online in Q1 2019 as previously represented. This disclosure sent Wayland's share price down 12.2%.

50. On October 15, 2018, Wayland released the preliminary short form prospectus for its Prospectus Offering which would close on October 31, 2018. In this core document under the heading "Use of Proceeds," Wayland represented that it would use roughly \$22.5 million of the expected \$47.6 million in net proceeds for Phase One of the Langton Facility expansion and that amount was all the remaining cost required to complete Phase One. This core document also indicated that Phase One of the expansion would be completed on January 30, 2019, and part one of Phase Two of the expansion would be completed in Q3 2019. This core document also represented that upon the completion of Phase One and the first part of Phase Two, Wayland would have an annual production capacity of approximately 95,000 kg of cannabis per year.

51. This core document contained a misrepresentation because it omitted the material facts that Phase One was not fully-funded as previously represented and as to why it was not completed during Q2 2018 and was being delayed to Q1 2019, and also because it omitted to disclose why Phase Two was now being described as a two-part process and why the first part of the Phase Two expansion would not be completed until Q3 2019. It additionally misrepresented that as of 2019 the Company would be able to produce 95,000 kg of cannabis per year.

52. On October 24, 2018, Wayland released the final short form prospectus for its Prospectus Offering, which would close on October 31, 2018, offering 30,350,000 units

at \$1.65 per unit, for a total of \$50,077,500. This core document repeated the representations that roughly \$22.5 million of the expected \$47.6 million in net proceeds from the Prospectus Offering would be used for Phase One of the Langton Facility expansion and that amount was all the remaining cost required to complete Phase One, that Phase One would be completed on January 30, 2019, and part one of Phase Two completed in Q3 2019, and that upon the completion of Phase One and the first part of Phase Two the Company would have an annual production capacity of approximately 95,000 kg of cannabis per year.

53. ~~Wayland's officers, including~~ Individual Defendant Ward provided a certification that this core document, together with all the incorporated documents, constituted full, true and plain disclosure of all the material facts relating to the offering.

54. ~~Defendants provided a certification that this core document, together with all the incorporated documents, constituted full, true and plain disclosure of all the material facts relating to the offering.~~ Defendants provided a certification that this core document, together with all the incorporated documents, constituted full, true and plain disclosure of all the material facts relating to the offering.

55. This core document contained a misrepresentation because it omitted the material facts that Phase One was not fully-funded as previously represented and as to why it was not completed during Q2 2018 and was being delayed to Q1 2019, and also because it omitted to disclose why Phase Two was now being described as a two-part process and why the first part of the Phase Two expansion would not be completed until Q3 2019. It additionally misrepresented that as of 2019 the Company would be able to produce 95,000 kg of cannabis per year.

56. On November 26, 2018, Wayland released its management information circular, dated November 9, 2018, for its annual and special meeting of shareholders to be held on December 20, 2018. ~~It appears to have been prepared and approved by the full board of directors.~~ This core document reported that:

- (a) To the knowledge of the Company, ~~which is the full board of directors~~, no proposed director has been subject to any other penalties or sanctions that would likely be considered important in deciding whether to vote for a proposed director;
- (b) As of November 9, 2018, there were a total of 201,002,592 common shares issued and outstanding and there would be a 3 to 1 consolidation so that there would be 67,000,864 common shares; and,
- (c) The board recognizes the importance of corporate governance to protect its shareholders and the board fulfills its mandate through the Audit Committee ~~(Messrs. Muller (Chair), Pathak, and Stein)~~, which included the Audit Committee Charter at Schedule C.

57. This core document contained a misrepresentation because it omitted the material facts that Phase One was not fully-funded as previously represented and as to why it was not completed during Q2 2018 and was being delayed to Q1 2019, and also because it omitted to disclose why Phase Two was now being described as a two-part process and why the first part of the Phase Two expansion would not be completed until Q3 2019. It additionally misrepresented that as of 2019 the Company would be able to produce 95,000 kg of cannabis per year.

