

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

**ANSON ADVISORS INC., ANSON FUNDS MANAGEMENT LP,
ANSON INVESTMENTS MASTER FUND LP and MOEZ KASSAM**

Plaintiffs

- and -

**JAMES STAFFORD, ANDREW RUDENSKY, ROBERT LEE DOXTATOR,
JACOB DOXTATOR, JOHN DOE 1, JOHN DOE 2, JOHN DOE 3,
JOHN DOE 4 and OTHER PERSONS UNKNOWN**

Defendants

AND BETWEEN:

ROBERT LEE DOXTATOR

Plaintiff by Counterclaim

- and –

**ANSON ADVISORS INC., ANSON FUNDS MANAGEMENT LP,
ANSON INVESTMENTS MASTER FUND LP, MOEZ KASSAM
and ALLEN SPEKTOR**

Defendants by Counterclaim

**RESPONDING RECORD OF ANDREW RUDENSKY
(UNDERTAKINGS MOTION RETURNABLE MAY 7, 2024)**

April 25, 2024

BLANEY MCMURTRY LLP

Barristers and Solicitors
2 Queen Street East, Suite 1500
Toronto ON M5C 3G5

John Polyzogopoulos (LSO #43150V)

Tel: (416) 593-2953

jpolyzogopoulos@blaney.com

Steven Kelly (LSO #87293B)

Tel: (416) 593-3904

skelly@blaney.com

Lawyers for the defendant, Andrew
Rudensky

TO: BENNETT JONES LLP

Barristers and Solicitors
37th Floor – 155 Wellington Street West
Toronto, ON M5V 3J7

Robert W. Staley (LSO #27115J)

Tel: (416) 863-1200

staleyr@bennettjones.com

Douglas A. Fenton (LSO #75001I)

Tel: (416) 863-1200

fentond@bennettjones.com

Dylan H. Yegendorf (LSO #85016M)

Tel: (416) 863-1200

yegendorfd@bennettjones.com

Lawyers for the plaintiffs/defendants by counterclaim\

TO: ROBERT LEE DOXTATOR

238 Ridge Road
Tyendinaga Mohawk Territory, ON K0K 1X0

harvestmoonresearch@gmail.com

TO: KIM SPENCER McPHEE
Barristers and Solicitors
Suite 1203 – 1200 Bay Street
Toronto, ON M5P 2A5

Won J. Kim
Tel: (416) 349-6570
wjk@complexlaw.ca

Megan B. McPhee
Tel: (416) 349-6574
mbm@complexlaw.ca

Lawyers for the defendants, James Stafford and Jacob Doxtator

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TAB A

Court File No. CV-22-00653410-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

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ALLEN SPEKTOR**

Defendants by Counterclaim

AFFIDAVIT OF JANIS BALVERS

I, **JANIS BALVERS**, of the Town of Ajax, in the Regional Municipality of Durham,

MAKE OATH AND SAY AS FOLLOWS:

1. I am a legal assistant with the law firm, Blaney McMurtry LLP, lawyers for the defendant Andrew Rudensky ("**Rudensky**"), in this matter. I have been involved with this matter since the firm was retained, and as such, have knowledge of the matters to which I hereinafter depose. The partner, John Polyzogopoulos, has been the lawyer with carriage of this file.

2. Where the information in this affidavit is based upon information and belief, I have indicated the source of my information and belief and do verily believe it to be true.

3. To the extent that any information set out in this affidavit is based on my review of documents, I verily believe the information in such documents to be true.

Evidence Produced as a Result of the Discovery Process

4. Attached hereto and marked as **Exhibit "1"** to this affidavit is the recording of a telephone call from the Plaintiff, Moez Kassam, which occurred on September 30, 2021, and was produced by the Plaintiffs on March 11, 2024 (the "**Kassam Call**").

5. Attached hereto and marked as **Exhibit "2"** to this affidavit is a copy of an unofficial transcript of the Kassam Call produced by Rudensky's counsel.

6. Attached hereto and marked as **Exhibit "3"** to this affidavit is a copy of the Answers to Undertakings, Under Advisements, and Refusals, produced by Rudensky and served on the Plaintiffs on April 3, 2024.

7. I make this affidavit for no other or improper purpose.

SWORN by Janis Balvers of the Town of Ajax, Regional Municipality of Durham, before me at the City of Toronto, Province of Ontario, on the 25th day of April, 2024, in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

}



Commissioner for Taking Affidavits
STEVEN KELLY



JANIS BALVERS

**THIS IS EXHIBIT "1" REFERRED
TO IN THE AFFIDAVIT OF JANIS BALVERS
SWORN BEFORE ME
THIS 25TH DAY OF APRIL, 2024.**

A handwritten signature in black ink, appearing to read 'SK', with a long horizontal flourish extending to the right.

A Commissioner of Oaths
STEVEN KELLY

EXHIBIT “1”

[LINK TO TELEPHONE RECORDING](#)

**THIS IS EXHIBIT "2" REFERRED
TO IN THE AFFIDAVIT OF JANIS BALVERS
SWORN BEFORE ME
THIS 25TH DAY OF APRIL, 2024.**

A handwritten signature in black ink, appearing to read 'S. Kelly', is positioned above a horizontal line.

A Commissioner of Oaths
STEVEN KELLY

**TRANSCRIPT OF CALL BETWEEN MOEZ KASSAM AND ANDREW RUDENSKY ON
SEPTEMBER 30, 2021, PREPARED BY COUNSEL FOR RUDENSKY**

00:00:29 Moez Kassam:

Andrew. Hey, bud. How are you?

00:00:32 Andrew Rudensky:

Good. What's going on?

00:00:34 Moez Kassam:

Uhhh. Yeah, I was hoping to do this in person, but you.

00:00:37 Andrew Rudensky:

Oh, sorry. I, I haven't been downtown in a long time. Sorry man I've ripped my shoulder and my wife got really sick after the vaccine.

00:00:46 Moez Kassam:

Uh umm Yeah, a lot of people are getting that these days.

00:00:48 Andrew Rudensky:

Yeah some heart iss-, some issues with her heart.

00:00:51 Moez Kassam:

Uhh sorry to hear.

00:00:52 Andrew Rudensky:

Yeah, just sucks, right? She didn't want to get it and stuff like that, so umm.

Now it's been.

Had about two weeks ago and you know a lot of weird side effects.

I was fine, but ahh yeah, she got really, really like ill and started getting like, like, almost like miniature heart attacks.

And like couldn't breathe. But at the hospital, so needs to go have a bunch of scans and stuff.

00:01:19 Moez Kassem:

Oh, got it. Well, sorry to hear, but I wish I was calling with better news but uh just to let you know where things stand with me, uh obviously this is a without prejudice conversation, but just wanted to let you uh know next week we're going to be proceeding with an amendment to our defamation claim...

00:01:34 Andrew Rudensky:

Ok.

00:01:35 Moez Kassem:

And we're adding a whole bunch of stuff around James Stafford and you.

00:01:38 Andrew Rudensky:

And me?

00:01:40 Moez Kassem:

Yeah. So, you know, after this call, I'll send you, you know, a little preview of the 133 page document that's going to be filed. But the basic gist is, you know, we've got in our possession all the transcripts uh that you guys were having you Betting Bruiser and Stafford. All the stuff talking about your history at GMP and what have been done and what you wanted to do.

00:01:58 Moez Kassam:

Confirmation with the metadata associated with the files created by James Stafford, going through the whole thing and then all the text messages and Whatsapps basically your buddy Betting Bruiser implicating you, saying that you were the architect behind the whole thing yadda yadda yadda.

00:02:13 Andrew Rudensky:

I don't even know the guy. But

00:02:15 Moez Kassam:

uh yeah, I know that's fine.

00:02:15 Andre Rudensky:

it's like....ok

00:02:17 Moez Kassam:

so, all that's getting done.

00:02:18 Moez Kassam:

Uh and then the stuff, you know, the telltale sign originally was when you commented on that that Winston photo and said everything about it, and then suddenly that photo got added, used in the in the whole thing.

00:02:27 Moez Kassam:

But the interesting part here is that I'm sure you're aware the Globe and Mail has been working on a big piece on this whole thing for the better, for the better part of six weeks, it seems, and calling

everybody around and they're waiting for us to file the claim to see who else is involved. And, you know, given your history and rap sheet and all that, you know it's going to be interesting there.

00:02:48 *Andrew Rudensky:*

I, I don't know.

00:02:48 *Moez Kassam:*

The issue.. the issue

00:02:49 *Andrew Rudensky:*

I don't even know Brusier, so

00:02:49 *Moez Kassam:*

the issue

00:02:50 *Moez Kassam:*

That's fine.

At the end of the day, is? Doesn't matter. You know, as much as we've gone through this whole process, I never really had issues with you or Andy.

00:03:00 *Moez Kassam:*

Uh, but at the end of the day, you know as we've gone through this whole process, my intention is really solely focused around James Stafford and him and interestingly, you'll find in the transcripts when I send it to you right after this is, as I've always told you guys, the authorship was never anything to do with me.

And you'll even see from the conversations that we're putting in the proceedings, Betting Bruiser was the one who actually worked with Hindenburg. Per Betting Bruiser's conversation.

00:03:29 *Moez Kassam:*

But for me, you know, my intention is again focused around those guys. So, I'm offering something before this goes out. You know our intention is to file this next Wednesday.

And until that point, I'm willing to completely remove both of you guys cause again, we've had a long history and again, whatever people do, what they do and you know will continue to maybe do more stuff, you know, different parts of life, this and that.

00:03:53 *Moez Kassam:*

But you know, my focus is on them and if you want to help in regards to getting this stuff, else, you know, we've got enough. You'll see from what I send you across on those two. But if you wanna help in the process, you know, I can help you and just effectively remove you from the whole thing.

00:04:09 *Andrew Rudensky:*

Yeah. Ok.

00:04:10 Moez Kassam:

So you guys decide what you want to do...

00:04:11 Andrew Rudensky:

Well look, I don't know, Bruiser...

00:04:12 Moez Kassam:

That's fine. I, I don't care. It doesn't.

00:04:11 Andrew Rudensky:

But send me the stuff

00:04:13 Moez Kassam:

It doesn't matter.

I'll send you. I'll send you the file.

You guys make a decision, but I don't hear back from you, Wednesday this is all getting filed and you'll be hearing from the Globe and everyone else I'm sure shortly thereafter.

00:04:25 Andrew Rudensky:

OK, alright. Alright, man. Well, look, obviously, if I can help in anyway.

00:04:28 Moez Kassam:

No, you, you know where we stand.

00:04:30 Andrew Rudensky:

Yep.

Ok.

00:04:30 Moez Kassam:

OK, see you.

00:04:31 Andrew Rudensky:

Thanks.

00:04:32 Moez Kassam:

Bye, bye.

**THIS IS EXHIBIT "3" REFERRED
TO IN THE AFFIDAVIT OF JANIS BALVERS
SWORN BEFORE ME
THIS 25TH DAY OF APRIL, 2024.**

A handwritten signature in black ink, appearing to read 'SK', is written over a horizontal line.

A Commissioner of Oaths
STEVEN KELLY

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Defendants by Counterclaim

**ANSWERS TO UNDERTAKINGS, UNDER ADVISEMENTS AND
REFUSALS FROM THE EXAMINATION FOR DISCOVERY OF
ANDREW RUDENSKY TAKEN VIA VERITEXT LEGAL
SOLUTIONS, ON THE 26TH DAY OF MARCH 2024**

| Undertakings given at A. Rudensky Examination for Discovery on March 26, 2024 | | | | | |
|---|------|------|--------|---|--|
| No. | Qs # | Pg # | Line # | Undertaking | Answer |
| 1. | 218 | 60 | 4 | To produce the Canadian telephone numbers in use by Mr. Rudensky in use in or around the time of the call with Mr. Kassam and Mr. DeFrancesco. | 416-666-9788 |
| 2. | 223 | 61 | 1 | To search records for any other calls with Mr. DeFrancesco in or around the time of the lawsuit. | Mr. Rudensky cannot find any such records. |
| 3. | 493 | 142 | 19 | To check records for any communications with James Stafford in advance of January 22, 2023, call from James Stafford regarding the default judgment motion. | Mr. Rudensky cannot find any such records. |
| 4. | 515 | 150 | 1 | To comply with the <i>Rules of Civil Procedure</i> as it relates to the exchange of expert reports. | This process is ongoing. |

| Under Advisements given at A. Rudensky Examination for Discovery on March 26, 2024 | | | | | |
|--|------|------|--------|---|---|
| No. | Qs # | Pg # | Line # | Under Advisement | Answer |
| 1. | 199 | 53 | 11 | To provide a detailed Schedule B to the Rudensky Affidavit of Documents that lists all documents for which privilege is claimed. | See Supplementary Affidavit of Documents of Andrew Rudensky sworn April 3, 2024 at Tab 1. |
| 2. | 202 | 56 | 2 | To provide all privileged communications that are asserted other than communications between legal counsel and Mr. Rudensky so long as no third-party is included in the communication. | See Supplementary Affidavit of Documents of Andrew Rudensky sworn April 3, 2024 at Tab 1. |
| 3. | 276 | 83 | 19 | To produce personal trading records for FaceDrive and Cool Holdings. | Regarding Cool Holdings, there is no pleading regarding this |

| Under Advisements given at A. Rudensky Examination for Discovery on March 26, 2024 | | | | | |
|--|------|------|--------|--|---|
| No. | Qs # | Pg # | Line # | Under Advisement | Answer |
| | | | | | <p>company, therefore any trading records regarding this company are irrelevant and will not be produced.</p> <p>There is no allegation in the Amended Claim regarding Mr. Rudensky and FaceDrive.</p> <p>Therefore, these records are irrelevant and will not be produced.</p> |
| 4. | 513 | 149 | 13 | To disclose the names and addresses of the individuals who might reasonably be expected to have knowledge of transactions or occurrences at issue in the action. | Since Mr. Rudensky was not involved in the conduct alleged in the Amended Claim, he has no knowledge of any such individuals. |
| 5. | 519 | 151 | 1 | To produce trading records for the period you were trading in Recon Africa. | <p>There is no allegation in the Amended Claim regarding Mr. Rudensky and Recon Africa.</p> <p>Therefore, these records are irrelevant and will not be produced.</p> |

| Refusals given at A. Rudensky Examination for Discovery on March 26, 2024 | | | | | |
|---|------|------|--------|---|--|
| No. | Qs # | Pg # | Line # | Refusal | Answer |
| 1. | 60 | 18 | 19 | What were the terms of the settlement entered into in relation to your civil suit against Richardson GMP? | Refusal maintained. The question is irrelevant. |
| 2. | 62 | 19 | 6 | Was Richardson GMP aware of the circumstances that gave rise to the IIROC investigation into your trading activities at the time you left Richardson GMP? | Refusal maintained. The question is irrelevant. |
| 3. | 62 | 19 | 16 | Do you agree that you were investigated by IIROC for engaging in personal financial dealings with a client at Richardson GMP? | Refusal maintained. The question is irrelevant. |
| 4. | 65 | 20 | 8 | The IIROC discipline matter refers to you entering an agreement with a client. Who is "RS"? | Refusal maintained. The question is irrelevant. |
| 5. | 66 | 20 | 14 | What is "JJR"? | Refusal maintained. The question is irrelevant. |
| 6. | 68 | 20 | 25 | Did you ever pay the IIROC penalty of \$80,000? | Refusal maintained. The question is irrelevant. |
| 7. | 69 | 21 | 5 | You did not pay the IIROC penalty? (rephrase of previous refusal) | Refusal maintained. The question is irrelevant. |
| 8. | 70 | 21 | 19 | Have you ever been subject to any other investigation or enforcement proceeding? | Refusal maintained. The question is irrelevant. |

