



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

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FILE NOS.: 2017-71
2017-73
2017-74

**IN THE MATTER OF
AURORA CANNABIS INC.**

– and –

**IN THE MATTER OF
CANNIMED THERAPEUTICS INC.**

– and –

**IN THE MATTER OF
THE SPECIAL COMMITTEE OF THE BOARD OF
DIRECTORS OF CANNIMED THERAPEUTICS INC.**

D. Grant Vingoe, Vice-Chair and Chair of the Panel
Timothy Moseley, Vice-Chair
Frances Kordyback, Commissioner

December 22, 2017

ORDER

(Sections 104 and 127 of the
Securities Act, RSO 1990, c S.5)

WHEREAS on December 20 and 21, 2017, the Ontario Securities Commission (the “**Commission**”) held a hearing in conjunction with the Financial and Consumer Affairs Authority of Saskatchewan (the “**FCAAS**”) in the following three Applications:

- i) the Application filed by Aurora Cannabis Inc. (“**Aurora**”), dated December 4, 2017, File No. 2017-71 (the “**Aurora Application**”), in respect of a request for (i) an order granting exemptive relief from the requirements set forth in section 2.28.1 of National Instrument 62-104 *Take-Over Bids and Issuer Bids* (“**NI 62-104**”), and (ii) an order to cease trade the shareholder rights plan between CanniMed Therapeutics Inc. (“**CanniMed**”) and Computershare Investor Services Inc., dated November 28, 2017 (the “**Shareholder Rights Plan**”);
- ii) the Amended Application filed by the Special Committee of the Board of Directors of CanniMed (the “**Special Committee**”), dated December 11, 2017, File No. 2017-73 (the “**CanniMed Special Committee Application**”), in respect of a request for an order that, along with related relief, Aurora, SaskWorks Venture Fund Inc., Apex Investments Limited Partnership, Golden Opportunities Fund Inc., and Vantage Asset Management Inc. are deemed to be joint actors, as defined in Multilateral Instrument 61-101 *Protection of Minority Shareholders in Special Transactions* (“**MI 61-101**”), and are acting jointly or in

concert in connection with Aurora's unsolicited take-over bid to acquire all of the issued and outstanding common shares in the capital of CanniMed, pursuant to Aurora's take-over bid circular, dated November 24, 2017 (the "**Aurora Offer**"); and

- iii) the Amended Application filed by CanniMed, dated December 11, 2017, File No. 2017-74 (the "**CanniMed Application**"), in respect of a request for an order that the exemption created by section 2.2(3) of NI 62-104 to the restrictions on purchases during a take-over bid found in section 2.2(1) of NI 62-104 shall not apply to Aurora until (i) March 9, 2018, or (ii) if the Commission grants the relief sought in the CanniMed Special Committee Application, then 105 days after the date upon which a take-over bid circular that complies with insider bid rules is delivered to CanniMed's shareholders;

ON HEARING the submissions of the representatives for Aurora, CanniMed, the Special Committee, Staff of the Commission and Staff of the FCAAS and on reading the application materials and written submissions filed by the parties;

With Reasons to follow;

IT IS ORDERED THAT:

1. Pursuant to paragraph 2 of subsection 127(1) of the *Securities Act*, RSO 1990, c S.5 (the "**Act**"), and in accordance with the guidance in National Policy 62-202 – *Take-Over Bids – Defensive Tactics*, all trading shall cease in respect of any securities issued, or that are proposed to be issued, in connection with the Shareholder Rights Plan;
2. pursuant to clause 104(1)(b) and paragraph 5 of subsection 127(1) of the Act, Aurora shall, on or before January 12, 2018:
 - a. with respect to its news releases dated November 14, 2017, and November 20, 2017, relating to the Aurora Offer, and after making inquiries of Aurora's relevant agents, affiliates and advisors, amend those news releases as necessary so that they include the following information:
 - i. the circumstances under which, and the means by which, Aurora became aware that the board of CanniMed would be meeting on November 13, 2017 to, among other things, consider for approval an arrangement agreement entered into between CanniMed and Newstrike Resources Limited, which information the Commission has determined would reasonably be expected to affect the decision of CanniMed's shareholders to accept or reject the Aurora Offer;
 - ii. any other information that was:
 1. obtained directly or indirectly by Aurora from any person who is, or was at the relevant time, in a special relationship with CanniMed (by reference to the definition in subsection 76(5) of the Act); and
 2. material to Aurora in structuring, determining the timing of, delivering or implementing the Aurora Offer; and
 - iii. any other information within Aurora's knowledge that would reasonably be expected to affect the decision of the security holders of CanniMed to accept or reject the offer made by the Aurora Offer;
 - b. issue and file the amended news releases;
 - c. amend the take-over bid circular issued by Aurora on November 24, 2017, in connection with the Aurora Offer, by means of a Notice of Change, and in the same manner as described above in subparagraph (2)(a) for the news releases; and

- d. distribute the Notice of Change to every person to whom the Aurora Offer circular was required to be sent, and in the manner required by Ontario securities law applicable to the filing and delivery of take-over bid circulars;
3. The exemptive relief sought in the Aurora Application regarding the requirements set forth in section 2.28.1 of NI 62-104 is denied;
4. The relief sought in the CanniMed Special Committee Application is denied;
5. The relief sought in the CanniMed Application is denied; and
6. Pursuant to clause 9(1)(b) of the *Statutory Powers Procedure Act*, RSO 1990, c S.22, and Rule 22(3) of Commission's *Rules of Procedure and Forms* (2017), 40 OSCB 8988, the following filed documents are confidential:
 - a. In Exhibit 4, Tabs "10" and "11" of the Affidavit of John Knowles sworn December 15, 2017;
 - b. In Exhibit 4, Tab "6" of the Affidavit of Jeffrey Fallows sworn December 15, 2017; and
 - c. In Exhibit 5, Tabs "7" and "8" of the Affidavit of Richard Hoyt sworn December 14, 2017.

"D. Grant Vingoe"

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"Timothy Moseley"

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"Frances Kordyback"

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