58. On November 28, 2018, Wayland released its Q3 2018 financial statements and MD&A (when it increased its fully diluted number of shares to 300 million), as well as the CEO and CFO certifications on Form 52-109FV2 attesting that these core documents did not contain any misrepresentations within the meaning of the *OSA*. With respect to Phases One and Two of the expansion, this MD&A omitted the status of and completion date of both and also omitted disclosure of whether Phase One was fully-funded (after yet another Offering where it was represented they had raised well in excess of the funding requirements for Phase One). Wayland and the members of the Audit Committee authorized the content of this core document.

59. This core document contained a misrepresentation, and also served as a partial public corrective disclosure, because it revealed that its Phase One and Two expansions no longer had completion dates and it omitted the material facts that Phase One was not fully-funded and as to why it was not completed during Q2 2018 (and whether it was going to be completed in Q4 2018 as represented). This disclosure sent Wayland's share price down 8.3%.

60. On February 21 and 22, 2019, Wayland released statements that its directors Michael Stein, who was also a member of the Company's Audit Committee, and Eric Silver, who was also a member of the Company's Corporate Governance and Compensation Committee, were resigning effective immediately. Wayland and the members of the Audit Committee authorized the content of this impugned document and had to have intentionally known that they omitted the material facts as to why Messrs. Stein and Stone were resigning effective immediately.

61. This non-core document served as a partial public corrective disclosure because the rapid exodus of directors revealed that there were problems with Wayland's corporate governance, as well as containing a misrepresentation by omitting the material fact that there were material problems with Wayland's books and records. This disclosure sent Wayland's share price down 16%.

62. On April 23, 2019, Wayland released a statement that it would be forced to delay the release of its annual 2018 financial statements and MD&A and, implicitly, its Q1 2019 financial statements and MD&A. Wayland and the members of the Audit Committee (~~i.e., Muller and Pathak~~) authorized the content of this impugned document.

63. This non-core document contained a misrepresentation and served as a partial public corrective disclosure, because it further confirmed that there were problems with Wayland's corporate governance, reporting of financial matters, including that actual cost and status of the build-out Langton Facility, and omitted the material facts that were material problems with Wayland's books and records and that the individual Defendant Ward was part of the problem. ~~This disclosure sent Wayland's share price down 20%.~~

THE STORM WARNINGS: PUBLIC CORRECTIVE STATEMENTS

64. On October 1, 2018, Wayland released a prospectus qualifying the securities for a public offering which had previously closed on August 10, 2018. In this core document, Wayland disclosed, in contradiction to prior statements, that its Phase One expansion would be completed in Q1 2019. This corrective statement caused the price of Wayland's shares on the CSE to diminish from \$1.80 down to \$1.58, or a drop of 12.2%.

65. On November 28, 2018, Wayland released its Q3 2018 financial statements and MD&A and disclosed, in contradiction to prior statements, that its Phase One and Two

expansions no longer had completion dates. This corrective statement caused the price of Wayland's shares on the CSE to diminish from \$1.44 down to \$1.32, or a drop of 8.3%.

66. On February 21 and 22, 2019, Wayland released statements that its board members Michael Stein, who was a member of the Company's Audit Committee, and Eric Silver, who was a member of the Company's Corporate Governance and Compensation Committee, were resigning effective immediately. This corrective statement caused the price of Wayland's shares on the CSE to diminish from \$1.17 down to \$0.98, or a drop of 16.2%.

67. On April 23, 2019, Wayland released a statement announcing that it would delay the release of its annual 2018 financial statements and MD&A. This corrective statement caused the price of Wayland's shares on the CSE to diminish from \$0.88 down to \$0.71, or a drop of 19.3%.

68. On April 30, 2019, Wayland released a statement that it still could not release its annual 2018 financial statements and MD&A and it now expected the OSC to issue a failure-to-file cease trade order within days.

69. On May 6, 2019, the cease trade order was released prior to the market opening. Wayland's shares never traded again resulting in a total financial loss to all investors holding the shares. Shares continued to trade on the US OTC and FSE markets.

70. On August 2, 2019, Wayland released a statement that its auditor MNP LLP resigned because of the conduct of the individual Defendant Ward in respect of the audit of Wayland's annual 2018 financial statements. It was reported that auditor NVS Chartered Accountants would become the successor auditor.