| Refusals given at A. Rudensky Examination for Discovery on March 26, 2024 | | | | | |
|---|------|------|--------|--|--|
| No. | Qs # | Pg # | Line # | Refusal | Answer |
| 9. | 71 | 22 | 1 | Other than IIROC, have you ever been interviewed by a regulator? | Refusal maintained. The question is irrelevant. |
| 10. | 81 | 25 | 11 | What is the reason you did not meet the IIROC penalty? (rephrase) | Refusal maintained. The question is irrelevant. |
| 11. | 91 | 29 | 25 | Are you aware of a corporation called Dark Horse financial Corp. that then changed its name to Henry George Capital Inc? | Refusal maintained. The question is irrelevant. |
| 12. | 95 | 31 | 8 | Have you invested or provided advisory work through either Dark Horse or Henry George? | Refusal maintained. The question is irrelevant. |
| 13. | 96 | 31 | 13 | Have you provided investment or advisory work through Calhoun First Financial Inc.? | Refusal maintained. The question is irrelevant. |
| 14. | 97 | 31 | 17 | Have you provided investment or advisory work through FTB Capital Inc.? | Refusal maintained. The question is irrelevant. |
| 15. | 98 | 31 | 21 | Have you provided investment or advisory work through Koral Financial Inc.? | Refusal maintained. The question is irrelevant. |
| 16. | 99 | 31 | 25 | Have you provided investment or advisory work through C Wolf Advisors Inc.? | Refusal maintained. The question is irrelevant. |

| Refusals given at A. Rudensky Examination for Discovery on March 26, 2024 | | | | | |
|---|------|------|--------|---|--|
| No. | Qs # | Pg # | Line # | Refusal | Answer |
| 17. | 105 | 33 | 9 | To review trading records to determine if you ever traded in CannTrust. | Refusal maintained. The question is irrelevant. |
| 18. | 183 | 49 | 9 | Do you have control of any other email accounts other than those already disclosed in the litigation? | Refusal maintained. The question is irrelevant. |
| 19. | 193 | 51 | 18 | Identify any telephone numbers you used from July 2020 onward. | See answer to Undertaking #1 above. The balance of the question is refused on the basis of relevance. |
| 20. | 194 | 52 | 1 | Identify any IP addresses used from July 2020 onward. | Refusal maintained. The question is irrelevant. |
| 21. | 195 | 52 | 4 | Identify any devices used to access the Internet from July 2020 onward. | Refusal maintained. The question is irrelevant. |
| 22. | 284 | 85 | 20 | Are you associate "A" referred to in the SEC, who, according to the complaint, was directed by Mr. DeFrancesco to coordinate with Mr. Diaz and Mr. Rezk of Cool Holdings Inc? | Refusal maintained. The question is irrelevant. |
| 23. | 290 | 87 | 5 | Did you and James Stafford pay your own share of legal fees in the SEC complaint you were involved in? | Refusal maintained. The question is irrelevant. |
| 24. | 302 | 90 | 3 | Provide the names of the corporations you and James Stafford have co-invested in. | Refusal maintained. The question is irrelevant. |

| Refusals given at A. Rudensky Examination for Discovery on March 26, 2024 | | | | | |
|---|------|------|--------|---|--|
| No. | Qs # | Pg # | Line # | Refusal | Answer |
| 25. | 308 | 92 | 6 | To check records to determine the most recent business dealing with James Stafford. | Refusal maintained. The question is irrelevant. |
| 26. | 309 | 92 | 13 | To check records to determine the oldest business dealing with James Stafford. | Refusal maintained. The question is irrelevant. |
| 27. | 314 | 94 | 2 | What did you most recently speak about with James Stafford? | Refusal maintained. The question is irrelevant. |
| 28. | 409 | 117 | 2 | Whether you had taken a long position on Aphria on or around December 3, 2018? | See Aphria records that are attached at Tabs 2 and 3 of Mr. Rudensky's Affidavit of Documents sworn February 25, 2024. |
| 29. | 496 | 143 | 9 | Why did you not answer the judge's question regarding who told you about the default judgment motion? | Asked and answered. In any event, refusal maintained. The question is irrelevant. |

TAB 1

Court File No. CV-20-00653410-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

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Plaintiff by Counterclaim

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and ALLEN SPEKTOR**

Defendants by Counterclaim

SUPPLEMENTARY AFFIDAVIT OF DOCUMENTS

I, **ANDREW RUDENSKY**, of the City of Naples, Florida, in the United States of America, **MAKE OATH AND SAY AS FOLLOWS:**

1. I have conducted a diligent search of my records and made appropriate enquiries of others to inform myself in order to make this Affidavit. This Affidavit discloses, to the full

- 2 -

extent of my knowledge, information and belief, all documents relevant to any matter in issue in this action that are or have been in my possession, control or power.

2. See Schedule "A" of my Affidavit of Documents sworn February 25, 2024.

3. I have listed in Schedule "B" those documents that are or were in my possession, control or power and that I object to producing because I claim they are privileged, and I have stated the grounds for each such claim.

4. I have listed in Schedule "C" those documents that were formerly in my possession, control or power but are no longer in my possession, control or power.

5. I have never had in my possession, control or power any document relevant to any matter in issue in this action other than those listed in Schedules "A", "B", "C".

SWORN by Andrew Rudensky of the City
of Naples, in the State of Florida, USA,
before me at the City of Toronto, in the
Province of Ontario, on April 3, 2024, in
accordance with O. Reg. 431/20,
Administering Oath or Declaration
Remotely.



Commissioner for Taking Affidavits
STEVEN KELLY



andrew rudensky (Apr 3, 2024 15:55 EDT)

ANDREW RUDENSKY

- 3 -

LAWYER'S CERTIFICATE

I CERTIFY that I have explained to the deponent,

- (a) the necessity of making full disclosure of all documents relevant to any matter in issue in the action;
- (b) what kinds of documents are likely to be relevant to the allegations made in the Pleadings; and
- (c) if the action is brought under the simplified procedure, the necessity of providing the list required under rule 76.03.

April 3, 2024



John Polyzogopoulos

SCHEDULE "A"

Documents in my possession, control or power that I do not object to producing for inspection.

See Schedule "A" of my Affidavit of Documents sworn February 25, 2024.

SCHEDULE "B"

Documents that are or were in my possession, control or power that I object to producing on the grounds of privilege.

Documents prepared or obtained for the purpose of providing information to my solicitors or professional advisors to obtain their advice in anticipation of litigation, or documents which were prepared or obtained during this proceeding for the use of my lawyers or professional advisors to assist them in the conduct of this proceeding and correspondence between me and my lawyers to obtain their advice in reasonable anticipation of litigation or during the course of this proceeding.

Documents which came into existence through my act, or the act of my agents in reasonable anticipation of litigation and for the dominant purpose of placing the same before my lawyers or being used in the defence of litigation reasonably contemplated.

SCHEDULE “B”

| Doc | Parent/ Attachment | Parent Date | Doc Date | File Type | Title | Author | Recipient | BCC | Privilege Type |
|-----|-----------------------|--------------------|--------------------|---------------|---|-----------------|-----------------|-----------------|---|
| 1. | P | September 30, 2021 | September 30, 2021 | Outlook | Re: Moez called me this morning | Andrew Rudensky | James Stafford | | Litigation Privileged |
| 2. | P | September 30, 2021 | September 30, 2021 | Outlook | Re: Moez called me this morning | James Stafford | Andrew Rudensky | | Litigation Privileged |
| 3. | P | September 30, 2021 | September 30, 2021 | Outlook | Moez called me this morning | Andrew Rudensky | James Stafford | | Litigation Privileged |
| 4. | P | March 14, 2024 | March 14, 2024 | Outlook | Andrew this might be useful. | James Stafford | Andrew Rudensky | | Litigation Privileged; Common Interest Privileged |
| 5. | A | March 14, 2024 | April 6, 2023 | Word document | Re: Moez Kassam’s Detailed Schedule B-1 (RE:AOD) | Nicole J. Kelly | Won J. Kim | | Litigation Privileged; Solicitor-Client Work Product |
| 6. | P | March 27, 2024 | March 27, 2024 | Outlook | FW: Anon 4 – Robert Doxtator new messages and Affidavit | James Stafford | James Stafford | Andrew Rudensky | Litigation Privileged; Common Interest Privileged |
| 7. | A | March 27, 2024 | August 31, 2023 | PDF | 2023.08.31 Supplementary Affidavit of Documents of Robert Doxtator, Sworn August 31, 2023 | Elida Dalma | | | Litigation Privileged; Solicitor-Client Work Product |
| 8. | A | March 27, 2024 | August 28, 2023 | PDF | 1 – July 2019 – Screenshots of WhatsApp Messages between Robet Doxtator and Moez Kassam | | | | Litigation Privileged; Solicitor-Client Work Product |
| 9. | P | March 15, 2024 | March 15, 2024 | Outlook | Fwd: Anson Document production – Aphria | James Stafford | Andrew Rudensky | | Litigation Privileged; Common Interest Privileged |

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|-----|---|----------------|----------------|---------------|---------------------|-----------------|-----------------------------------|------------|--|
| 10. | A | March 15, 2024 | March 15, 2024 | Image | Image001 (002).jpg | Nicole Kelly | | | Litigation Privileged; Solicitor-Client Work Product |
| 11. | A | March 15, 2024 | July 22, 2020 | Outlook | RE: Facedrive edits | Nathan Anderson | Michael Roussel ; Sunny Puri | | Litigation Privileged; Solicitor-Client Work Product |
| 12. | A | March 15, 2024 | July 22, 2020 | Word document | AAI00017372 | | | | Litigation Privileged; Solicitor-Client Work Product |
| 13. | A | March 15, 2024 | July 23, 2020 | Outlook | RE : FD | Sunny Puri | Nathan Anderson ; Michael Roussel | | Litigation Privileged; Solicitor-Client Work Product |
| 14. | A | March 15, 2024 | July 23, 2020 | Word document | AAI00017416 | Sunny Puri | | | Litigation Privileged; Solicitor-Client Work Product |
| 15. | A | March 15, 2024 | July 22, 2020 | Outlook | Draft | Nathan Anderson | Sunny Puri; Michael Roussel | | Litigation Privileged; Solicitor-Client Work Product |
| 16. | A | March 15, 2024 | July 22, 2020 | Word document | AAI00017526 | | | | Litigation Privileged; Solicitor-Client Work Product |
| 17. | A | March 15, 2024 | July 23, 2020 | Outlook | FD | Michael Roussel | Nathan Anderson | Sunny Puri | Litigation Privileged; Solicitor- |

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| | | | | | | | | | Client Work Product |
| 18. | A | March 15, 2024 | July 23, 2020 | Word document | AAI00018930 | Michael Roussel | | | Litigation Privileged; Solicitor-Client Work Product |
| 19. | A | March 15, 2024 | July 23, 2020 | Outlook | Facedrive: A \$1.4b ESG Stock Promotion with a Hollow Core Business, and Multi-Million Dollar Payments to an Opaque BVI Entity; 95% Downside | Nathan Anderson | Moez Kassam | | Litigation Privileged; Solicitor-Client Work Product |
| 20. | A | March 15, 2024 | July 23, 2020 | Outlook | Facedrive: A \$1.4b ESG Stock Promotion with a Hollow Core Business, and Multi-Million Dollar Payments to an Opaque BVI Entity; 95% Downside | Nathan Anderson | Daniel Kim | | Litigation Privileged; Solicitor-Client Work Product |
| 21. | A | March 15, 2024 | July 23, 2020 | Outlook | Facedrive: A \$1.4b ESG Stock Promotion with a Hollow Core Business, and Multi-Million Dollar Payments to an Opaque BVI Entity; 95% Downside | Nathan Anderson | Amin Nathoo | | Litigation Privileged; Solicitor-Client Work Product |
| 22. | A | March 15, 2024 | July 23, 2020 | Outlook | Facedrive: A \$1.4b ESG Stock Promotion with a Hollow Core Business, and Multi-Million Dollar Payments to an Opaque BVI Entity; 95% Downside | Nathan Anderson | Sunny Puri | | Litigation Privileged; Solicitor-Client Work Product |
| 23. | A | March 15, 2024 | July 23, 2020 | Outlook | Facedrive: A \$1.4b ESG Stock Promotion with a Hollow Core Business, and Multi-Million Dollar Payments to an Opaque BVI Entity; 95% Downside | Nathan Anderson | Taheer Dattoo | | Litigation Privileged; Solicitor-Client Work Product |
| 24. | A | March 15, 2024 | July 23, 2020 | Outlook | Facedrive: A \$1.4b ESG Stock Promotion with a Hollow Core Business, and Multi-Million Dollar Payments to an Opaque BVI Entity; 95% Downside | Nathan Anderson | Michael Roussel | | Litigation Privileged; Solicitor-Client Work Product |

SCHEDULE "C"

Documents that were formerly in my possession, control or power but are no longer in my possession, control or power.

| NO. | DATE | FILE TYPE | DOCUMENT |
|------------|----------------------------|---------------------------|--|
| 1. | Summer – September of 2021 | Instagram Direct Messages | Instagram direct messages between the defendant, Andrew Rudensky, and the plaintiff, Moez Kassam. |
| 2. | 2022 | WhatsApp Chat Messages | WhatsApp Chat messages between the defendant, Andrew Rudensky, and Andrew DeFrancesco regarding the defendant, Robert Doxtator |

ANSON ADVISORS INC. ET AL

and

Court File No. CV-22-00653410-00CL
JAMES STAFFORD ET AL

Plaintiffs

Defendants

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

SUPPLEMENTARY AFFIDAVIT OF DOCUMENTS**BLANEY MCMURTRY LLP**

Lawyers

2 Queen Street East, Suite 1500

Toronto ON M5C 3G5

John Polyzogopoulos (LSO #43150V)

Tel: (416) 593-2953

jpolyzogopoulos@blaney.com**Steven Kelly** (LSO #87293B)

Tel: (416) 593-3904

skelly@blaney.com

Lawyers for the defendant, Andrew Rudensky

TAB B

CITATION: Anson Advisors Inc. et al v. Doxtator et al, 2024 ONSC 437
COURT FILE NO.: CV-20-00653410-00CL
DATE: 20240119

SUPERIOR COURT OF JUSTICE – ONTARIO
(COMMERCIAL LIST)

RE: Anson Advisors Inc., Anson Funds Management LP, Anson Investments Master Fund LP and Moez Kassam, Plaintiffs

AND:

James Stafford, Andrew Rudensky, Robert Lee Doxtator, Jacob Doxtator, and John Doe 1, John Doe 2, John Doe 3, John Doe 4, and other persons unknown Defendants

BEFORE: Cavanagh J.

COUNSEL: *Robert W. Staley, Douglas A. Fenton, and Dylan H. Yegendorf*, for the Plaintiffs (Responding Parties)

John Polyzogopoulos and Connor Allison, for the Defendant Andrew Rudensky (Moving Party)

Megan B. McPhee and Nicole J. Kelly, for Defendants James Stafford and Jacob Doxtator

HEARD: January 15, 2024

ENDORSEMENT

Introduction

- [1] The Defendant, Andrew Rudensky, moves to set aside the default judgment obtained by the Plaintiffs against him and their noting of default of Mr. Rudensky.
- [2] For the following reasons, I grant this motion.

Procedural Background

- [3] Leave was granted to amend the Statement of Claim by Order dated May 3, 2022 by which Mr. Rudensky was to be added as a defendant. The Fresh As Amended Statement of Claim (“Amended Claim”) was electronically filed on May 27, 2022.
- [4] On October 4, 2023, Justice Osborne granted default judgment against Mr. Rudensky who had been noted in default on August 23, 2022. Mr. Rudensky was

held liable to the Plaintiffs in the amount of \$450,000 for general damages for defamation.

