

# Cannabis

## SUMMARY

BLG is committed to helping its clients effectively and responsibly navigate Canada's move from prohibition to regulation of cannabis. Our commitment is mirrored by our attention to the rapidly evolving cannabis industry, which is uniquely regulated federally across Canada, locally within provinces and municipalities, and in jurisdictions beyond our borders.

BLG's multi-disciplinary cannabis industry focus group is at the forefront of Canadian legal service providers. We provide first-in-class corporate, securities, regulatory, advertising, privacy, technology, tax, intellectual property, commercial real estate, employment and litigation counsel. BLG is continuously involved in corporate transactions and advisory services across all cannabis industry subsections.

## PUBLICATIONS & PRESENTATIONS

### Publications & Presentations

- Quoted, "[How to prevent pot in the factory now that marijuana is legal](#)", *Automotive News Canada*, November 2018
- Quoted, "[Pot industry players weigh benefits of cross-border travel after latest U.S. statement](#)," *CTV News*, October 2018.
- Authored, "[Up in smoke: A primer on cannabis taxation in Canada](#)," *The Lawyer's Daily*, October 2018
- Quoted, "[RCMP launches online training course for police on cannabis legislation](#)," *The Lawyer's Daily*, August 2018
- Quoted, "[Technology and cannabis branding: The 'Entourage Effect'](#)," *The Lawyer's Daily*, May 2018
- Authored, "[Defining a cannabis industry niche through branding](#)," *The Lawyer's Daily*, May 2018
- Quoted, "[Vegetative growth: The medical foundation of the Canadian cannabis industry](#)," *The Lawyer's Daily*, April 2018
- Quoted, "['Cannabis fever' may pose legal risk to businesses in 2018](#)," *Canadian Lawyer Magazine*, January 2018.
- Presented, "[Cannabis in Canada](#)," *MAPLE Winter Event: Orange County*, December 2017.
- Quoted, "[Firms identify areas most impacted by cannabis legalization in 2018](#)," *The Lawyer's Daily*, December 2017.
- Authored, "[Sin tax on cannabis disproportionately hurts medical users](#)," *The Lawyer's Daily*, December, 2017.
- Quoted, "[TSX warns Canadian cannabis companies to cut U.S. ties](#)," *Business in Vancouver*, October, 2017.
- Quoted, "[TSX warning to cannabis companies give investors jitters](#)," *Business in Vancouver*, October, 2017.
- Authored, "[Cannabis Oil: Heavy on Relief, Light on Cultural Baggage](#)," *The Lawyers Daily*, July, 2017.

- Quoted, "[The Major Hurdles Facing the Marijuana Market](#)," *CTV News*, June, 2017.
- Authored, "[Rocky Mountain high: investing in the Canadian cannabis market](#)," *The Lawyers Daily*, May, 2017.
- Quoted, "[Cannabis and patents 101](#)," *Lift News*, April, 2017.
- Quoted, "[Legalization of marijuana could be boon for lawyers in many practice areas](#)," *The Lawyer's Daily*, March, 2017.
- Interviewed, "[The Major Hurdles Facing the Marijuana Market](#)," *Business News Network*, January, 2017.