71. On August 2, 2019, Wayland released a statement that the individual Defendant Ward was resigning effective immediately. Wayland has not released any further information about its former Chief Executive Officer and director, such as a material change report explaining why he resigned or any type of severance package provided to him.

72. Soon after, Defendants Wayland and Ward's conduct caused Wayland to liquidate in a proceeding under the *Companies' Creditors Arrangement Act*.

CLASSWIDE DAMAGES AND LEGAL COSTS

73. The Defendants' conduct in releasing the Impugned Documents containing material fact misrepresentations and those misrepresentations being corrected on the Public Correction Disclosure dates and the OSC issuing an order to halt all trading of Wayland's securities resulted in substantial damages to the members of the Classes.

I. The Primary Market Causes of Action

74. The Defendants are liable for primary market common law and statutory damages for the negligent misrepresentations contained within the primary market offering core documents associated with Wayland's offerings that transpired on August 10, 2018, which had an automatic conversion ~~conversion~~ component into common shares between October 1-3, 2018, and the separate offering conducted on October 31, 2018.

75. The identification of each member of the Class can be identified from Wayland's records and the records maintained by its Underwriters of the October 31, 2018 offering.

76. The identification of each member of the Class that held their shares after each Public Corrective Disclosure and halt trading can be identified from Wayland's records, the List of Shareholders and NOBO Lists. These lists will identify the total number of

shares each investor purchased and held until after each of the Public Corrective Disclosures.

77. Class wide damages for these impugned offerings are **in the amount of approximately \$37.3 million** prior to accounting for Excluded Parties.

II. The Secondary Market Causes of Action

78. The Defendants are liable for secondary market common law and statutory damages for the misrepresentations contained within the core and non-core documents released during the Class Period.

79. The identification of each member of the Class can be identified from Wayland's records and the records, including the monthly NOBO Lists.

80. The identification of each member of the Class that held their shares after each Public Corrective Disclosure and halt trading can be identified from Wayland's records, the List of Shareholders and NOBO Lists. These lists will identify the total number of shares each investor purchased and held until after each of the Public Corrective Disclosures.

81. Class wide damages for these impugned offerings are **in the amount of approximately \$86.8 million** prior to accounting for Excluded Parties.

III. Benjamin A. Ward

82. The Plaintiffs rely upon common law and s. 138.7(2) of the OSA to seek the full quantum of damages from Mr. Ward.

83. Pursuant to s. 138.11 of the OSA, the Plaintiffs also seek full indemnification and reimbursement for all disbursements and legal fees incurred.

PRE AND POST CLASS PERIOD'S MATERIAL EVENTS AND DISCLOSURES

~~84. — At least one of Wayland’s former directors raised concerns to Wayland’s board of directors and its lawyers about Wayland’s internal controls over financial reporting and its public disclosures but no person responded as reflected in records produced to date.~~

~~85. — During the Class Period, Wayland’s former auditors raised concerns to Wayland’s board of directors about Wayland’s internal controls over financial reporting.~~

~~86. — During the Class Period, the OSC raised concerns to Wayland’s board of directors about Wayland’s internal controls over financial reporting.~~

87. During the Class Period, the OSC raised concerns to Mr. Ward.

~~88. — On or about December 18, 2018, Defendant Wayland engaged Canaccord to sell assets (i.e., “Project Vulcan”); Canaccord had access to Wayland’s electronic due diligence database and access to all its executives to learn information and to take the opportunity to cure any prior published misrepresentations within the Impugned Documents but negligently or intentionally chose not to do so.~~

~~89. — Wayland retained MNP LLP’s forensic division to investigate Defendant Ward and how financials from operations did not get to the corporate office.~~

~~90. — Wayland, through McLeod and Pathak with the approval from counsel of the Special Committee, allowed European High Growth (i.e., owned by Messrs. Altman and Kirby), through Blue Ocean, to purchase Wayland’s convertible debt at favourable terms.~~