- [5] The default judgment provides that the finding of liability for general damages in this amount is without prejudice to the Plaintiffs' right to move against Mr. Rudensky for further relief, including further monetary relief. On this motion, the Plaintiffs agreed not to seek further relief against Mr. Rudensky at trial if default judgment is maintained.
- [6] Mr. Rudensky appeared in person at the hearing of the Plaintiffs' motion for default judgment on January 25, 2023 and requested an adjournment of the motion. Mr. Rudensky did not file any materials. The Plaintiffs opposed the request for an adjournment and asked that their motion proceed on an unopposed basis with Mr. Rudensky being free to move to set aside the noting in default and any default judgment granted.
- [7] At the hearing, Justice Osborne explained to Mr. Rudensky that the Plaintiffs proposed that the motion proceed that day as if it were unopposed and that Mr. Rudensky can move to set the judgment aside in the event that judgment is granted following the hearing of the motion. Justice Osborne asked for Mr. Rudensky's position. Mr. Rudensky responded that he would like to have time to retain counsel and present a defence. Counsel for the Plaintiffs reiterated their opposition to this request for an adjournment on grounds that included that Mr. Rudensky had been properly served with the Amended Claim in accordance with the *Rules of Civil Procedure* and that Mr. Rudensky's unsworn statement that he was not properly served should not be accepted. Counsel for the Plaintiffs submitted that for purposes of the motion for default judgment, proof of service of the Amended Claim had been shown and the motion should proceed, and Mr. Rudensky is free to move to set aside the default.
- [8] At the hearing, Justice Osborne fully heard Mr. Rudensky's adjournment request and his explanations for why he had not been properly served. Justice Osborne accepted the submissions by Plaintiffs' counsel and declined to grant the requested adjournment. He urged Mr. Rudensky to retain legal counsel to assist him. Justice Osborne then heard the Plaintiffs' motion for default judgment on an unopposed basis.
- [9] In his written reasons, Justice Osborne reviewed the procedural history of the action and the record before him which included proof of service of the Amended Claim on Mr. Rudensky and communications by Plaintiffs' counsel to Mr. Rudensky concerning the litigation at two email addresses that Mr. Rudensky had used. Justice Osborne held that these email addresses were valid and functioning and

were used by Mr. Rudensky in correspondence with the Plaintiffs. He held that the Amended Claim was delivered to Mr. Rudensky through those email addresses.¹

- [10] Justice Osborne held that service of the Amended Claim was effected on Mr. Rudensky pursuant to rule 16.03(5) on July 22, 2022. Justice Osborne held that Mr. Rudensky had failed to deliver a Statement of Defence within the prescribed time or at all, or to respond, formally or informally, to the Amended Claim. Justice Osborne wrote in his endorsement that in all the circumstances and for reasons given, he declined Mr. Rudensky's request for an adjournment.
- [11] Mr. Rudensky brings this motion for an order setting aside the default judgment and the noting in default.

Analysis

- [12] I first address the applicable legal principles.

Legal Principles

- [13] The *Rules of Civil Procedure* provide that an originating process shall be served personally under rule 16.02 or by an alternative personal service under rule 16.03. Rules 16.03(1) and 16.02(5) read:

16.03(1) Where these rules or an order of the court permit service by an alternative to personal service, service shall be made in accordance with this rule.

16.03(5) Where an attempt is made to effect personal service at a person's place of residence and for any reason personal service cannot be effected, the document may be served by,

- (a) leaving a copy, in a sealed envelope addressed to the person, at the place of residence with anyone who appears to be an adult member of the same household; and
- (b) on the same day or the following day mailing another copy of the document to the person at the place of residence,

and service in this manner is effective on the fifth day after the document is made.

¹ There is no email in the record to Mr. Rudensky's email addresses sending the Amended Claim after May 27, 2022 (when the Amended Claim was filed) and before he was noted in default. There is an email sent on October 6, 2021 attaching a draft of the Amended Claim and requesting Mr. Rudensky's consent to the amendments which name him as a party. The Plaintiffs' motion materials for their motion for default judgment included the Amended Claim and were sent to the email accounts that had been used by Mr. Rudensky.

- [14] Rule 18.01 of the *Rules* provides that a statement of defence shall be delivered within twenty days after service of the statement of claim, where the defendant is served in Ontario. The date of service is important because, upon service of the statement of claim, the clock begins to run for a defendant to deliver a statement of defence. If the statement of claim is not served, the twenty-day period for delivery of a statement of defence does not begin to run, even if the defendant knows of the action against him or her.
- [15] Rule 19.01 provides that where a defendant fails to deliver a statement of defence within the prescribed time, the plaintiff may, on filing proof of service of the statement of claim, or of deemed service under subrule 16.01(2), require the registrar to note the defendant in default. A defendant who is noted in default is subject to serious consequences, as set out in rule 19.02.
- [16] Rule 19.03(1) provides that the noting of default may be set aside by the court on such terms as are just.
- [17] Rule 19.08(2) provides that a judgment against a defendant who has been noted in default that is obtained on a motion for judgment on the statement of claim under rule 19.05 or that is obtained after trial may be set aside or varied by a judge on such terms as are just. Rule 19.08 (3) provides that on setting aside a judgment under subrule (1) or (2) the court or judge may also set aside the noting of default under rule 19.03
- [18] In *Royal Trust Corp of Canada v. Dunn*, 1991 CarswellOnt 468, Borins J., as he then was, set out the principles that apply on a motion to set aside a default judgment:

It is well-established that there are two situations in which the court is able to set aside a default judgment. ... The first is when a defendant is able to establish that the judgment was irregularly obtained. If the defendant can establish the correct procedures have not been followed either in obtaining the judgment or in relation to some step taken by the plaintiff in the commencement of the proceedings, such as in failing to serve the statement of claim in a proper manner, then normally the defendant can have the judgment set aside as of right without the requirement of establishing a defence to the plaintiff's claim. The second is when the judgment has been regularly obtained and where the defendant asks the court to exercise its discretion to set aside the default judgment and to permit him or her to defend the claim.

- [19] The Plaintiffs submit that the principles stated in *Royal Trust* and other jurisprudence to the same effect are no longer good law and that the Court of Appeal has held that there is no longer a separate basis to set aside default judgments as of right based on service issues. The Plaintiffs submit that there is only one test on a motion to set aside a default judgment, that is, whether, in all the circumstances, it

is in the interests of justice to set aside the default judgment based on consideration of five main factors. In support of this submission, the Plaintiffs cite decisions of the Court of Appeal for Ontario in *Mountain View Farms Ltd. v. McQueen*, 2014 ONCA 194 and *Intact Insurance Company v. Kisel*, 2015 ONCA 205 and the decision of the motion judge in *Marina Bay Sands Pte. Ltd. v. Jian Tu aka Tu Jian*, 2015 ONSC 5011.

- [20] In *Mountain View*, the Court of Appeal heard an appeal from an order refusing to set aside a default judgment and, instead, varying the default judgment. The default judgment was not irregularly obtained. The Court of Appeal held, at para. 47, that the court's ultimate task on a motion to set aside a default judgment is to determine whether the interests of justice favour granting the order. The Court of Appeal, at paras. 48-49, identified five factors that should be considered, which are not to be treated as rigid rules, and held that the court must consider the particular circumstances of each case to decide whether it is just to relieve the defendant from the consequences of his or her default.
- [21] In *Intact*, the defendant moved to set aside a noting in default and default judgment in two separate actions. The default judgment and noting in default were not irregularly obtained. The Court of Appeal, at paras. 13 and 14, explained the different approaches to be taken by a court when exercising its discretion to set aside a noting in default and on a motion to set aside a default judgment. With respect to the test on a motion to set aside a default judgment, the Court of Appeal cited *Mountain View*.
- [22] In *Marina Sands*, the motion judge declined to set aside a default judgment where the defendant asserted that the statement of claim was not properly served and, therefore, the default judgment was irregularly obtained. The defendant submitted that his allegations of improper service entitle him to have the default judgment set aside as of right, citing jurisprudence including *Royal Trust*. The motion judge, at para. 30, wrote that, in his view, the "as of right" category for setting aside irregularly obtained default judgments is in reality no separate category at all but simply an instance where the interests of justice require a default judgment to be set aside. As authority for this conclusion, the motion judge cited *Mountain View* and *Intact*.
- [23] Neither *Mountain View* nor *Intact* addresses whether prior jurisprudence, including *Royal Trust*, is still good authority for the proposition that a different test applies on a motion to set aside a default judgment or noting in default where the default judgment or the noting in default was irregularly obtained. This question was answered in subsequent decisions of the Court of Appeal.
- [24] In *Ken Jackson Construction Limited v. Macklin*, 2017 ONCA 324, the defendants appealed the dismissal of their motion to set aside the noting in default and default judgment obtained by the plaintiff. The Registrar signed judgment against the individual appellants for the amounts of invoices billed to the corporate appellant where the claims pleaded against the individual appellants were for breach of trust

and conversion. The Court of Appeal, at para. 7, held that the default judgment was granted without jurisdiction and the individual appellants were entitled to have the default judgment set aside “as of right in the interests of justice”. The Court of Appeal held that the Registrar had jurisdiction to sign default judgment against the corporate appellant for the amounts invoiced to it and, in respect of the motion to set aside the default judgment against the corporate appellant, where the default judgment was not irregularly obtained, applied the approach set out in *Intact*.

- [25] The decision in *Macklin* shows that, contrary to the Plaintiffs’ submission, there is not only one test on a motion to set aside a default judgment. Where the default judgment was irregularly obtained (in *Macklin* because the claim pleaded against the individual appellants did not entitle the respondent to default judgment) a different test applies than the test where the default judgment was not irregularly obtained.
- [26] In *Redabe Holdings Inc. v. I.C.I. Construction Corporation*, 2017 ONCA 808, the appellant appealed the order of the motion judge dismissing his motion to set aside a default judgment. The motion judge had applied what the Court of Appeal described as “well-established criteria for determining whether the justice of the case required him to order that the default judgment be set aside”, citing *Intact*, at para. 4, and *Mountain View*, at paras. 48-50. On the appeal, the appellant argued that the motion judge had erred in applying these criteria because the default judgment had been irregularly obtained because the requisition was submitted without evidence and the facts alleged in the statement of claim did not permit the judgment to be granted.
- [27] The Court of Appeal held that if the default judgment had been obtained in this way, the appellant’s argument would have had merit. The Court of Appeal held, at para. 7, that “[i]f a default judgment is irregularly obtained, as a general rule, a defendant is entitled to an order, as of right, setting it aside, without the requirement of establishing a defence to the plaintiff’s claim, and without the imposition of terms, other than possibly costs”. The Court of Appeal cited the decision of Borins J. in *Royal Trust*, and another decision of Borins J. (as he also then was) in *Tomazio v. Rutale*, 1995 CanLII 7138, as authority for this proposition. However, unknown to the appellant until the hearing of the appeal, the default judgment was obtained on a motion, supported by affidavit evidence. It was not irregularly obtained. The Court of Appeal then considered the test from *Mountain View* and *Intact* and dismissed the appeal.
- [28] The Court of Appeal in *Redabe* held that *Royal Trust* is still good authority for the proposition that if a default judgment is irregularly obtained, as a general rule, a defendant is entitled to have it set aside as of right, without the requirement of establishing a defence to the plaintiff’s claim and without the imposition of terms, other than possibly costs. The decision in *Redabe* is consistent with the decision in *Macklin*.

- [29] I conclude that *Royal Trust* and other jurisprudence standing for the same principles is still good authority setting out the approach to be taken on a motion to set aside a default judgment that was irregularly obtained, including for failure to properly serve the statement of claim.

Application of legal principles

- [30] At the motion before Osborne J., the Plaintiffs provided proof of service of the Amended Claim on Mr. Rudensky through the Affidavit of Service of a process server, David Morrison. Mr. Morrison's Affidavit of Service reads that Mr. Morrison served Mr. Rudensky with a true copy of the Amended Claim by leaving a true copy in a sealed envelope addressed to Mr. Rudensky with Bruce Chapman, an adult male who appeared to be a member of the same household in which Andrew Rudensky resides at 4328 Club View Drive, Burlington Ontario and by sending a copy to Mr. Rudensky by prepaid regular letter mail on July 22, 2022 to the same address. Mr. Morrison states in his Affidavit of Service that he ascertained the person served was an adult member of the same household in which Mr. Rudensky is residing "by means of verbal admission". Mr. Morrison provides no evidence of what, specifically, Mr. Chapman said that was the "verbal admission".
- [31] In support of this motion, Mr. Rudensky relies on his own affidavit and the affidavits of his mother-in-law, Karen Ann Cluhane, and her husband, Bruce Chapman.
- [32] Mr. Rudensky deposes that he was never personally served with the Amended Claim and the address where the Amended Claim was, according to the Plaintiffs, served was not his place of residence. He deposes that he never received a copy of the Amended Claim or the Plaintiffs' motion record seeking default judgment against him until the day before the hearing of the default judgment motion.
- [33] Mr. Rudensky deposes that in the spring of 2022, he sold his home in Oakville, bought a home in Naples, Florida, and moved there. Mr. Rudensky states that when completing the land transfer documents on the closing of the sale of his Oakville property, he listed his mother-in-law's address as his address for service. He explains that he was advised that land title documents require an address for service and he did not have any other address in Ontario. Mr. Rudensky deposes that he was not living at the Burlington property on July 22, 2022 when the Plaintiffs' process server attended there to serve the Amended Claim.
- [34] Mr. Rudensky was cross-examined on his affidavit and his evidence in respect of whether the Burlington address was his residence was not directly challenged.
- [35] Mr. Chapman deposes that in May 1999, his wife, Karen, purchased the Burlington property and it is their home. He deposes that he has resided at this property since then with his wife. In December 2004, he was added on title to this property. Mr. Chapman deposes that at no point in time was their home Mr. Rudensky's place of residence. He deposed that Mr. Rudensky did not own, rent or reside at this

property. In his affidavit, Mr. Chapman deposes that on or about July 22, 2022 an individual knocked on the door at the Burlington property and, when he answered, the individual advised that he had a package for Mr. Rudensky. Mr. Chapman states that the individual inquired into whether he, Mr. Chapman, lived at this address and he confirmed that he did. Mr. Chapman states that at no time did this person ask him if Mr. Rudensky lived there.

- [36] When he was cross-examined, Mr. Chapman stated that he noted upon his review of the transcript “On reflection, he may have asked me if Andrew was here”. He stated that he is not 100% sure whether the process server asked whether Mr. Rudensky was there or not. During the cross-examination, Mr. Chapman was not directly challenged on his evidence that Mr. Rudensky never lived at the Burlington property.
- [37] Ms. Clahane deposes that she is Mr. Rudensky’s mother-in-law. She deposes that at no point in time was her home, the Burlington property, Mr. Rudensky’s place of residence. He did not own, rent or reside at this property. Her evidence in this respect was not disturbed on cross-examination.
- [38] I am satisfied from the evidence of Mr. Rudensky, Mr. Chapman and Ms. Clahane that Mr. Rudensky has not resided at the Burlington property and, specifically, that Mr. Rudensky’s place of residence was not the Burlington property where his mother-in-law resided on July 22, 2022 when Mr. Morrison attempted to effect service. I accept their evidence in this regard. This evidence was not before Justice Osborne when he granted default judgment. Justice Osborne was urged to accept proof of service based on Mr. Morrison’s Affidavit of Service.
- [39] In *Royal Trust*, Borins J. gave as an example of a default judgment irregularly obtained the situation where the defendant was not served with the statement of claim in a proper manner.
- [40] In *Amexon Property Management Inc. v. Paramedical Rehabilitation Solutions Inc. et al.* 2011 ONSC 4783, Gilmore J., at paras. 21-22, confirmed the two ways in which a default judgment may be set aside and gave examples of irregularities which can lead to setting aside a default judgment:

A default judgment may be set aside in two ways. As of right, where the judgment was irregularly obtained or, where the judgment has been obtained in a regular manner, the court may exercise its discretion to set aside the judgment.