### Client Bulletins

- "[Possible Changes to Long-term Care Home Regulations Regarding Cannabis](#)," November 2018.
- "[Legalization of Cannabis in Canada and Vessel Operation](#)," October 2018.
- "[Legalization of Cannabis — What Employers Should Know](#)," October 2018.
- "[Weeding Out Compliance Issues: The Dos and Don'ts of Marketing Cannabis and Cannabis Products under Canada's New Cannabis Act](#)," October 2018.
- "[Weed Control: A Municipality's Role in the Legalization of Recreational Cannabis](#)," October 2018.
- "[Ontario Government Proposes to Allow Cannabis Smoking and Vaping in Public Places](#)," October 2018.
- "[Recent Changes to Path to Cannabis Legalization](#)," September 2018.
- "[Homegrown: The Emerging Cannabis Market in Canada](#)," September 2018.
- "[Cannabis: Transitional Period Granted to Prohibit Smoking under Leases](#)," September 2018.
- "BLG Podcast," July 2018.
- "[Cannabis – An Industry Based on an Ingredient](#)," July 2018.
- "[Legislated Drug Testing in the Workplace](#)," July 2018.
- "[Ten Things to Know Now That Recreational Cannabis Will Be Legal in Canada](#)," July 2018.
- "[The New Provincial Government has Postponed the Implementation of the SFOA Indefinitely](#)," June 2018.
- "[Senate Passes Historic Cannabis Legislation Putting End to 95 Year Prohibition](#)," June 2018.
- "[Canada's Historic Bill C-45 Breaks Ground for the Cannabis Industry](#)," June 2018.
- "[Senate passes Cannabis Act, but legal cannabis not a reality yet](#)," June 2018.
- "[Life Signs — Life Sciences Legal Trends in Canada](#)," June 2018.
- "[BLG Releases Fifth Life Sciences Legal Trends Report](#)," June 2018.
- "[Securities Commissions Provide Guidance on New Take-Over Bid Regime](#)," March 2018.
- "[Cannabis Legalization Likely Delayed to End of Summer 2018](#)," March 2018.
- "[Top 10 Legal Risks for Business in 2018](#)," January 2018.

- "[Federal Proposals for Cannabis Tax Released for Public Consultation](#)," November 2017.
- "[A Tale of Two Cannabis Markets](#)," November 2017.
- "[Ontario Government Introduces Cannabis Legislation](#)," November 2017.
- "[Canadian Securities Regulatory Authorities Clear the Air on Cannabis-Related Business Activities in the United States](#)," October 2017.
- "[New Regime For Marijuana Will Impact Canadian Schools](#)," June 2017.
- "[The Fall of the Green Wall: Legalizing Cannabis in Canada](#)," April 2017.
- "[Federal Budget 2017 — A Focus on Innovation and Tax Fairness for the Middle Class](#)," March 2017.
- "[What the Report of the Federal Task Force on Cannabis Legalization and Regulation Means for Employers](#)," February 2017.
- "[Cannabis Report Recommendations Would Delay Legalization to 2018 or 2019](#)," January 2017.
- "[2017: Looking Ahead](#)," January 2017.
- "[Top 10 Legal Risks for Business in 2017](#)," January 2017.
- "[Intellectual Property Weekly Abstracts Bulletin — Week of September 5](#)," September 2016.
- "[ACMPR: Same as it Ever Was — With More Options for Patients and Licensed Producers](#)," August 2016.
- "[Guidance for Health Care Organizations on the new Cannabis Regulations](#)," August 2016.
- "[New Medical Marijuana Regulations Send the MMPR Up in Smoke](#)," August 2016.
- "[Ontario Introduces New Second Hand Smoking Legislation Targeting Marijuana](#)," May 2016.

## REPRESENTATIVE WORK

### Corporate and Securities Transactions

BLG has advised in respect of brokered and non-brokered debt and equity financing, mergers and acquisitions, initial public offerings and other going-public transactions. Recent experience includes acting as counsel in respect of:

- CanniMed Therapeutics Inc., in its contest for control with Aurora Cannabis, including hearings before the Ontario and Saskatchewan securities commissions, and favourable resolution; its proposed and abandoned acquisition of Newstrike Resources Ltd., by way of a share exchange and its prior \$60 million initial public offering. CanniMed was only the second medical cannabis company to list on the TSX, and its IPO was one of only three IPO's on the TSX in 2016.
- Sunniva Inc., in connection with its initial public offering and listing of its shares on the Canadian Securities Exchange, and, prior to the IPO, its three acquisitions and a series of private placement financings with an aggregate value of approximately \$40 million.