~~91. — Third parties ICC and Cryptologic announced that they would be making acquisitions of Wayland’s assets, providing capital to Wayland, but then reversed this position and cancelled after conducting their due diligence. Said due diligence databases were negligently destroyed during Wayland’s CCAA Proceeding.~~

92. — ~~On June 24, 2019, MNP LLP sent correspondence to Wayland's Audit Committee stating that the Board's management reaction to the fraud perpetrated on Wayland was negligent and that no number of audits would cure the damage.~~

93. — ~~On July 8, 2019, Muller resigned from Wayland's board of directors.~~

94. — ~~During July 2019, Wayland's board of directors and, specifically, Mr. McLeod, a former partner of Osler, hired an additional lawyer from Osler to manage the legal ramifications of MNP LLP resigning beyond the Osler lawyers that were previously representing the Special Committee of the Board.~~

95. On August 2, 2019, Wayland released a statement that its auditor MNP LLP resigned because of the conduct of the individual Defendant Ward in respect of the audit of Wayland's annual 2018 financial statements. It was reported that auditor NVS Chartered Accountants would become the successor auditor.

96. On August 2, 2019, Wayland released a statement that the individual Defendant Ward was resigning effective immediately. Wayland has not released any further information about its former Chief Executive Officer and director, such as a material change report explaining why he resigned or any type of severance package provided to him.

97. On December 2, 2019, Wayland applied for and received protection pursuant to the *Companies' Creditors Arrangement Act* and received a stay of proceedings.

98. On December 4, 2019, Wayland released a statement that its newest auditor NVS Chartered Accountants had resigned effective December 3, 2019.

99. — ~~On April 23, 2020, Mr. Pathak resigned from Wayland's board of directors.~~

~~100. During 2021, Messrs. Pathak and Kirby were appointed by Canaccord as the founders, management team, and board of directors of Canaccord's publicly traded fund identified as Canaccord Genuity G Venture Corp.~~

REAL AND SUBSTANTIAL CONNECTION WITH ONTARIO

101. The Plaintiffs plead that this action has a real and substantial connection with Ontario for the application of Ontario substantive and procedural laws to this claim on behalf of all Class Members because, among other connecting factors, Wayland was a reporting issuer in Ontario and is headquartered in the province of Ontario.

RELEVANT LEGISLATION, PLACE OF TRIAL AND JURY TRIAL

102. The Plaintiffs plead and rely upon the *CJA*, the *CPA*, the *OSA* and the Equivalent Securities Acts.

103. The Plaintiffs propose that this action be tried in the City of Toronto, in the Province of Ontario, as a proceeding under the *CPA*.

104. The Plaintiffs may serve a jury notice.

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Lawyers for the Plaintiffs

MARKO STAJIC et al.
Plaintiffs

and

WAYLAND GROUP CORP., et al.
Defendants

ONTARIO
SUPERIOR COURT OF JUSTICE
PROCEEDINGS COMMENCED AT TORONTO

THIRD FRESH AS AMENDED
STATEMENT OF CLAIM

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Lawyers for the Plaintiffs

SCHEDULE B

Court File No.: CV-21-00665194-00CP

ONTARIO
SUPERIOR COURT OF JUSTICE

B E T W E E N:

MARKO STAJIC,
MORDECAI BOBROWSKY, and KYLE YAMAMURA

Plaintiffs

and

WAYLAND GROUP CORP. and BENJAMIN ALLAN WARD

Defendants

Proceeding under the *Class Proceedings Act, 1992*

LITIGATION PLAN
CERTIFICATION AS AGAINST BENJAMIN ALLAN WARD

ARTICLE ONE: DEFINITIONS

1.01 The capitalized terms throughout this Plan have the meanings indicated within the Third Fresh as Amended Statement of Claim, issued January 15, 2026 (the “**Claim**”).

