

April 27, 2020

British Columbia Securities Commission
701 West Georgia Street
P.O. Box 10142, Pacific Centre
Vancouver, BC V7Y 1L2

Frank Y. Sur
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File no. A159125

Dear Sir/Madam:

Re: Decision of the Board of Directors of the Canadian Securities Exchange (the "CSE") in the Matter of Citation Growth Corp. ("Citation") and Darrell Donald Osadchuk ("Osadchuk")

We are legal counsel to Osadchuk and on his behalf make an application for an appeal under Section 28(1) of the *Securities Act* (British Columbia) (the "**Act**") of the written decision of the hearing panel of the board of directors of the CSE (the "**Hearing Panel**") dated March 17, 2020 whereby the Hearing Panel determined that Osadchuk is not suitable to act as a director or officer of Citation pursuant to section 3.3 of CSE Policy 4 (the "**Decision**").

Citation is a reporting issuer in British Columbia and its head and registered office are located in British Columbia. We therefore request that the British Columbia Securities Commission (the "**Commission**") be the principal regulator for this application.

We have been advised that this is a time-sensitive matter due to the amount of time that has passed from the initial oral decision of the Hearing Panel provided on November 14, 2019 and receipt of the Decision. Accordingly, we request this application be heard by the Commission during the week of May 4, 2020 and propose Wednesday, May 6, 2020.

Order Sought

1. On behalf of Osadchuk, and with the consent of Citation, we are seeking an order from the Commission to overturn the Decision.

Background

2. On May 10, 2019, the listings committee of the CSE (the "**Listings Committee**") made a unanimous determination that Osadchuk would not be suitable for the purpose of acting as a director or officer of a CSE listed issuer (specifically, of Citation). The Listings Committee relied on the Investment Dealers Association of Canada ("**IDA**") Reasons for Decision dated November 27, 2005 and the Settlement Agreement between the IDA and Osadchuk accepted by the IDA Hearing Panel on November 21, 2005 (collectively, the "**IDA Ruling**").
3. On October 29, 2019, Osadchuk requested that the Listings Committee reconsider its determination, with a notice of intention to appeal if the Listings Committee did not reverse its earlier determination.

On October 30, 2019, the Listing Committee reconsidered but did not overturn its earlier determination.

4. In his request for the Hearing Panel to reconsider the initial decision of the Listings Committee, Osadchuk submitted to the Hearing Panel that:
 - a. Osadchuk is a significant investor in Citation (Osadchuk has invested approximately \$1.4 million representing approximately six million common shares in the capital of Citation or 5% of the issued and outstanding Citation common shares);
 - b. Osadchuk has been instrumental in supporting investor relations for Citation;
 - c. Osadchuk has coordinated investments in Citation made by several of his family members and friends;
 - d. Osadchuk has business development experience and operational experience of running other companies;
 - e. the chief executive officer of Citation at the applicable time (Rahim Mohamed) indicated that Osadchuk has been instrumental to Citation and assisted with shareholders as the cannabis sector experienced reduced share prices; and
 - f. Osadchuk noted that the IDA Ruling was issued over 18 years ago and suggested that the actions by Osadchuk post-IDA Ruling do not support a finding that he would not be suitable to act as a director or officer of a CSE listed issuer.

(collectively the "**Prior Submissions**")

5. On November 14, 2019, the Hearing Panel heard the appeal by Osadchuk of the decision of the Listings Committee and provided its oral decision confirming the prior decision of the Listings Committee and denying the appeal. On March 17, 2020, the Hearing Panel issued the Decision.

Osadchuk's Submissions

6. In addition to the Prior Submissions, Osadchuk submits that
 - a. Citation has relied on Osadchuk to lead the search for the new President, Chief Executive Officer and Chief Financial Officer of Citation following the resignation of Nilda Rivera as Chief Financial Officer effective November 30, 2019, and the resignation of Rahim Mohamed on February 12, 2020 as President, Interim Chief Executive Officer and Interim Chief Financial Officer;
 - b. the friends and family of Osadchuk that have invested in Citation represent greater than 20% of the issued and outstanding common shares in the capital of Citation;
 - c. Osadchuk has the requisite experience in restructuring companies that Citation needs at this time to successfully emerge from the current difficult time it is experiencing; and

- d. Osadchuk has deep institutional knowledge of Citation that is invaluable to management and the board of directors of Citation following the departures of key executive officers.
- 7. Osadchuk submits that, for each of the foregoing reasons, it is in the best interests of Citation, its investors and stakeholders to allow Citation to formally appoint Osadchuk as a director and therefore Osadchuk respectfully requests that the Commission reconsider the Decision, in light of the Prior Submissions and the above additional submissions, and confirm that Osadchuk be entitled to serve as a director and officer of Citation and of a CSE listed issuer generally.

Additional Submissions and Supporting Documents

- 8. In support of this appeal application, Osadchuk will refer to the Decision and the written materials considered by the Hearing Panel attached to the Decision, specifically:
 - a. a memorandum to the Board from J. Anderson to the Board dated November 12, 2019;
 - b. the written decision of the Hearing Panel of the Investment Dealers Association of Canada re: Darrell Donald Osadchuk;
 - c. a letter from F. Sur to J. Anderson dated October 29, 2019;
 - d. a letter from J. Anderson to F. Sur dated October 31, 2019; and
 - e. extracts from the CSE Policies.

Sincerely,

Gowling WLG (Canada) LLP

"Frank Y. Sur" (signed)

Frank Y. Sur

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Encls.