Irregularities which can lead to setting aside a default judgment as of right may include failing to serve the Statement of Claim in the proper manner. Improper service includes service of a claim under Rule 16.03(5) by way of leaving the claim at a location which is not the defendant’s residence. Residence for the purpose of a proper alternative to personal service means a person’s permanent abode

where they intend to remain. It is the plaintiff who must ascertain the place of residence of the person to be served.

[41] I conclude that by failing to leave the Amended Claim with a person at Mr. Rudensky's place of residence, the Plaintiffs failed to serve the Amended Claim in compliance with the *Rules of Civil Procedure*.² The fact that Mr. Rudensky designated the address of his mother-in-law as his "address for service" in the transfer document in relation to the sale of his home does not make his mother-in-law's home his "place of residence" within the meaning of this phrase in rule 16.03(5)(a) of the *Rules of Civil Procedure*.

[42] As a result, the time did not start to run under the *Rules of Civil Procedure* for Mr. Rudensky to deliver a Statement of Defence. When Mr. Rudensky was noted in default on August 23, 2022, he was not in default of rule 18.01(a) for failing to deliver a Statement of Defence within twenty days after service of the Amended Claim. The noting in default and the default judgment were irregularly obtained.

[43] The Plaintiffs rely on rule 16.08(a) of the *Rules of Civil Procedure* which reads:

16.08 Where a document has been served in a manner other than one authorized by these rules or an order, the court may make an order validating the service where the court is satisfied that,

- (a) the document came to the notice of the person to be served;
or
- (b) the document was served in such a manner that it would have come to the notice of the person to be served, except for the person's own attempts to evade service.

[44] The Plaintiffs cite *McCann v. Yalda*, 2019 ONSC 5684 where the motion judge accepted that the plaintiffs did not serve the defendants in accordance with rule 16.01. The motion judge addressed the factual circumstances, where a lawyer representing the defendants received the affidavits of service and acknowledged that the defendants had been noted in default and he so advised one of the defendants. There were settlement discussions between counsel in which counsel for the plaintiffs agreed not to take steps relative to obtaining judgment arising from the noting in default while the discussions were ongoing. After unsuccessful settlement discussions, the legal counsel representing the defendants advised that was no longer acting.

[45] In *McCann*, the motion judge considered rule 16.08. The motion judge found that the statement of claim came to the attention of one defendant. With respect to the other defendant, the motion judge accepted that he was served or had notice of the

² It is not necessary for me to address Mr. Rudensky's argument that service was also ineffective because there was no prior attempt to effect personal service at Mr. Rudensky's place of residence.


claim. The motion judge held that the defendants were placed on notice of the statement of claim and the ensuing noting in default and, where such notice was nearly four months before default judgment was obtained, there is no legal prejudice. The motion judge concluded that, having determined that a court would exercise its discretion under rule 16.08 in favour of the plaintiffs in this case, the underlying foundation for this part of the motion to set aside the default judgment is unsubstantiated and there is no basis upon which to set aside default judgment on this ground.

- [46] The Plaintiff also relies on *Royal Bank of Canada v. HCB Thickson Ltd. et al.*, 2019 ONSC 7084. In *Thickson*, the defendants moved to set aside a default judgment. One individual defendant was properly served in his personal capacity but denied that the corporate defendant was served. The motion judge was satisfied that since the individual was the sole director and officer of the corporate defendant, “it is virtually inevitable that a trial judge would validate service on [the corporate defendant]”. The other individual defendant affirmed his belief that he was not personally served, as the affidavit of service attested. The motion judge noted that his evidence had several weaknesses and concluded that it was “virtually inevitable” that service would be validated under rule 16.08(a) at trial.
- [47] I accept that rule 16.08 may be applied in some circumstances to validate service of an originating process. The use of rule 16.08 to validate service is a matter of discretion. The facts in *McCann* differ from those on the motion before me. In *McCann*, the defendants’ lawyer was informed that the defendants had been noted in default. This would have alerted them that, from the plaintiffs’ perspective, the statement of claim had been properly served. After having been so advised, the defendants’ lawyer requested and was given an indulgence from the plaintiffs that they would not seek default judgment while settlement discussions were ongoing. The lawyer did not ask that the noting in default be set aside, nor did the defendants. Even after the settlement discussions ended, the defendants did not move to set aside the noting in default. The facts in *Thickson* are also materially different than those on the motion before me.
- [48] In *Amexon*, at para. 26, Gilmore J. addressed the plaintiff’s submission that the defendant must have had notice of the action being commenced against her. Gilmore J. held that even if she did have such knowledge, that would not validate service of the claim on her in accordance with the *Rules of Civil Procedure*.
- [49] Mr. Rudensky was not served with the Amended Claim in compliance with the *Rules of Civil Procedure*, such that, without an order made before he was noted in default validating service in another manner, he was not in default for not delivering a statement of defence. I am not satisfied that the Amended Claim was sent to Mr. Rudensky’s email accounts after it was filed and before he was noted in default. In these circumstances, I decline to exercise my discretion on this motion to validate service of the Amended Claim pursuant to rule 16.08 of the *Rules of Civil Procedure*.

- [50] The Plaintiffs submit that Mr. Rudensky's motion should be dismissed because he failed to move promptly to set aside his noting in default, including during the period of time between the hearing of the default judgment motion and the release of the decision granting default judgment. I do not accept that Mr. Rudensky should have known that he was required to move to set aside his noting in default after the hearing of the motion and before a decision was released. At the hearing of the default judgment motion, Mr. Rudensky requested time to bring such a motion to allow him to defend the action and his request was denied. In such circumstances, where Mr. Rudensky was told that he could move after the hearing to set aside the noting in default and any default judgment granted, it was not unreasonable for Mr. Rudensky to wait for the decision on the default judgment motion before bringing his motion.
- [51] The default judgment was irregularly obtained because the Amended Claim was not served in a manner required by the *Rules of Civil Procedure*. I conclude that the general rule as explained in *Royal Trust* and *Redabe* should be applied. The default judgment against Mr. Rudensky and the noting of him in default should be set aside.

Disposition

- [52] I order that the default judgment against Mr. Rudensky and the noting of default of Mr. Rudensky are set aside.
- [53] If the parties are unable to resolve costs, they may make written submission. Mr. Rudensky's submissions are due within 10 days (not longer than 4 pages, excluding costs outline). The Plaintiffs' submissions are due within 10 days thereafter (same page limit). Reply submissions, if any (2 pages), within 5 days thereafter.

 Digitally signed
by Mr. Justice
Cavanagh

Cavanagh J.

Date: January 19, 2024

CITATION: Anson Advisors Inc. et al v. Rudensky, 2024 ONSC 977
COURT FILE NO.: CV-20-00653410-00CL
DATE: 20240214

SUPERIOR COURT OF JUSTICE - ONTARIO

RE: ANSON ADVISORS INC., ANSON FUNDS MANAGEMENT LP,
ANSON INVESTMENTS MASTER FUND LP and MOEZ KASSAM,
Plaintiffs

AND:

ANDREW RUDENSKY, Defendant

BEFORE: Cavanagh J.

COUNSEL: Robert W. Staley, Douglas A. Fenton, and Dylan H. Yegendorf, for the
Plaintiffs

John Polyzogopoulos and Connor Allison, for the Defendant Andrew
Rudensky

HEARD: February 14, 2024

COSTS ENDORSEMENT

- [1] On January 15, 2024, I released an endorsement following the hearing of a motion by the Defendant Andrew Rudensky in which I set aside the noting in default of Mr. Rudensky by the Plaintiffs and the default judgment they obtained against him.
- [2] This is my endorsement with respect to costs.
- [3] Mr. Rudensky seeks costs of this motion as the successful party.
- [4] The Plaintiffs oppose an order in favour of Mr. Rudensky for costs. The Plaintiffs submit that the parties should bear their own costs of the motion for default judgment and the motion to set aside the default judgment. In the alternative, the Plaintiffs submit that costs awarded to Mr. Rudensky on the motion to set aside the default judgment and noting in default should be offset against the costs awarded to the Plaintiffs on the default judgment motion (reduced for other issues with respect to Mr. Rudensky's prosecution of this motion), and made payable in the cause (in the amount of \$20,000).
- [5] The Plaintiffs submit that Mr. Rudensky (i) knew that the Plaintiffs intended to add him as a defendant, (ii) received draft copies of the proposed Amended Claim at email addresses he used as early as the fall of 2021, (iii) was aware that the Plaintiffs

attempted to serve him at the address of his mother-in-law and his wife's step-father, and (iv) received by email copies of the default judgment materials (including the filed Amended Claim). The Plaintiffs submit that Mr. Rudensky is not without fault and he bears responsibility for the default judgment. The Plaintiffs submit that in such circumstances, the most equitable and just outcome is to direct the parties to bear their own costs of the default judgment motion and the set aside motion.

- [6] I see no need to address the Judgment dated October 4, 2023 in which, at para. 4 of the Judgment, Mr. Rudensky is ordered to pay the Plaintiffs costs of \$45,000 within 30 days. I made an order setting aside this Judgment.

- [7] Rule 16.01(1) provides that an originating process shall be served personally as provided in rule 16.02 or by an alternative to personal service as provided in rule 16.03. The Plaintiffs failed to serve Mr. Rudensky with the Amended Claim in compliance with this requirement. Rule 16.04 provides that where it appears to the court that it is impractical for any reason to effect prompt service of an originating process, the court may make an order for substituted service or, where necessary in the interests of justice, may dispense with service. The Plaintiffs did not seek an order under rule 16.04.

- [8] The Plaintiffs were responsible for ensuring that Mr. Rudensky was served with the Amended Claim in compliance with the mandatory procedures for service prescribed by the *Rules of Civil Procedure*. The Plaintiffs failed to serve Mr. Rudensky with the Amended Claim. Because Mr. Rudensky was not served, he was not in default for failing to deliver a statement of defence within the prescribed time. Mr. Rudensky is not at fault for the Plaintiffs' actions in requiring the registrar to note him in default (when he was not in default) and obtaining default judgment after successfully opposing Mr. Rudensky's request for an adjournment of the motion for default judgment to allow him to move to set aside the noting in default with supporting evidence.

- [9] Although Mr. Rudensky was aware, before the Amended Claim was filed, that the Plaintiffs intended to add him as a defendant and make claims against him, and he had been sent a draft of the proposed Amended Claim, and the Plaintiffs assert that the evidence shows that he knew they were attempting to serve him with the Amended Claim, there is no evidence that he knew or should have known that he was regularly served with the Amended Claim with the result that the time for him to deliver a statement of defence had begun to run. This is because Mr. Rudensky was not served with the Amended Claim.

- [10] There is no basis in the evidence for me to find that Mr. Rudensky is at fault or bears responsibility for the default judgment.

- [11] In their submissions with respect to costs, the Plaintiffs repeat their submission (first made in opposition to Mr. Rudensky's motion) that Mr. Rudensky is at fault

for delay in moving to set aside the noting in default until after Justice Osborne’s decision was released. I do not accept this submission.

- [12] The Plaintiffs could have consented to Mr. Rudensky’s request for an adjournment to allow him to move to set aside the noting in default on proper evidence. If this had been done, the issue of whether Mr. Rudensky was irregularly noted in default could have been adjudicated without significant delay. Instead, the Plaintiffs asked Justice Osborne to deny the request for an adjournment and proceed to hear their motion for default judgment on an unopposed basis. The Plaintiffs informed Justice Osborne that Mr. Rudensky would not be prejudiced by denial of his request for an adjournment because he is fully at liberty to move to set aside his noting in default and any default judgment obtained on their motion. After Mr. Rudensky’s request for an adjournment was denied, and after Justice Osborne’s decision on the default judgment motion was released, that is what Mr. Rudensky did.
- [13] The passage of time between the hearing of the Plaintiffs’ motion for default judgment and the release of Justice Osborne’s decision, followed by Mr. Rudensky’s set aside motion brought promptly thereafter, is not Mr. Rudensky’s fault.¹
- [14] In their costs submissions, the Plaintiffs seem to say that their own failure to ensure compliance with Mr. Rudensky’s procedural right to be regularly served with the Amended Claim should be overlooked because, by asserting his right to defend the action, he will have led the parties on a “time-consuming detour”, to the Plaintiffs’ prejudice, if he is ultimately unsuccessful in defending the Plaintiffs’ action. The Plaintiffs submit that, for this reason, costs should be awarded in the cause.
- [15] I do not accept this submission. Mr. Rudensky is entitled to defend the action, and he and the Plaintiffs have procedural avenues open to them to have the action against him adjudicated in a fair and timely way. If Mr. Rudensky is unsuccessful in defending the Plaintiffs’ action on its merits, it does not follow that, as the Plaintiffs contend, he should be deprived of costs of his successful set aside motion.
- [16] I conclude that, as the successful party on the motion, Mr. Rudensky is entitled to costs.
- [17] Mr. Rudensky seeks his partial indemnity costs of his motion to December 8, 2023 (the date of an offer to settle) and substantial indemnity costs thereafter (on the ground that the result of the motion was more favourable to him than the offer to settle).
- [18] On December 8, 2023, Mr. Rudensky offered to pay the Plaintiffs their costs of the default judgment motion and the set aside motion (in the amount of \$45,000, the

¹ In my endorsement on Mr. Rudensky’s motion, at para. 50, I found that it was not unreasonable for Mr. Rudensky to wait for the decision on the default judgment motion before bringing his motion.

amount Justice Osborne had awarded for the default judgment motion) in exchange for the Plaintiffs consenting to an order setting aside the default judgment and noting in default. This offer was open for acceptance for 3 days, until December 11, 2023. The terms of the offer provided that if the offer was accepted after December 11, 2023 and before December 14, 2023, Mr. Rudensky would pay costs of \$10,000. If the offer was accepted after that and before December 18, 2023, the parties would bear their own costs. If the offer was accepted after December 18, 2023, the Plaintiffs would bear their own costs and would pay Mr. Rudensky 90% of his partial indemnity costs of the set aside motion (in an amount to be agreed upon or fixed by the court). This offer was left open until one minute after the commencement of argument of Mr. Rudensky's motion.

- [19] Rule 49.02(1) of the *Rules of Civil Procedure* provides that a party to a proceeding may serve on any other party an offer to settle any one or more of the claims in the proceeding on the terms specified in the offer to settle. Subrule 49.02(2) provides that subrule (1) and rules 49.03 to 49.14 also apply to motions, with necessary modifications.
- [20] In *Graf v. Peritathamby et al.*, 2018 ONSC 3228, the motion judge noted that Rule 49.10, as adapted for application to motions, provides that where an offer is made at least seven days before the commencement of the hearing, is not withdrawn and does not expire before the commencement of the hearing, and is not accepted by the other party, and the party making the offer obtains an order as favourable as, or more favourable than the terms of the offer to settle, he/she is entitled to partial indemnity cost to the date of the offer to settle, and substantial indemnity costs from that date, unless the court orders otherwise.
- [21] Mr. Rudensky submits that he “clearly beat” his offer to settle and, therefore, the costs consequences under rule 49.10 should follow.
- [22] The offer to settle that was open for acceptance at the commencement of the set aside motion does not provide for any payment to be made to the Plaintiffs. It provides that, if accepted, the Plaintiffs would be required to pay 90% of Mr. Rudensky's partial indemnity costs of the set aside motion. My endorsement granting Mr. Rudensky's set aside motion does not make any order as to the costs of this motion, which was to be addressed following written submissions. For this reason, I do not agree that Mr. Rudensky has shown that he obtained an order that is as favourable as or more favourable than his offer to settle.
- [23] Because Mr. Rudensky has not shown that he obtained an order that is as favourable as or more favourable than the terms of his offer to settle (that was open for acceptance at the time of the commencement of the set aside motion), I do not agree that the costs consequences under rule 49.10 apply.
- [24] Mr. Rudensky is entitled to costs on a partial indemnity scale.