1.02 The capitalized terms throughout this Plan have the meanings indicated below:

- a. “**Action**” means the within proceeding, *Stajic, et al. v. Wayland Group Corp. and Benjamin Allan Ward*, CV-21-00665194-00CP;
- b. “**Class**” and “**Class Members**” means all persons, other than Excluded Persons, who acquired Wayland’s common shares, and other securities sold by Wayland to purchase common shares, during the Class Period and who held some or all of those common shares until after the release of at least one of the Public Corrective Disclosures;
- c. “**Class Counsel**” means Berger Montague (Canada) PC;
- d. “**Court**” means the Ontario Superior Court of Justice;
- e. “**CPA**” means the *Class Proceedings Act, 1992*, SO 1992, c 6;
- f. “**Notice**” means the notice of certification;
- g. “**Notice Program**” means the method of distributing the Notice and the ability to opt-out;
- h. “**Plan**” means this litigation plan;
- i. “**Representative Plaintiff**” means Marko Stajic;
- j. “**Ward**” means Benjamin Allan Ward;
- k. “**Wayland**” means Wayland Group Corp., formerly known as Maricann Group Corp;
- l. “**Website**” means the website located at <https://bergermontague.com/cases/wayland-group-corp/>.

ARTICLE TWO: SCOPE AND STATUS OF THE ACTION

2.01 On September 3, 2019, the Action was issued in Sarnia, Ontario. On December 2, 2019, on application of Wayland, and its related entities, Wayland commenced the CCAA Proceeding and the Ontario Superior Court of Justice (Commercial List) granted a stay of proceedings, which included this Action.

2.02 During a June 8, 2022 case management conference, the Plaintiffs requested that the Court note Wayland and Ward in default and to dispense with service on Ward. At this case management conference, the Plaintiffs' motion for leave to proceed under s. 138.8 of the *Securities Act*, RSO 1990, c S 5, was scheduled to be heard on September 12, 2022.

2.03 On June 13, 2022, this Honourable Court granted the Plaintiffs' requested relief by directing the Registrar to note Wayland in default pursuant to Rule 19.01(1); dispensing with service on Ward pursuant to Rule 16.04(1); and directing the Registrar to note Ward in default pursuant to Rule 19.01(1).

2.04 The Order noting Wayland and Ward in default and dispensing with service on Ward was signed by the Registrar on August 26, 2022.

2.05 On September 9, 2022, the Guarantee Company of North America (“GCNA”), Wayland's insurer, served a Motion Record to intervene in this action to appoint a litigation guardian, and set aside the noting of Wayland in default.

2.06 On September 20, 2022, the Statement of Claim in *Marko Stajic v Scott Langille, Gerhard Muller, Paul Pathak, Eric Silver, Michael Stein and John Does 1-3*, Ontario Superior Court of Justice File No.: CV-22-00687490-00CP (the “**Stajic Action**”) was issued.

2.07 On January 27, 2023, the Statement of Claim in *Michael Bordeleau-Tassile v Canaccord Genuity Corp and GMP Securities L.P.*, Ontario Superior Court of Justice File No.: CV-23-00693650-00CP (the “**Bordeleau-Tassile Action**”);

2.08 On April 13, 2023, this Honourable Court directed another stay of litigation across the related actions involving Wayland until after the parties engaged in mediation. This mediation transpired on January 11, 2024, and the mediation period was extended to or about February 26, 2024.

2.09 On February 9, 2024, counsel for GCNA served a second motion to intervene to appoint a Litigation Guardian and set aside the default against Wayland. Following this, the parties agreed to settle the motions and consented to the appointment of a litigation guardian for Wayland.

2.10 On April 3, 2025, the Court issued an Order appointing Glenn Smith as litigation guardian for Wayland.

2.11 On October 15, 2025, Marko Stajic, Mordecai Bobrowsky, Kyle Yamamura and Michaël Bordeleau-Tassile (the “**Settlement Plaintiffs**”) and Wayland through the Litigation Guardian, Scott Langille, Gerhard Muller, Paul Pathak, Eric Silver, Michael Stein (collectively, the “**Individual Settling Defendants**”), John Does 1-3, Canaccord Genuity Corp, and RF Securities Clearing LP (formerly known as GMP Securities L.P. (together with Canaccord Genuity Corp., the “**Underwriters**”) (collectively, the “**Settling Defendants**”) entered into a Settlement Term Sheet to settle the Wayland Action, Stajic Action and Bordeleau-Tassile Action (collectively, the “**Actions**”).