- The agents, in connection with a \$125 million offering of subscription receipts of MedMen Enterprises Inc., in connection with its listing on the Canadian Securities Exchange by way of a reverse take-over.
- Terra Life Sciences, a company involved in R&D of innovative cannabis-derived medical products, in connection with a \$46 million private placement of convertible debentures.
- The agents, in connection with a \$10.5 million private placement of convertible debentures by Cardiol Therapeutics Inc., a nanotherapeutics company developing proprietary formulations designed to deliver cannabinoids and other drugs.
- Brassneck Capital Corp., in connection with its IPO on the TSX Venture Exchange, by way of a reverse take-over by National Access Cannabis Corp.
- The underwriters, in connection with the \$52 million bought deal offering of common shares of Nuuvera Inc.
- The agents, in connection with a \$19 million offering of subscription receipts of a Canadian-based licensed producer that also holds licenses for the production, processing and wholesale distribution of cannabis in the U.S., in connection with its upcoming listing on the Canadian Securities Exchange by way of a reverse take-over.
- The underwriters, in connection with multiple public offerings and bought deals of shares of Aphria Inc., a licensed producer, raising aggregate proceeds of approximately \$670 million.
- The underwriter, in connection with a \$14 million bought deal offering of units of InMed Pharmaceuticals, Inc., a biopharmaceutical company specializing in the R&D of cannabinoid-based prescription drug therapies.
- The underwriters, in connection with the \$27 and \$17 million bought deal offerings of shares of Emerald Health Therapeutics Inc., a licensed producer.
- Maple Leaf Green World Inc., a Canadian licensed producer with operations in Nevada, in connection with its \$7.3 million private placement
- The agents, in connection with the \$10 million private placement of subscription receipts of CannaRoyalty Corp. in connection with CannaRoyalty's three-cornered amalgamation with Cannabis Royalties & Holdings Corp. CannaRoyalty is a royalty company providing financing for companies in the cannabis ecosystem.
- The agents, in connection with a series of private placements of shares of Lexaria Bioscience Corp., with an aggregate value of approximately \$5 million.
- The agents, in connection with the \$35 million private placement of subscription receipts of DFMMJ Investments Inc. in connection with DFMMJ's three-cornered amalgamation with SecureCom Corp. DFMMJ, doing business as "Aphria USA", is a licensed producer in Florida.
- Green Relief Inc., in connection with its \$20 million private placement of convertible debentures.

### Ongoing Advisory

BLG's cannabis industry focus group has breadth and depth of experience in advising a variety of industry participants, both domestic and foreign, in relation to operating within the Canadian medical cannabis market and the adult use market. Recent and ongoing examples include:

- Advising entities at all stages of ACMPR license applications, including corporate, securities, regulatory, tax, intellectual property, commercial real estate, employment and litigation counsel;

- Advising international pharmaceutical companies in relation to cannabis supply, regulatory compliance, intellectual property and dosage forms;
- Advising a national pharmacy chain in relation to cannabis supply, regulatory compliance, intellectual property, e-commerce and new product categories;
- Advising a payment processor in respect of working with LPs;
- Advising a natural health products company in relation to ACMPR licensing and intellectual property;
- Advising a food company in relation to the ACMPR, the NCR, and other aspects of positioning itself for sale of infused foods and beverages when those products are regulated for sale;
- Advising multiple technology companies (domestic and foreign), including NCR licensed dealers and ACMPR applicants, in relation to:
  - wholesale cannabis supply agreements;
  - scope of activities under ACMPR licenses, NCR licenses, and *Marihuana Medical Access Regulations* licenses extended by *R v Allard*;
  - importation and exportation of cannabis under the ACMPR and the NCR;
  - intellectual property licensing;
  - patent rights, including drafting and filing patent applications in relation to biotechnology and dosage forms;
  - plant breeder's rights and trade secrets;
  - the scope of wares and services that may be included in trademark applications to position for adult use and for product diversity;
- Drafting website terms and conditions, drafting a privacy policy, and advising in relation to advertising for LPs and social media companies;
- Advising an assisted living facility in relation to the scope of practice of nurses outside of hospitals, and in relation to a post-Cannabis Act adult use policy;
- Immigrating skilled individuals to Canada for work in the cannabis industry; and
- Advising in respect of employment law matters and employee drug testing.