- [25] Mr. Rudensky's Bill of Costs claims costs on a partial indemnity scale in the amount of \$79,253.40 comprised of fees of \$69,370.50, HST on fees of \$9,018.17, and disbursements (including HST) of \$864.73.
- [26] The Plaintiffs submit that Mr. Rudensky's counsel spent an excessive amount of time on this motion (223.9 hours compared to 140 hours spent by the Plaintiffs' counsel). The Plaintiffs submit that time spent preparing for cross-examinations which were cancelled should not be allowed. They submit that Mr. Rudensky's reply factum was unnecessary, not agreed upon, and not accurate in its recitation of some facts, and that costs for the reply factum should be disallowed.
- [27] I do not agree that time spent preparing for cross-examinations that did not proceed should be disallowed. Mr. Rudensky's counsel were entitled to decide whether to proceed with cross-examinations of witnesses after witnesses for Mr. Rudensky were cross-examined. His counsel did not act unreasonably in preparing to cross-examine. I do not agree that time spent on the reply factum should be disallowed.
- [28] I have reviewed Mr. Rudensky's Bill of Costs. I am satisfied that the time expended by his counsel was not excessive or disproportionate. The motion was very important to Mr. Rudensky because, if he was unsuccessful, the default judgment against him would stand. Mr. Rudensky's lawyers needed to bring themselves up to speed on the procedural history of the action, something of which the lawyers for the Plaintiffs were knowledgeable. The fact that Mr. Rudensky's lawyers expended more time on the motion than did the Plaintiffs' lawyers is not unexpected.
- [29] I note that in their Costs Outline for this motion, the Plaintiffs' fees on a partial indemnity scale are \$62,556. This amount is approximately \$7,000 less than the fees claimed by Mr. Rudensky on a partial indemnity scale, although the partial indemnity hourly rates of counsel for Mr. Rudensky are lower than those of counsel for the Plaintiffs.
- [30] In *Boucher v. Public Accountants Council (Ontario)*, 2004 CanLII 14579, the Court of Appeal, at para. 26, held that, overall, the objective in fixing costs is to fix an amount that is fair and reasonable for the unsuccessful party to pay in the particular proceeding.
- [31] When I consider the factors in rule 57.01(1) of the *Rules of Civil Procedure* and the principle in *Boucher*, I conclude that it would be fair, reasonable, and proportionate for the Plaintiffs to pay Mr. Rudensky his partial indemnity costs fixed in the amount claimed. This amount is within a range of costs that the Plaintiffs would have reasonably expected to pay if they were unsuccessful on this motion.

- [32] I fix costs to be paid by the Plaintiffs to Mr. Rudensky in the amount of \$79,253.40. These costs are to be paid within 30 days in accordance with rule 57.03(1) of the *Rules*. I am not satisfied that a different order would be more just.

Cavanagh J.

Date: February 14, 2024

TAB C

Court File No. CV-22-00653410-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

**ANSON ADVISORS INC., ANSON FUNDS MANAGEMENT LP,
ANSON INVESTMENTS MASTER FUND LP and MOEZ KASSAM**

Plaintiffs

- and -

**JAMES STAFFORD, ANDREW RUDENSKY, ROBERT LEE DOXTATOR,
JACOB DOXTATOR, JOHN DOE 1, JOHN DOE 2, JOHN DOE 3,
JOHN DOE 4 and OTHER PERSONS UNKNOWN**

Defendants

AND BETWEEN:

ROBERT LEE DOXTATOR

Plaintiff by Counterclaim

- and –

**ANSON ADVISORS INC., ANSON FUNDS MANAGEMENT LP,
ANSON INVESTMENTS MASTER FUND LP, MOEZ KASSAM,
ALLEN SPEKTOR**

Defendants by Counterclaim

AFFIDAVIT OF ANDREW RUDENSKY

I, **ANDREW RUDENSKY**, of the City of Naples, Florida, in the United States of America,

MAKE OATH AND SAY as follows:

1. I am a defendant in this litigation. As such, I have personal knowledge of the matters contained in this affidavit, except where I state such knowledge to be based on information and belief, in which cases I have identified the source of my information and believe the information to be true.

2. I am swearing this affidavit in support of my motion for summary judgment to dismiss all claims and the entire action against me.

A. Overview

3. The plaintiffs, Anson Advisors Inc., Anson Funds Management LP, Anson Investments Master Fund LP (together, “**Anson**”) and Moez Kassam (“**Kassam**”) (collectively, the “**Plaintiffs**”), commenced this action by way of Statement of Claim issued December 18, 2020. I was not initially a named defendant in the action. The Statement of Claim is attached hereto and marked as **Exhibit “1”** to this affidavit.

4. I first learned of the Plaintiffs’ intention to involve me in this action on or about September 30, 2021, when I received a phone call from Kassam. During the call, Kassam told me that he had started a lawsuit relating to online statements about him and his hedge fund. He further stated that he knew Andy DeFrancesco (“**DeFrancesco**”), a former business associate of mine, was behind the online statements. He threatened to add me as a defendant if I did not provide him with information on DeFrancesco or anyone else’s involvement. I told Kassam I knew nothing about the online statements or who was behind them.

5. During the same call, Kassam told me that I was not the target of his lawsuit and that he would leave me out of it if I assisted him. Kassam further threatened to name me in a Globe & Mail article if I did not comply with his demands for assistance.

6. I did not and could not provide Kassam with any information about who may have been writing about him online, as I did not know (and still do not know) anything about it. I did not speak to Kassam again after this call.

7. As part of this lawsuit, Robert produced recordings of conversations between himself and Kassam. Kassam was asked about these conversations during his examination for discovery conducted on April 20, 2023, and he acknowledged it was himself and Robert on the recording. Attached hereto and marked as **Exhibit “2”** and **“3”** respectively to this affidavit are copies of these recordings and excerpts from the transcript of Kassam’s examination for discovery discussing those recordings.

8. On May 27, 2022, the Plaintiffs’ Fresh as Amended Statement of Claim was issued (the **“Amended Claim”**) which, among other things, added James Stafford (**“Stafford”**) and I as defendants. The Amended Claim is attached hereto and marked as **Exhibit “4”** to this affidavit.

9. In the Amended Claim, the Plaintiffs allege that I engaged in a scheme with the other defendants and other unknown persons to damage the business and reputations of the Plaintiffs (the **“Conspiracy”**) through the publication and dissemination of alleged unlawful and defamatory online statements (the **“Alleged Unlawful Statements”**).

10. I categorically deny all of the allegations made against me in the Amended Claim. I had nothing to do with the Conspiracy, the Alleged Unlawful Statements or any other conduct

described in the Amended Claim. My Amended Statement of Defence filed February 2, 2024, is attached hereto and marked as **Exhibit “5”** to this affidavit.

11. I have never published, either in my personal capacity or under a pseudonym, anything online about the Plaintiffs. While I have a personal Twitter (@ARudensky), I have never tweeted, liked, or retweeted any posts about the Plaintiffs.

12. I have never had a Proton Mail account. I have never been aware of, used, or had access to any of the following emails or social media accounts (as listed in the Amended Claim):

- anesalic@protonmail.com
- editormarketinvestigations@protonmail.ch
- capitalmarketsinvestigation@protonmail.com
- cokiga@protonmail.com
- info@stockmanipulators.org.
- @BettingBruiser Twitter account
- @JohnMur67039142 Twitter account
- JusinTime Stockhouse account
- DeepakSh Stockhouse account
- Evtrader Stockhouse account
- BundyJ Stockhouse account
- Stocknsyrup Stockhouse account
- ToffRaffles Stockhouse account

13. I did not acquire or contribute to the publication of the Alleged Unlawful Statements on any of the websites listed in paragraph 81 of the Amended Claim.

B. Relationship to the Parties

14. My professional background is as a wealth management advisor and trader in publicly traded securities and companies. Between approximately November 2009 and September 2015, I was an advisor at Richardson GMP Limited, now known as Richardson Wealth (“**Richardson GMP**”).

15. In or around 2017, I began trading in securities out of the office of the Delavaco Group (“**Delavaco**”). I was never a partner in, nor a formal employee of Delavaco. While I was there, I was the stock trader who handled trades for the personal accounts of Delavaco’s principal, DeFrancesco, and his family. I stopped working out of the Delavaco offices in early 2021. I no longer have any association with Delavaco or DeFrancesco.

16. I met the defendant Stafford in or around 2018 while I was working out of the Delavaco office. At that time, Stafford was working on awareness campaigns for certain companies in which Delavaco was invested for his website oilprice.com. I have never worked for Stafford or oilprice.com. We maintain a collegial relationship and speak on occasion about trading and investment ideas.

17. I have no relationship with the defendants, Robert Doxtator (“**Robert**”) and Jacob Doxtator.

18. I have no direct or personal relationship with the Plaintiffs. I was introduced to Kassam while I was affiliated with Delavaco, and aside from the call discussed above, I have only spoken to Kassam in a professional capacity.

C. No Evidence I was Involved in the Conspiracy or Alleged Unlawful Statements

19. I have no other documents in my possession that are relevant to this lawsuit, other than the documents relating to my trading in Aphria Inc. Attached hereto and marked as **Exhibit “6”** to this affidavit is a copy of my sworn affidavit of documents and Schedule “A” productions.

1. Robert Doxtator’s Accusation and Recanting

20. At paragraphs 98 and 99 of the Amended Claim, the Plaintiffs rely on the statements of Robert to claim that I was involved in creating the Defamatory Manifesto (as defined in the Amended Claim), that Stafford was paying me to do it, and that I was running a hotline soliciting “tips” about Kassam and Anson to further the alleged Conspiracy. Attached hereto and marked as Exhibit “7” to this affidavit is a copy of a WhatsApp chat between Robert and Kassam produced by the Plaintiffs dated October 1, 2020 (the “**WhatsApp Chat**”).

21. I categorically deny the assertion in the WhatsApp Chat that I “for sure wrote part 1” or that “Stafford was paying [me] to do it”. I did not have any involvement in the preparation and publication of the Defamatory Manifesto or any Alleged Unlawful Statement. I did not receive any payment from Stafford to prepare any manifesto or any Alleged Unlawful Statement.

22. I have no relationship with Robert, so I do not know why he falsely implicated me in this matter in the WhatsApp Chat on October 1, 2020. On April 14, 2023, during his examination for discovery, Robert admitted under oath that he falsely accused me of being involved in this matter. An excerpt from the transcript of Robert’s examination for discovery in this regard is attached as Exhibit “8” to this affidavit.

23. Stafford also denied under oath that he paid me to write any of the Defamatory Manifestos (as defined in the Amended Claim). An excerpt from the transcript of Stafford’s examination for discovery conducted on March 23, 2023, in which he made this denial is attached as Exhibit “9” to this affidavit.

2. The “Transcript”

24. At paragraphs 66 to 68 of the Amended Claim and paragraphs 42 to 47 of Appendix “E” of the Amended Claim, the Plaintiffs claim that I met or spoke with Stafford and Robert to plan the Defamatory Manifesto, and that some of these meetings were recorded and/or transcribed. Attached hereto and marked as Exhibit “**10**” to this affidavit is the alleged transcript which purportedly captures these alleged calls, and which the Plaintiffs rely upon to support the allegation that I was involved with the Defamatory Manifesto (the “**Transcript**”).

25. This alleged “Transcript” refers to a conversation between a “CM”, “TM”, and “Insider”, which the Plaintiffs claim are Stafford, me, and Robert, respectively. I categorically deny being TM. I have never had a nickname or been referred to by any name that reflects the initials “TM”, and I have no recollection of ever participating in such a conversation.

26. Kassam acknowledged under oath that he does not know the identities of CM, TM and Insider, that he does not have any underlying recording of the alleged Transcript, and that he received the Transcript from an anonymous email. Excerpts from the transcript of Kassam’s examination for discovery conducted on April 20, 2023, containing these acknowledgments in further detail, are attached as Exhibit “**11**” to this affidavit.

27. I do not believe that this “Transcript” is an authentic transcript of a real conversation involving me. I do not recall participating in such a conversation. There is no reference to my name or Richardson GMP in that “Transcript”. There is no evidence in the “Transcript” of who else may have been a party to this conversation and where and when that conversation may have taken place (if it indeed happened, which I deny). I do not know how or by whom this “Transcript” was created.

28. Stafford denies ever recording any conversations with me and further denies any awareness of, or involvement in, the creation of the Transcript. Attached as Exhibit "12" to this affidavit are excerpts from the transcript of Stafford's examination for discovery in this regard.

29. Robert maintains that he has no knowledge of the alleged call transcripts, including the "Transcript" attached above as Exhibit 7 to this affidavit. Attached as Exhibit "13" to this affidavit is an excerpt from the transcript of Robert's examination for discovery and from his chart of Undertakings, Under Advisements, and Refusals confirming Robert's position.

3. Aphria and Delavaco

30. At paragraphs 33, 66 and 143 of the Amended Claim, the Plaintiffs claim that I had a motive to defame them because the stock price of Aphria Inc. ("**Aphria**"), a cannabis company, fell following the release of a report in December 2018 prepared by Hindenburg Research (the "**Hindenburg Report**"). The Hindenburg Report mentioned DeFrancesco, who was a promotor of Aphria, and Delavaco. As I indicated above, I worked out of Delavaco's offices for a time, however, I never promoted Aphria. The Hindenburg Report is attached hereto and marked as Exhibit "14" to this affidavit.

31. In his examination for discovery in this action, Kassam alleged that my *animus* against him and the other Plaintiffs was because I worked at the Delavaco Group, an organization with which Kassam said he and the Plaintiffs had an acrimonious relationship. An excerpt from the transcript of Kassam's examination in this regard is attached as Exhibit "15" to this affidavit.

32. I deny that I had or have any *animus* or malicious intent against the Plaintiffs or motive to hurt them. As stated above, I do not have a direct or personal relationship with the Plaintiffs.

33. Moreover, while I did trade in Aphria, I was not financially impacted by the Hindenburg Report. In fact, I came out with a small gain overall in my trading of that stock. I did not have any affiliation with Aphria beyond my personal trading in the company. I did not promote Aphria stock, either personally or at the behest of Delavaco or DeFrancesco. The documents in my affidavit of documents at Exhibit 6 confirm that I made a small gain overall on my trading in Aphria.

34. To the best of my knowledge, from my time with the Delavaco Group, neither DeFrancesco nor the Delavaco Group incurred material losses on Aphria at around the time of the Hindenburg Report.

D. Relief Requested

35. In this affidavit, I have addressed all the evidence that the Plaintiffs purport to have against me of which I am aware. I am asking this Honourable Court to find that there is no evidence against me that would allow the Court to conclude that I was a party to the alleged Conspiracy, Alleged Unlawful Statements and other conduct described in the Amended Claim, or that I should be found liable to the Plaintiffs.