2.12 On January 22, 2026, the Settlement Plaintiffs and the Settling Defendants executed a Settlement Agreement (the “**Settlement Agreement**”).

2.13 On February 4, 2026, the Court granted a motion for, *inter alia*, consent leave to proceed of the Wayland Action and Stajic Action and certification of the Actions, for settlement purposes only, as against the Settling Defendants, approval of Notice of Settlement Approval Hearing and Notice Plan, setting a deadline for opt-outs and objections, and scheduling the settlement approval hearing for March 9, 2026.

2.14 Ward is not a party to the Settlement and the Settlement Agreement provides that the Wayland Action may proceed solely as against Ward. Ward has taken no steps to defend this action.

**ARTICLE THREE: REPORTING TO AND COMMUNICATING
WITH CLASS MEMBERS**

3.01 Since the commencement of this Action and related Actions, at the direction of the Plaintiffs, Class Counsel have communicated with members of the putative Class through their dedicated Website about these proceedings by publishing multiple news releases, and responding to numerous emails and phone calls from members of the putative Classes.

3.02 Class Counsel will communicate to members of the Class and information on the status of the Action as it continues against Ward will be posted on the Website, which will be updated regularly. Copies of some of the publicly filed Court documents, Court decisions, notices, documentation and other information relating to the action will be posted on or accessible from the Website. This will allow the Class Members, wherever they reside, to be kept informed of the status of the Action.

3.03 The Website will also contain a communication webpage feature that will permit Class Members to submit inquiries to Class Counsel, which will be sent directly to Class Counsel who will respond.

ARTICLE FOUR: LITIGATION SCHEDULE AND NOTICE PROGRAM

4.01 If this Court grants the motion for certification under s. 5 of the CPA, the Plaintiffs will:

- (a) Disseminate a copy of the Decision, Order, Notice, and Common Issue on the Website, which will have multilingual translation;
- (b) Provide direct notice to anyone who registered with Class Counsel to receive updates on the states of the Action, to the extent that Class Counsel has their email address information, or to any individual that requests a copy; and
- (c) Publish a press release through Canadian Newswire in English and French, notifying Class Members of certification;

4.02 The Certification Order will fix a date and method by which putative Class Members may exclude themselves from the Class and opt-out using an Opt-out Form.

4.03 Class Counsel will receive the Opt-Out Forms and report the names and addresses of all persons who opted out to the Court.

**ARTICLE FIVE: LITIGATION SCHEDULE FOLLOWING
DEFAULT JUDGMENT AGAINST WARD**

5.01 This Litigation Plan presumes that the Plaintiffs' motion for certification as against Ward will be successful and default judgment against Ward will be obtained.

5.02 After obtaining default judgment against Ward, the Plaintiffs will take all reasonable steps to enforce the default judgment.

5.03 The Plaintiffs may ask the Court for relief to enforcement the default judgment, including but not limited to, expanding the Mareva Injunction, examinations in aid of execution, garnishment, writ of seizure and sale of personal property, and writ of seizure and sale of land.

5.04 After the Plaintiffs have collected on the default judgment, the Plaintiffs will bring a motion for Court approval of a plan of allocation and distribution protocol, which will be substantially similar to the plan of allocation in the Settlement.

5.05 This Plan may be amended from time-to-time by directions given at case conferences or by further order of the Court.

5.06 This Plan shall be binding on all Class Members who do not opt-out in accordance with the procedure directed by the Court whether or not they make a claim under the Plan.

MARKO STAJIC et al.
Plaintiffs

and

WAYLAND GROUP CORP. et al.
Defendants

ONTARIO
SUPERIOR COURT OF JUSTICE
PROCEEDINGS COMMENCED AT TORONTO

LITIGATION PLAN
CERTIFICATION AS AGAINST BENJAMIN ALLAN WARD

BERGER MONTAGUE (CANADA) PC
330 Bay Street, Suite 505
Toronto, Ontario, M5H 2S8
Tel: (647) 576-7840

Andrew Morganti (LSO# 57895E)
amorganti@bergermontague.com

Lawyers for the Plaintiffs

SCHEDULE C

NOTICE OF CERTIFICATION AS AGAINST BENJAMIN ALLAN WARD

WAYLAND GROUP CORP SECURITIES CLASS ACTION

Read this notice carefully as it may affect your rights

This Notice is directed to all persons, other than Excluded Persons, who acquired Wayland’s common shares, and other securities sold by Wayland to purchase common shares, during the Class Period and who held some or all of those common shares until after the release of at least one of the Public Corrective Disclosures

PURPOSE OF THIS NOTICE

A class action brought on behalf of a class of investors of Wayland Group Corp. (“**Wayland**”) has been certified as against the Defendant Benjamin Allan Ward (“**Ward**”). This Notice provides Class Members with information about the Action.

THIS ACTION

This Notice provides Class Members with information about the action: *Marco Stajic, Mordecai Bobrowsky and Kyle Yamamura v. Wayland Group Corp. and Benjamin Ward*, Court File No. CV-21-00665194-00CP (the “**Wayland Action**”), as against Benjamin Allan Ward.

THE RELATED ACTIONS

On March 9, 2026, the Ontario Superior Court of Justice approved a Settlement in three related securities class actions: (i) the Wayland Action (excluding Ward); (ii) *Marko Stajic v. Scott Langille, Gerhard Muller, Paul Pathak, Eric Silver, Michael Stein and John Does 1-3*, Court File No. CV-22-00687490-00CP (the “**Stajic Action**”); and (iii) *Michaël Bordeleau-Tassile v. Canaccord Genuity Corp., and GMP Securities L.P.*, Court File No. CV-23-00693650-00CP (the “**Bordeleau-Tassile Action**”), collectively, the “**Actions**”).

The Settlement does not include Ward. Berger Montague (Canada) PC (“**Class Counsel**”) represents the proposed Class in all three Actions.

Copies of the Settlement Agreement and Statements of Claims for each of the Actions, as well as other legal documents associated with the Actions, can be found at: www.bergermontague.com/cases/wayland-group-corp.

THE CERTIFICATION ORDER

On [DATE], the Honourable Justice Morgan of the Ontario Superior Court of Justice certified the Wayland Action as a class proceeding against Benjamin Allan Ward and appointed Marko Stajic as the representative plaintiff.

The Class Action has been certified against Ward on behalf of the Class, defined as:

“All persons, other than Excluded Persons, who acquired Wayland’s common shares, and other securities sold by Wayland to purchase common shares, during the Class Period and who held some or all of those common shares until after the release of at least one of the Public Corrective Disclosures.”

In the above Class Definition:

“**Public Corrective Disclosures**” means the material facts released to the market on: April 23, 2019, May 6, 2019 and August 2, 2019.

“**Class Period**” means the period of December 13, 2017 to August 2, 2019.

“**Excluded Persons**” means:

- (i) Wayland's executives, and their family members and any entities that they owned a financial interest in which made investments in Wayland;
- (ii) Benjamin Ward, his family members and business associates, and any entity that he or family member owned which had a financial interest in Wayland;
- (iii) Yoel Altman, Jeffrey Ayott, Roger Daher, David Danzinger, Andre DeFrancesco, John Esteireiro, John Fitzgerald, Errol Gordon, Peter Kirby, Paul Leggett, Craig Bridgman and their business and family's investment companies;
- (iv) all the entities identified within Wayland's news release dated January 31, 2019;
- (v) any person that received Wayland's securities from the acquisitions of Colma Pharmaceutical SAS, Haxxon AG, Nanoleaf Technologies Inc., Proimaging AG, and Theros Pharma Ltd; and
- (vi) Alpha Blue Ocean, Inc., DEMECAN Holdings GmbH, European High Growth Opportunities Securitization Fund, Grandhill Capital Inc., INEG Holdings UG, Proimaging AG, and their related companies and investments.

WHAT CERTIFICATION MEANS

The Certification Order means that the claims may proceed to pre-trial discovery and may eventually advance to trial as a class action on behalf of all Class Members for damages arising out of alleged misrepresentations.