36. Accordingly, I am respectfully requesting that this Honourable Court grant summary judgment dismissing all claims and the entire action against me.

37. I make this affidavit for no improper purpose.

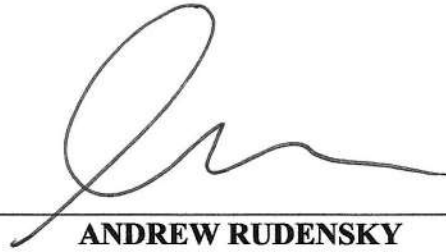
SWORN by Andrew Rudensky of the City of Naples, in the State of Florida, USA, before me at the City of Toronto, in the Province of Ontario, on February 25, 2024, in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A blue ink signature, appearing to read 'Connor Allison', written in a cursive style.

Commissioner for Taking Affidavits
(or as may be)

Connor Allison (LSO #79878R)

}

A black ink signature, appearing to read 'Andrew Rudensky', written in a cursive style.

ANDREW RUDENSKY

**THIS IS EXHIBIT "1" REFERRED
TO IN THE AFFIDAVIT OF ANDREW RUDENSKY
SWORN BEFORE ME THIS
25TH DAY OF FEBRUARY, 2024.**



Connor Allison



Electronically issued
Délivré par voie électronique : 18-Dec-2020
Toronto

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N:

(Court Seal)

ANSON ADVISORS INC., ANSON FUNDS MANAGEMENT LP,
ANSON INVESTMENTS MASTER FUND LP AND MOEZ KASSAM

Plaintiffs

- and -

ROBERT LEE DOXTATOR, JACOB DOXTATOR AND JOHN DOE 1,
JOHN DOE 2, JOHN DOE 3, JOHN DOE 4 AND OTHER PERSONS
UNKNOWN

Defendants

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 lawyer 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.

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.

Date _____ Issued by _____
Local Registrar

Address of court office: Superior Court of Justice
330 University Avenue, 9th Floor
Toronto ON M5G 1R7

TO: Robert Lee Doxtator



Jacob Doxtator



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CLAIM

1. The Plaintiffs, Anson Advisors Inc. (“**AAI**”), Anson Funds Management LP (“**AFM**”), Anson Investments Master Fund LP (“**AIMF**” and, together with AAI and AFM, “**Anson**”) and Moez Kassam (“**Kassam**”), claim against the Defendants, Robert Lee Doxtator, Jacob Doxtator, John Doe 1, John Doe 2, John Doe 3, John Doe 4 and other persons unknown (the “**Defendants**”), jointly and severally, for

- (a) general damages in the amount of \$100,000,000 for conspiracy, publicity that places the plaintiffs in a false light, intentional interference with economic relations, appropriation of personality and defamation;
- (b) aggravated damages of \$1,000,000;
- (c) punitive or exemplary damages of \$10,000,000;
- (d) special damages to be proven at trial;
- (e) fees and costs incurred by the Plaintiffs in investigating the individuals involved in the Conspiracy (as defined below), and removing the Unlawful Statements (as defined below), in amounts to be proven at trial;
- (f) a mandatory order compelling the Defendants to remove the publications complained of in this action from all Internet websites, online message boards and social media platforms within their control;
- (g) an interim, interlocutory and permanent injunction restraining the Defendants or anyone with notice of the order from republishing the

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Unlawful Statements (as defined below), or publishing further unlawful and defamatory statements about Anson and its current and past personnel;

- (h) pre-judgment interest in accordance with section 128 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended;
- (i) post-judgment interest in accordance with section 129 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended;
- (j) the costs of this proceeding on the highest allowable basis, plus all applicable taxes; and
- (k) such further and other relief as to this Honourable Court may seem just.

2. Since at least the summer of 2019 and intensifying to the present, the Defendants Robert Lee Doxtator and Jacob Doxtator have engaged in a scheme with each other and other unknown individuals to damage the business and reputations of a successful securities business, Anson, and its founder, Moez Kassam. Specifically, the Defendants conspired to falsely and repeatedly claim that Kassam is a criminal and that he and his businesses are engaged in conduct that is illegal, unethical, and contrary to Canadian and United States securities regulations. They have, for example, published or encouraged the publication of the following false and defamatory statements:

- (a) “Moez Kassam and his Anson Funds have systematically engaged in capital market crimes, including insider trading and fraud, to rob North American shareholders of countless millions”;

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- (b) “Anson Funds and Moez Kassam have been destroying companies through illegal means...”;
- (c) Kassam is a “corrupted and criminal CIO [Chief Investment Officer] at Anson funds”;
- (d) “If you r an Anson Fund investor ... be prepared to have your funds locked up b/c there is a lot information floating out there that paints a picture of scams to benefit none other then Moez Kassam”;
- (e) “In his attempt to destroy small-cap Canadian companies through nefarious means, a string of feeder funds and untraceable payments to elude regulators, Moez Kassam has betrayed even his closest friends”;
- (f) Kassam pursued “questionable and illegal activities” in “an attempt to make money by destroying small companies and the lives of anyone who happened to get in his way: even those who helped him and ended up being disposable”;
- (g) “Moez Kassam & Sunny Puri of Anson . . . put out the report to manipulate the market so they could cover an already short position”;
- (h) “... dirty moez [sic] hurt his business parnter [sic] and lied to the founders of \$apha [Aphria Inc.]”; and
- (i) Kassam and Anson “just use people and don’t pay anyone but themselves”.

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3. Statements accusing the Plaintiffs of illegal and unethical conduct, including market manipulation, fraud, insider trading, breaches of applicable securities law and regulations, and cyber crimes, are false and defamatory. This lawsuit seeks to hold the Defendants, who are located in Canada and likely the United States, accountable for the economic, reputational, and emotional harm their lies have caused.

A. THE PLAINTIFFS

4. AAI is a corporation incorporated under the laws of Ontario. It is a private asset management firm that serves as the co-investment adviser, exempt market dealer and portfolio manager to several investment funds in which private investors may invest their capital (collectively, the “**Anson Funds**”). It is regulated by the United States Securities and Exchange Commission (“**SEC**”) and the Ontario Securities Commission (“**OSC**”), among other regulatory bodies.

5. AFM is a Texas limited partnership that serves as the investment fund manager for the Anson Funds. It is regulated by the SEC and the OSC.

6. AIMF is a Cayman Islands exempted limited partnership. It is Anson Funds’ flagship investment fund. The Anson investments that are the subject of the Unlawful Statements (as defined below) were undertaken by AIMF.

7. Anson uses multiple strategies to execute its investment program, including both long and short investment strategies and opportunistic investments. One subset of Anson’s short investment strategies includes short selling securities that have the indicia of fraudulent “pump and dump” schemes. In a pump and dump scheme, the perpetrators

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attempt to inflate the value of a stock through false or misleading statements and then enrich themselves at the cost of other shareholders, including but not limited to by way of selling stock, paying inflated salaries, or paying related parties inflated amounts without proper disclosure.

8. Short selling is a legitimate investment strategy that involves borrowing shares from a dealer and selling them in anticipation that the share price will decline. The borrower must later repurchase the shares in order to return them to the lender. If the share price has fallen by the time the borrower repurchases the shares for return, the borrower will earn a profit. By contrast, if the shares increase in value while the borrower holds a short position, the borrower will be required to repurchase the shares at the increased price, causing a loss.

9. Short selling, as a trading activity, is subject to a well-developed regulatory regime in Canada.

10. Anson conducts and reviews research and due diligence on the market and relevant companies to inform its trades, all based on publicly available information. When Anson conducts short sales, its scrutiny may threaten the individuals who perpetrate pump-and-dump and other fraudulent securities schemes, or who otherwise benefit from inflated securities. Anson complies with all applicable investment rules and regulations in all trading transactions it undertakes.

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11. A “naked” short sale occurs when an investor sells shares in anticipation that their price will decline without first having a reasonable belief that it can borrow the shares that it sold. Anson does not engage in naked short selling.

12. The capital markets rely on the free flow of public information about publicly traded companies. Further, publication of analyses of public companies is a routine feature of the capital markets, including where the entity publishing the analysis has made an investment (either short or long) in the securities of the company in question. In the ordinary course of its business, Anson from time to time discusses its research and investment analyses and theses with others in the industry. This is done to conduct research, stress test due diligence and investment theories, learn potentially variant points of view and solicit other independent analyses. To the extent analyses that are published by others align with Anson’s – or other investment funds’ – views, this is simply the result of the various individuals involved applying standard financial analysis to the same publicly available information.

13. Moez Kassam is a founder of Anson, and a director and the principal, Chief Executive Officer and Chief Investment Officer of AAI. Kassam is 40 years old. He founded Saunders Capital Master Fund LP, the predecessor to AIMF, in July 2007 at the age of 26, and has since built Anson into a billion-dollar investment firm. In 2018, Kassam was named to Canada’s Top 40 Under 40 for extraordinary achievement in business and philanthropy. He is an executive member of the Young Presidents Organization’s Maple Leaf Chapter, where he serves as Education Officer. He sits on the boards of directors of the Canadian Olympic Foundation, Toronto Public Library Foundation, Friends of Aseema

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and Kids Cook to Care. He also serves as a line of credit guarantor for Windmill Microlending, which supports immigrants and refugees who come to Canada with education, skills and experience but struggle to resume their careers here.

14. Through the Moez & Marissa Kassam Foundation, Kassam has donated millions of dollars to Canadian charitable causes, including the Sunnybrook Foundation, the SickKids Foundation, Community Food Centres Canada, the Michael Garron Hospital Foundation, the Canadian Foundation for AIDS Research (CANFAR), Together We Stand Foundation, the Institute for Canadian Citizenship, the South Asian Legal Clinic of Ontario and many others. In fiscal year 2020 alone, the Moez & Marissa Kassam Foundation donated over half a million dollars to various Canadian charitable entities.

15. Kassam provides advice with respect to AIMF and all of Anson's other funds under management and is ultimately responsible for Anson's investment strategy, trading and overall investment performance. Kassam is the face of Anson and is well known in the industry as such.

B. THE DEFENDANTS

16. The Defendant Robert Lee Doxtator ("**Robert**") resides in Belleville, Ontario. He is a founder of Harvest Moon Cannabis Company (a company providing research and due diligence services) and is a business development consultant in the cannabis industry. In the past, Robert has shared due diligence with Anson. Robert operates a Twitter account under the username @BettingBruiser. It has over 14,000 followers. The "Betting Bruiser" Twitter profile states: "@HarvestMoon420 Founder -#Potstocks Legal & Business

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Development Consultant Inquiries: HarvestMoonCannabisCo@gmail.com.” It is well known in the Canadian investment industry that “Betting Bruiser” is Robert.

17. Robert, as “Betting Bruiser”, is a prolific Twitter user and has repeatedly used his Twitter account to publish offensive content, including content disparaging of immigrants, women and members of the LGBT community.

18. While Robert holds himself out to be a lawyer, including in posts on the “Betting Bruiser” Twitter account, there is no record of his being admitted to practice law in any province or territory of Canada.

19. The Defendant Jacob Doxtator (“**Jacob**”) is the cousin of Robert. He also resides in Belleville, Ontario. He operates a Twitter account through an alter-ego named “John Murphy” under the username @JohnMur67039142. Unlike with “Betting Bruiser”, it is not commonly known that Jacob operates the “John Murphy” Twitter account. The Defendants went out of their way to use this account to conceal their identities as part of their scheme against Anson. Although Jacob lives in Belleville, the Twitter account states that “John Murphy” lives in the state of Georgia in the United States.

20. The Defendants John Doe 1, John Doe 2, John Doe 3, John Doe 4 and other persons unknown (the “**Unknown Defendants**”) are individuals whose identities are presently unknown, but who are believed to have the means and business motivation to seek to harm the Plaintiffs. The Unknown Defendants may reside in the United States or elsewhere outside of Canada. The Plaintiffs will substitute the actual names of these Defendants after they have been discovered.

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21. More generally, the Plaintiffs reserve their right to make, or seek to make, amendments to this pleading to incorporate additional material facts and information that they discover.

C. OVERVIEW OF CLAIM

22. Robert, Jacob (together, the “**Doxtators**”) and the Unknown Defendants are parties to a sophisticated, coordinated scheme to damage the Plaintiffs’ business and reputations (the “**Conspiracy**”).

23. In particular, and as described further below, in furtherance of this Conspiracy, the Defendants maliciously and intentionally entered into an agreement to conspire with one another and committed acts with the predominant purpose of injuring the Plaintiffs by damaging their business and reputations. In addition, or in the alternative, in furtherance of this Conspiracy, the Defendants have acted in a concerted and coordinated effort while using unlawful means aimed at the Plaintiffs, including but not limited to acts that amount to defamation at law, when they knew, or ought to have known, that significant harm to the Plaintiffs would result. In fact, the Defendants have caused significant damage to the Plaintiffs’ business and reputations through their unlawful, improper conduct. Furthermore, the Defendants took sophisticated steps to conceal their identities and advance the Conspiracy anonymously because they knew they were engaged in unlawful conduct. The Defendants are savvy about capital markets and deliberately fabricated allegations about the Plaintiffs – or at best were reckless as to whether the allegations were false – in order to sabotage their business.

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24. In the Conspiracy, the Doxtators coordinated and agreed with one another and with the Unknown Defendants to harm the Plaintiffs through a carefully planned and executed plot. This plot has included fabricating, spreading and publicizing a series of unlawful, abusive, false, malicious, harassing and defamatory statements about Anson, Kassam and other individuals connected with Anson (the “**Unlawful Statements**”); hiring freelance web developers based in Bosnia and Herzegovina to register the websites on which Unlawful Statements were posted, for the purpose of concealing the Defendants’ identities; sending targeted communications containing the Unlawful Statements via email; and attempting to improperly attract regulatory and media attention to the Unlawful Statements. Moreover, the Defendants have sought to disseminate the Unlawful Statements internationally to individuals in (at least) the United States (where the Plaintiffs do business) as well as in Canada, with the intention of causing maximum, widespread harm to the Plaintiffs.

25. Steps taken by the Defendants pursuant to the Conspiracy include the following:

- (a) in summer 2019, some or all of the Defendants, and in particular Robert, began a campaign to spread Unlawful Statements about the Plaintiffs on Twitter through Robert's “Betting Bruiser” Twitter account;
- (b) in July and August 2020, in a further concerted and coordinated effort, the Defendants increased their efforts and conspired to post Unlawful Statements on message boards on the website Stockhouse (which provides market news and analysis regarding companies with small market

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capitalizations, as well as message boards for users to discuss securities issuers). These Unlawful Statements were viewed by many thousands;

- (c) beginning on or around September 27, 2020, after the Plaintiffs took steps to have the Unlawful Statements on Stockhouse removed, the Defendants anonymously wrote, published and disseminated a lengthy Internet post containing Unlawful Statements about the Plaintiffs (the “**Defamatory Manifesto**”) on a series of websites. The Defendants knew that the allegations in the Defamatory Manifesto were false and defamatory, and intended to make and widely distribute these false, defamatory and misleading allegations. They sought to imbue the Defamatory Manifesto with credibility by falsely calling it an “investigation”. It was viewed by tens of thousands;
- (d) the Defendants hired freelance web developers based in Bosnia and Herzegovina to register the websites on which they published the Defamatory Manifesto, to obscure the websites’ origins and conceal the Defendants’ involvement in the publication, something that would only be part of a sophisticated plot;
- (e) after the Plaintiffs were forced to take steps to have websites publishing the Defamatory Manifesto taken down, the Defendants again re-published it on new websites, which were once again created in a manner to conceal their involvement. A version of the Defamatory Manifesto remains available on the Internet;

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- (f) the Defendants used alter-ego Twitter accounts, and/or hired or otherwise procured or involved additional conspirators, to further disseminate and publish links to the Defamatory Manifesto;
- (g) the Defendants, similarly concealing their identities through alter-egos and/or by hiring or otherwise procuring or involving additional conspirators for this purpose, publicized and provided links to the Defamatory Manifesto on various Internet message boards and chat rooms. These message boards and chat rooms related to the Canadian and U.S. securities markets and are frequented by investors;
- (h) the Defendants also used alter-ego Twitter accounts to publish further false, defamatory, harassing, and malicious Unlawful Statements against the Plaintiffs, including wishing harm to come to Kassam, and inciting or encouraging others to harm him;
- (i) the Defendants published further false, defamatory, harassing, and malicious Unlawful Statements against the Plaintiffs through targeted emails sent from an anonymized email address;
- (j) the Defendants sent the Defamatory Manifesto to the media in a concerted but unsuccessful attempt to use the media to further publicize the Unlawful Statements and lend them a false and unwarranted air of credibility; and
- (k) the Defendants attempted to draw the Defamatory Manifesto to the attention of regulators and, based on the Unlawful Statements, encouraged

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unwarranted regulatory scrutiny and investigation of the Plaintiffs, with the aim of disrupting and damaging the Plaintiffs' business and further harming their reputations.

26. As a result of the Defendants' conduct, the Unlawful Statements have been publicized broadly on the Internet, on various websites and online message boards and on Twitter. They have been disseminated widely, causing unwarranted adverse publicity for Anson that has significantly disrupted and damaged its business.

27. The Defendants have the means to attack Anson through the Conspiracy and may be motivated by an animus against Anson because of its scrutiny of overvalued stocks and pump-and-dump schemes, some of which the Defendants may have stood to benefit from. In particular, the Plaintiffs believe that the Defendants have targeted them in their malicious and illicit Conspiracy because part of Anson's investment strategy involves scrutinizing overvalued companies, including, in the past, those in the cannabis industry.

28. As was the case with other investment firms in 2018, one of Anson's investment strategies involved short-selling securities of several Canadian-operated publicly listed cannabis companies that it believed to be overvalued. Many investment firms, in the ordinary course of business, established short positions against Canadian cannabis companies whose stock prices they believed to be extended beyond the company's fundamental value. Some of these cannabis companies were referred to in the Unlawful Statements.

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29. The Unlawful Statements falsely attribute to the Plaintiffs an almost preternatural power to choose securities where they can cause the share price of a company to decline. The Plaintiffs did not cause the share prices of the companies mentioned in the Unlawful Statements to decline. Market fundamentals – alongside overall waning investor sentiment and the actual performance of these companies, among other factors – did. In most cases, the valuations of such companies are down 70% or more since their peak.

30. Moreover, the Defendant Robert has an animus against Anson and Kassam, which is in part based on his claims that he has not been paid for due diligence that he shared with Anson. In October 2020, he aggressively attempted to obtain a significant and unwarranted amount of money from Anson, plus an indemnity and immunity, in exchange for certain due diligence he shared with Anson, and for information on the identity of the Unknown Defendants, which he confirmed he knew. Robert utilized the circumstances – the publication of the Defamatory Manifesto and other Unlawful Statements – to attempt to pressure Kassam and Anson to pay him significant amounts, giving his demands the air of extortion. While not all aspects of Robert's animus against Anson and Kassam are known to the Plaintiffs, the animus is consistent with past racist tweets by Doxtator, and in light of the fact that Kassam, other senior employees at Anson, and their spouses are not Caucasian.

31. Though all of the parties behind the Conspiracy to damage the Plaintiffs' business and reputation are not known at this time, the damage wrought from their illegal conduct is clear.

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D. THE DEFENDANTS' CONSPIRACY AGAINST THE PLAINTIFFS

(i) *Beginning in late 2018, Robert develops animus towards Plaintiffs*

32. Anson and Kassam first met Robert in late August 2018, where they discussed the prospect of him providing consulting services to Anson via the company founded, Harvest Moon Cannabis Company. In the following months, Robert shared limited due diligence with Anson, but Anson ultimately decided not to engage him further.

33. Sunny Puri ("**Puri**") is a Principal and Portfolio manager at Anson, where he has worked since 2013. Robert has a particular longstanding malevolent animus towards Puri, which includes threatening violence.

34. In the months after August 2018, Robert became irrationally angry with Anson, and Puri in particular, because Robert thought – incorrectly – that Anson had traded profitably on the limited due diligence he provided and shared the information with others. In November 2018, Robert told Allen Spektor (the person who introduced Robert to Anson) that he wanted Puri fired. On November 8, 2018, Robert wrote to Spektor via a messaging app that "I'm never moving on...And if I see sunny [sic] I might kick him in the teeth[.] Straight up[.] Your friend is a SHYSTER".

35. In or around August 2019, Anson offered to pay a sum commensurate with other limited due diligence Robert provided. Robert took issue with the amount Anson had offered to pay him and began to threaten legal action, as well as physical violence and other retribution.

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36. On August 21 and 22, 2019, Robert sent Kassam the following messages (emphasis added):

I'm working on a report

It's called the biggest predatory fund in Potstocks...

I'm going to talk to my lawyer also cause I'm sick [of] people like trying [to] fuck me over...

I'm going to talk to my lawyer sorry Moez sick of this...

So tomorrow I reveal your friendly bear

Just getting started

Reports ready to go...

You fucked over wrong person for last time Moez

Tweets pretty popular

Media already texting me for the story

37. In September 2019, while Puri was in a meeting at a professional conference at the Shangri-La Hotel in Toronto, Robert threatened to physically assault him in front of other conference attendees.

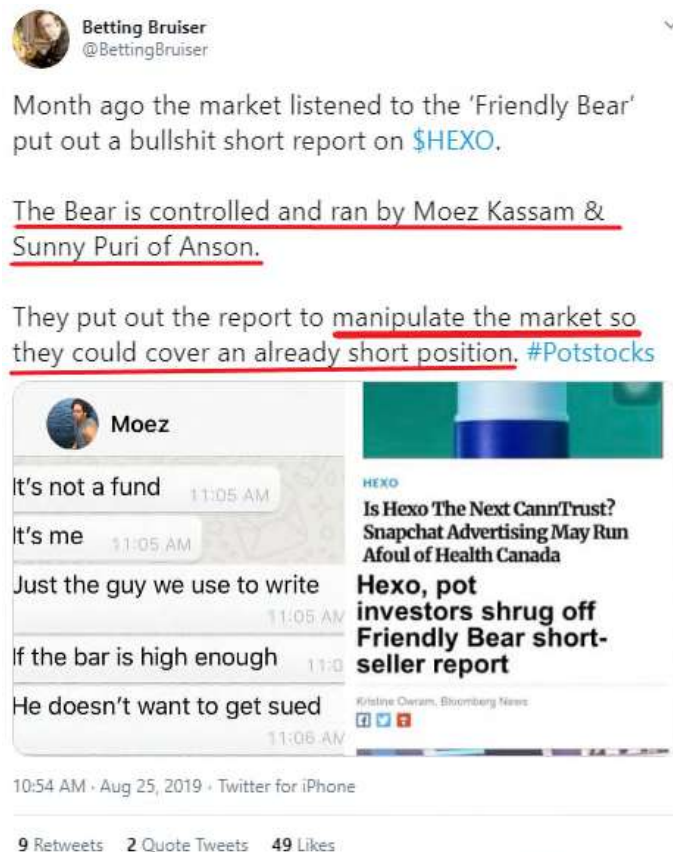
(ii) In Summer 2019, Robert launches a Campaign to spread Unlawful Statements about the Plaintiffs

38. In late August 2019 – a few days after threatening to begin to publicly “reveal” purported content about Anson – “Betting Bruiser” unleashed a series of tweets making false and defamatory Unlawful Statements about the Plaintiffs. Just as Robert had threatened Kassam, “Betting Bruiser” tweeted false allegations that Anson and Kassam

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had commissioned a report that the Friendly Bear, an independent research outfit, had published regarding Hexo Corp., a cannabis company. In particular:

- (a) on August 25, 2019, “Betting Bruiser” tweeted false allegations about Anson’s purported involvement in the Friendly Bear report. He falsely alleged that Anson “controls” the Friendly Bear – which allegations also appeared in the Defamatory Manifesto over a year later. He included in the tweet a screen shot of text messages from Kassam, which he presented out of context and in a misleading manner (emphasis added below):



As described above, publication of public company analysis is a routine feature of the capital markets. Anson and other market participants

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routinely share investment theses (based on publicly available information) with others in the industry for the purpose of stress testing such theses. To the extent individuals publish reports on public companies, these may or may not accord with the views of Anson and other investment firms. Anson does not “control” such analysts, who independently form their own views regarding companies and independently choose if and when to publish reports;

- (b) later the same day, he tweeted about his plan to “expose” Anson:



- (c) on August 26, 2019, “Betting Bruiser” published several tweets falsely alleging that Anson used a representative, Adam Spears, on the Board of Directors of a cannabis company named Zenabis Inc. (“**Zenabis**” or “**\$ZENA**”) to negatively influence the company’s business decisions and reduce its share price:

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**Betting Bruiser**
@BettingBruiser

...

A lot DM's about \$ZENA & Anson Funds.

Anson Funds holds a boatload of converts in \$ZENA that they are using to cover their short position.

They've had a direct hand creating chaos within management decisions. Including the listing price. How so? Anson representative! #Potstocks

**Adam Spears**
Independent Director

- (d) later that same day, he tweeted false allegations that Spears was recording conversations among Zenabis management so that Anson could blackmail the company or use the information to its detriment (emphasis added below):

**Betting Bruiser** @BettingBruiser · Aug 26, 2019

As in the case with \$HEXO ... I wouldn't doubt that Adam is recording conversations of \$ZENA management and executives in hopes of Anson blackmailing or using the info for the detriment of the company. Adam needs to be removed. #Potstocks

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39. On March 11, 2020, “Betting Bruiser” tweeted a photo of Puri, commenting: “The biggest chicken hawk that I’ve ever met in my life. Every time I see him we have words. Sunny Puri from Anson Funds. If you’ve ever crossed paths with him then your stock is likely -95% from its high and he holds your [fate] in his hands via convertible debt. #PotStocks”.

(iii) In Summer 2020, the Conspiracy spreading Unlawful Statements about the Plaintiffs expands

40. In July and August 2020, the Defendants conspired to spread the publication of the Unlawful Statements on the Internet, including via posts published on the website Stockhouse and dated July 23, August 14, August 17, and August 28, 2020 (collectively, the “**Unlawful Stockhouse Statements**”).

The July 23, 2020 Stockhouse Post

41. The Defendants conspired to anonymously publish a post titled “The Real Story on Moez Kassam and Anson Funds – Part 1” on Stockhouse on July 23, 2020, under the pseudonym “JusinTime” (the “**July 23 Stockhouse Post**”):



42. The July 23 Stockhouse Post called Kassam a “criminal” and included statements accusing him of engaging in illegal, unethical, and “corrupt” business practices as well as egregious personal attacks, which were intended to damage his reputation and turn investors away from him. The accusations are false and defamatory.

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43. The July 23 Stockhouse Post accused Kassam of being “corrupt and criminal” and asserted that his practices included “treading on people, lying and using every trick in the book to bring companies down that he bet against” (emphasis added below):

So here is the beginning part of the tale about the corrupt and criminal CIO at Anson funds?
A few short years ago Moez Kassam was a high flying star in the hedge fund space. He had \$1 billion under management (now down to \$250 million and falling) and was the praise of the financial community. But what people don't know is that his media praise was paid for (like when Toronto Life covered his wedding – paid for and made to look like an editorial - shame). But even worse he made his money the dirty way, treading on people, lying and using every trick in the book to bring companies down that he bet against. Whatever it took, whoever he ruined financially or reputation wise he would do it to turn a profit.

44. In particular, the July 23 Stockhouse Post discussed Anson’s investment in the cannabis company Tilray Inc. (“**Tilray**”). The post falsely asserted that, during this period, Anson had “a large naked short position” which posed a “significant credit risk” to its creditors, and that Anson committed “numerous securit[ies] violations [in] ever f[l]avour imaginable” in order to protect its solvency.

45. The July 23 Stockhouse Post also falsely stated that Anson was “again caught naked” in relation to another company, Facedrive Inc. (“**Facedrive**”), falsely implying that Anson’s conduct was abusive or illegal and asking the Investment Industry Regulatory Organization of Canada (“**IIROC**”) if it would be investigating “how Moez creates paper”. Anson does not engage in naked short selling.

46. The July 23 Stockhouse Post stated that the Plaintiffs were “bad actors” who are “getting away with” “huge regulatory infringements”, and that there were “zero repercussions for their illegal behaviour.”

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47. The July 23 Stockhouse Post claimed that further allegations of “corruption, lies and foul play” against the Plaintiffs were forthcoming, and concluded with, “Stay tuned especially IIROC, juicy bits coming for you folks.”

48. Jacob, who maintains a Twitter account through an alter-ego named “John Murphy” with the username @JohnMur67039142, tweeted a link to the Stockhouse July Post ***on the day it was published***:



The timing demonstrates insider knowledge that the July 23 Stockhouse Post was being published.

49. Shortly after the publication of the July 23 Stockhouse Post, “John Murphy” issued tweets predicting more publications about Plaintiffs would soon “come out.” For example:

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50. “John Murphy” included the Twitter accounts of The Globe and Mail and its reporter David Milstead, as well as BNN Bloomberg, in this tweet in order to draw these allegations to the media’s attention.

The August 14, 2020 Stockhouse Post

51. The Defendants conspired to publish a further defamatory and anonymous post on Stockhouse on August 14, 2020 titled “Moez Kassam and Anson Funds – Short \$500 M and Lose It All” under the pseudonym “evtrader” (the “**August 14 Stockhouse Post**”):



Moez Kassam and Anson Funds - Short \$500 M And Lose It All

52. This post made similar allegations to the July 23 Stockhouse Post.

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53. The August 14 Stockhouse Post continued the egregious and baseless personal attacks against Kassam, referring to him disparagingly as an “awful little grot” and falsely stating that the Plaintiffs “lost \$500 million on a Tilray short”.

54. The August 14 Stockhouse Post also stated that “regulatory fire...will be coming [Kassam’s] way soon.” This was one of several attempts to draw regulatory attention to Anson, and falsely imply that the Plaintiffs were engaged in behavior that violated securities regulations.

55. Also on August 14, 2020, “John Murphy” retweeted the false claim that Anson was behind the report produced by Hindenburg Research (“**Hindenburg Report**”) regarding Aphria Inc. (“**Aphria**”), a cannabis company, and predicted that the “story will be all over the streets within months”. This tweet included a photo of Kassam that later appeared in the Defamatory Manifesto, and also included the Twitter account of BNN Bloomberg to draw the allegations to its attention. The tweet read as follows:

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56. The same day, “John Murphy” tweeted additional allegations:

\$FD #moezkassam paid for negative promotions on \$FD [Facedrive Inc.] \$apha [Aphria] \$tlry [Tilray] and many more. Was this disclosed by publisher? @AnsonGroupFunds @HindenburgRes @BNN Bloomberg @BettingBruiser \$tlry \$apha \$shortsellers @IIROCinfo

The August 17, 2020 Stockhouse Post

57. The Defendants conspired to continue their scheme to harm the Plaintiffs by anonymously publishing a post on Stockhouse on August 17, 2020 titled “The Real Story on what happened with Moez Kassam and Aphria”, under the pseudonym “Bundyj” (the “**August 17 Stockhouse Post**”):

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Bundyj (members/bundyj) (13)
User Actions

August 17, 2020 - 04:19 PM

1509 Reads

Post# 31419651

The Real story on what happened with Moez Kassam and Aphria

58. The August 17 Stockhouse Post alleged that Kassam is “a **corporate sociopath** of the worst kind...He talks the talk and **worms his way into friendships that he fully plans to betray** for a dollar at the first opportunity.”