Certification is a procedural step that defines the form of the litigation and the common issues to be resolved, allowing the litigation to be pursued on behalf of the Class.

OPT-OUTS

Class Members are automatically included in a class action once certified, and you do not need to do anything at this time if you wish to participate in this Class Action. You are welcome, however, to contact Class Counsel to ask questions without charge.

Class Members who wish to pursue their own action or who do not want to be bound by the outcome of the Class Action **MUST OPT-OUT of the Class Action.**

All Class Members will be bound by all orders and judgments of the Court and any settlement reached unless they opt-out of the action. If you wish to pursue your own action or do not want to be bound by the outcome of the Class Action, you then must opt-out of this Class Action and act prior to the expiration of the limitation periods.

Class Members may opt-out from the Class by submitting an Opt-Out Form in writing, by prepaid mail or email to Berger Montague (Canada) PC, 330 Bay Street, Suite 505, Toronto, Ontario, M5H 2S8, Email: canadainfo@bergermontague.com Attention: Waylan Class Action.

An Opt-Out can be submitted in English or French and must include the following information:

- a) the Class Member's full name;
- b) current mailing address;
- c) telephone number; and,
- d) email address (as may be available).

If you opt-out of the Class, you will not be eligible to participate in the Wayland Action against Ward.

OPT-OUTS MUST BE RECEIVED ON OR BEFORE ●, 2026 AT 5:00PM E.S.T.

QUESTIONS

Questions for the Class Members' lawyers may be directed to Class Counsel:
330 Bay Street, Suite 505
Toronto, ON M5H 2S8
Tel: 647.576.7840

Email: canadainfo@bergermontague.com

This notice has been approved by the Court. Questions about matters in this notice should be directed to Berger Montague (Canada) PC and NOT directed to the Court.

SCHEDULE D

OPT-OUT FORM

This is NOT a claim form. Completing this OPT-OUT FORM will **exclude you from the lawsuit and you will not receive any compensation arising out of any settlement or judgement in the class proceeding.**

To:

Berger Montague (Canada) PC
330 Bay Street, Suite 505
Toronto, ON M5H 2S8
Email: canadainfo@bergermontague.com

I understand that by opting-out of this certified class proceeding, I am confirming that I do not wish to participate in the *Marko Stajic, Mordecai Bobrowsky, and Kyle Yamamura v Wayland Group Corp. and Benjamin Allan Ward*, Court File No.: CV-21-00665194-00CP securities class proceeding as against Benjamin Allan Ward.

I understand that any individual action must be commenced within a specified limitation period or it will be legally barred.

I understand that certification of this class proceeding suspended the running of the limitation period from the time the class proceeding was filed. The limitation period will resume running against me if I opt-out of this class proceeding.

I understand that by opting-out, I take full responsibility for the resumption of the running of any relevant limitation period and for taking all necessary legal steps to protect any claim I may have.

Optional: Reason for Opting-Out: Please explain your reason(s) for opting-out.

Trading Information: To the extent known, please specify in the space below the number of common shares purchased from December 13, 2017 to August 2, 2019.

Date _____

Signature of Witness
Name:

Signature
Name:

Print Name

Print Name

If opting out on behalf of a corporation, by signing you acknowledge that you are an authorized signing officer.

Name of Corporation:

Telephone: _____

Email: _____

Address: _____

Note: To opt-out, this form must be properly completed and postmarked if sent by mail, or received at the above address if sent by e-mail or courier, no later than [DATE].

MARKO STAJIC et al.
Plaintiffs

and

WAYLAND GROUP CORP. et al.
Defendants

ONTARIO
SUPERIOR COURT OF JUSTICE
PROCEEDINGS COMMENCED AT TORONTO

ORDER

BERGER MONTAGUE (CANADA) PC
330 Bay Street, Suite 505
Toronto, Ontario, M5H 2S8
Tel: (647) 576-7840

Andrew Morganti (LSO# 57895E)
amorganti@bergermontague.com

Lawyers for the Plaintiffs