59. The August 17 Stockhouse Post alleged that Anson had invested in Aphria, but that following Anson’s “failed short campaign against Tilray”, the Plaintiffs “became desperate” and “**decided to betray [Kassam’s] friends and colleagues at Aphria.**”

60. The August 17 Stockhouse Post falsely stated that the Plaintiffs commissioned the Hindenburg Report to publish negative material regarding Aphria, and that the Plaintiffs provided Anderson with “sensitive, insider information that [Kassam] obtained from his friendships with Aphria management and founders”.

61. The August 17 Stockhouse Post also falsely claimed that, shortly before the Hindenburg Report was released, the Plaintiffs took a short position in Aphria so that they could profit from the diminution of its stock price. Aphria’s stock fell following the release of the report, and the post claimed that, “to the outside world Kassam feigned shock...to avoid suspicion even though he had orchestrated the entire scheme and illegally fed Nate insider information.”

62. The August 17 Stockhouse Post implied Anson’s conduct violated securities regulations by encouraging regulators to investigate the allegations it contained. It

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concluded by encouraging readers to “[c]opy and share as I’m sure Moez will try to have this post removed.”

63. Shortly after the August 17 Stockhouse Post was published, Anson received an anonymous telephone call at its offices threatening harm to Anson and Kassam.

64. On August 21, 2020, Robert texted Spektor about Puri, commenting: “When I see Sunny...I’m punching his ticket...I’ve chased sunny now twice now...Ran like a bitch”. In the same conversation, he implied that he could have physical harm done to Kassam: “I’m well connected also ... *if I wanted someone to visit Moez I could [have] had it done already* but just moved past it and it’s his loss now”.

The August 28, 2020 Stockhouse Post

65. The Defendants conspired to anonymously publish a post on Stockhouse on August 28, 2020 titled “Moez Kassam and Anson at it again – you guys got off lightly”, under the pseudonym “stocknsyrup” (the “**August 28 Stockhouse Post**”):

Moez Kassam and Anson at it again – you guys got off lightly
(/companies/bullboard/v.fd/facedrive-inc?postid=31470222)



stocknsyrup (/members/stocknsyrup) (1) | August 28, 2020 12:43 pm

66. The August 28 Stockhouse Post alleged that Anson invested in Zenabis and appointed a “**stooge**”, Adam Spears, to Zenabis’ board. Among other things, it falsely and maliciously asserted that Anson used Spears to “convince...Zenabis to do all sorts

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of things that were hugely detrimental to the company and geared towards its destruction”.

67. The August 28 Stockhouse Post falsely stated that Spears was “feeding Kassam insider information so Kassam could better time the short sells and make even more money. YES, THIS IS ILLEGAL!”.

68. The August 28 Stockhouse Post asserted that the “coup de grace” for Zenabis was Kassam and Spears convincing it to pursue an initial public offering at an overvalued valuation so that, due to Anson’s short position, Kassam would have “a massive win” when Zenabis’ share price fell. It claimed that the Plaintiffs “made a fortune on this” scheme. The post falsely asserted that the Plaintiffs’ conduct “**completely destroyed Zenabis and its shareholders, and it was illegal every step of the way**”, and encouraged regulators to investigate.

(iv) After the Plaintiffs expend resources to remove the Unlawful Stockhouse Statements, the Defendants conspire to expand the Conspiracy’s online attack

69. Following communications with Stockhouse and in light of its website terms and conditions of use, which prohibit unlawful or defamatory content, the Plaintiffs were able to have the Unlawful Stockhouse Statements removed from the Stockhouse website.

70. Almost immediately after the removal of the Unlawful Stockhouse Statements, the Defendants conspired to curate a lengthier publication adding to the false and defamatory statements they previously published. Then they took to other means to broadly

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disseminate the Unlawful Statements as part of their concerted and coordinated effort to defame the Plaintiffs.

71. On September 10, 2020, “John Murphy” tweeted that regulators should scrutinize Anson and Kassam, tagging the Twitter accounts of Robert (“Betting Bruiser”); Jeff Kehoe, head of enforcement of the OSC; and Daniel Dale, a reporter with CNN who formerly reported for The Toronto Star:

these reverse pump and dumps must be watched more closely by the regulators. moez and his band fund these trades every week @ClarityToast finds the next fraud that he is paid to profile. @BettingBruiser @ddale8 @JeffKehoeOSC \$apha \$fd \$gfl \$nkla

72. A few days later, on September 12, 2020, “John Murphy” tweeted (emphasis added):

anson is a very corrupt cad fund naked [sic] shorting many small cap co's and when they get in trouble / want to cover ***they pay groups like @HindenburgRes to say the co is a fraud and going to zero.*** how many zeros have they called, the bottom is normally around when the piece comes out

73. On or around September 27, 2020, the Defamatory Manifesto – a 20-page rant titled “Moez Kassam and Anson Funds: A Tale of Corruption, Greed and Failure” – appeared on the website www.MoezKassam.com. It was published anonymously under the pseudonym “The Match Man”. Robert, Jacob and the Unknown Defendants wrote, contributed to, provided material for, and/or publicized and disseminated the Defamatory Manifesto, as set out below.

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74. In the weeks after the Defamatory Manifesto was published, Anson received two anonymous telephone calls at its offices threatening harm to Anson and physical harm to Kassam personally.

(v) *The Defamatory Manifesto expands on previously published false statements and falsely states and implies that the Plaintiffs' behavior was illegal, unethical, and/or in violation of securities laws*

75. The Defamatory Manifesto contains many serious and inflammatory allegations regarding the Plaintiffs that are entirely false and that the Defendants knew or ought to have known were false. It repeats and expands on the baseless claims made in Robert's August 2019 tweets and the Unlawful Stockhouse Statements. It falsely and maliciously accuses Anson, Kassam, and other Anson personnel, including Puri, of dishonest and illegal activities that included the following: short-selling schemes, which the Defamatory Manifesto alleges were illegal, even though short selling is a legal trading strategy; insider trading; fraud; and other breaches of securities laws and regulatory rules and policies, among other things.

76. Although the Defamatory Manifesto was published anonymously, it references many precise topics that the Doxtators had previously tweeted false claims about.

77. From its first paragraph, the Defamatory Manifesto accuses the Plaintiffs of engaging in criminal and unethical conduct (emphasis added):

Never has there been a bigger scourge of the Canadian capital markets. Moez Kassam and his Anson Funds have systematically engaged in capital market crimes, including insider trading and fraud, to rob North American shareholders of countless millions. In his attempt to destroy small-cap Canadian companies through nefarious means, a string of feeder funds and

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untraceable payments to elude regulators, Moez Kassam has betrayed even his closest friends. Now, the other shoe is about to drop as Kassam's funds run out and a string of failed attempts at illegal destruction leave this naked short seller truly naked.

78. The Defamatory Manifesto labels Kassam the “Toad of Bay Street”, with a large photograph of a toad, and advises readers to “steer clear” from Kassam’s ***“illegal activities.”***

79. The Defamatory Manifesto makes clear that its purpose is to paint Kassam as “the symbol of everything that is wrong with capital markets” and that with the “help” of “Kassam’s acquaintances [who] have flipped amid all the betrayal,” a “team of investigators is following all the threads of the ***questionable and illegal activities Kassam has pursued in an attempt to make money by destroying small companies and the lives of anyone who happened to get in his way***: even those who helped him and ended up being disposable.”

80. The Defamatory Manifesto falsely implies that the Plaintiffs have violated securities regulations. It improperly and maliciously encourages regulators, such as the OSC, SEC and IIROC, to investigate the Plaintiffs and implores them to “Pay Close Attention” to ***“high-functioning sociopath”*** Kassam. It claims that Kassam is “pinging [the] regulatory radar quite loudly” and that, in addition to Canadian regulatory scrutiny, the Plaintiffs’ “[d]irty deals in the U.S. are going to haunt [Kassam] as well—and the SEC has razor-sharp teeth.”

81. The Defamatory Manifesto gives the false impression that the Plaintiffs were already under regulatory investigation. Later modified versions of the Defamatory

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Manifesto state at the outset: “IMPORTANT UPDATE: **OSC and IIROC are now aware of Anson’s illegal market activities** and are asking the public for information. The regulators need your help. If you have information for them or have been hurt because of their actions please get in touch... Do not be silent – help them clean up the capital markets”. This part of the Defamatory Manifesto includes a link to an OSC media release that has no known connection to Anson, in an attempt to lend further credibility to the false notion that the Plaintiffs are under investigation.

82. The Defamatory Manifesto implies falsely that the Plaintiffs engaged in “naked short selling” by stating that they were the “primary inspiration” of a forthcoming bill to prohibit “naked short selling in Canada.”

83. The Defamatory Manifesto calls the Plaintiffs’ fully legal short-selling strategy “**illegal**” and claims that Kassam has “**lost friends...almost all of whom he betrayed in underhanded and illegal short-selling schemes**, including the best man at his wedding whom he threw under a speeding short-selling bus”.

84. While this allegation is false, Robert is one of the few individuals who has information about the relationship between Kassam and his best man.

85. The Defamatory Manifesto claims that “Moez Kassam’s MO” and the Plaintiffs’ general investment strategy is to invest in small companies in need of cash to “buy influence”; purposefully place the company “into a vulnerable position” in order to drive down its share price; and then short-sell the company’s shares “by a far greater amount”

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than their initial investment. It falsely asserts that “[p]rivate placement money coming from Moez Kassam is toxic money that comes with self-destructing strings attached.”

86. Under the heading “**How Moez Kassam Cheated Zenabis**”, the Defamatory Manifesto falsely accuses Kassam of engaging in a “game” in which he took a “visible long position” in Zenabis and a “much larger (10x) secret short position” to cause Zenabis’ share price to go down. It falsely states that Kassam effectuated his scheme by placing “a figurehead as the director of [the] company” – Adam Spears – and convincing him to go public at “the highest possible valuation” to “set up a massive downside potential for Kassam to make a killing shorting” its shares. The Defamatory Manifesto also alleges falsely that Spears “fed” Kassam material non-public information that the Plaintiffs then leaked to the public, and which the Plaintiffs also used to time short sales advantageously. The Defamatory Manifesto claims that the Plaintiffs replaced Zenabis’ CEO after he discovered the “scheme”, and installed a new CEO whom they convinced “to dig his own grave” because they “were in control” of Zenabis “through their **stooge, Adam Spears**”. The Defamatory Manifesto asserts that the Plaintiffs’ “dirty short selling strategies” had “completely destroyed Zenabis, taking it from a \$950-million market cap company all the way down to around \$50 million over dinner and drinks.”

87. These are false allegations that Robert had previously made using the “Betting Bruiser” Twitter account, prior to the Defamatory Manifesto being published. These allegations were also included in the Unlawful Stockhouse Statements.

88. The Defamatory Manifesto continues with respect to Aphria. It falsely accuses Kassam of being “the mastermind” behind the Hindenberg Report by using Puri – who it

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says “makes bottom feeders look appealing” and did all the “dirty legwork”— to “illegally feed” its author Nate Anderson “sensitive, insider information that he obtained from his friendships with Aphria management and founders – sprinkled with exaggerated lies”. The Defamatory Manifesto asserts that the Plaintiffs were “a large holder of Aphria stock” and short sold shares immediately before release of the Hindenburg Report, which “irreparably damaged” and “crashed Aphria stock”. The Defamatory Manifesto claims that Kassam “**betrayed**” his “friends” and then “feigned shock...to avoid suspicion even though he had **orchestrated the entire scheme and illegally fed Nate [Anderson of Hindenburg Research] insider information.**”

89. The Unlawful Stockhouse Statements contained the same allegations regarding the Plaintiffs and Aphria, as did the “John Murphy” tweets from before the Defamatory Manifesto was published.

90. The Defamatory Manifesto falsely alleges that the Plaintiffs engaged in a similar scheme with Genius Brands International, Inc. (“**Genius**”), a children’s entertainment company. It falsely states that Plaintiffs engineered a “pump and dump” scheme whereby they raised Genius’ share price by commissioning favourable reports from “pumpers” on social media, and then took “significant short positions” immediately prior to the release of a negative report that they commissioned Nate Anderson of Hindenburg Research to write. The Defamatory Manifesto also falsely claims that Kassam had provided vetted “insider” information to Anderson to assist with writing that report. The Defamatory Manifesto’s allegations regarding Genius maliciously conclude by implying the Plaintiffs violated securities regulations: “The Toad of Bay Street—dipping his webbed feet

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precariouly into SEC waters—rode [Genius] all the way up and then shorted it all the way down—disgusting.”

91. The Defamatory Manifesto falsely accuses the Plaintiffs of engaging in a similar illegal scheme with Facedrive. It falsely states that Plaintiffs took “a huge naked short” position in Facedrive, “panicked,” and in order to drive down its share price, commissioned Anderson of Hindenburg Research to publish a negative report regarding Facedrive. The Defamatory Manifesto claims, falsely, that Kassam told others about the report “days before it went out”, which it characterized as “insider trading”. The Defamatory Manifesto claims that the report “failed to generate the negative action [Kassam] needed to avoid losing what remains of his fund” and that he “lied to the banks” regarding his Facedrive investment. It warns that Facedrive should “be prepared for another assault out of desperation” because the Plaintiffs are “desperately trying to drive this stock lower”. It states that Plaintiffs would publish a further negative report from researcher “The Friendly Bear”, which the Defamatory Manifesto falsely states was a pseudonym for Kassam and Puri. It also alleges that the Plaintiffs’ banks were helping them with this “illegal” scheme. The Defamatory Manifesto alleges that Anson and Kassam were behind “The Friendly Bear” research report regarding Facedrive – an allegation that is clearly false since no such report exists.

92. As referenced above, “John Murphy” had previously made similar false assertions about the Plaintiffs and Facedrive. “Betting Bruiser” had also previously tweeted the allegation that the Plaintiffs controlled the Friendly Bear, before the Defamatory Manifesto was published.

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93. The Defamatory Manifesto falsely alleges that Tilray had “been the victim of an Anson Funds scheme (which failed)”, and that Anson’s “disastrous attempt to short much larger Tilray” caused “a liquidity crisis” for Anson, which lost hundreds of millions of dollars “in the scheme”. The Defamatory Manifesto further alleges that, having “lost around \$80 million on this dodgy short strategy”, Kassam “nearly lost everything” and had to “grovel” to raise capital for Anson.

94. The Defamatory Manifesto falsely alleges that Anson underpays or “stiffs” people. Robert has made similar allegations that he was not compensated for past due diligence he shared with Anson using the “Betting Bruiser” Twitter account.

95. The Defamatory Manifesto encourages readers to share and re-publish it. It also solicits readers to provide additional material regarding Anson and Kassam for future posts. The Defendants created and provided email addresses, such as info@moezkassam.com, to which readers could confidentially send information and are threatening to take this information to regulators. Some correspondence with this email “tipline” was signed by “Robert”.

96. The earliest published version of the Defamatory Manifesto purported to be a standalone document. The Defamatory Manifesto was later amended to allege that it was the first of a three-part series (similar to the “Part 1” concept used in the title of the July 23 Stockhouse Post). To Anson’s knowledge, the other two parts have not yet been published. If they are, and they contain false, malicious and defamatory content similar to the Unlawful Statements already contained in the Defamatory Manifesto, they will cause further, irreparable damage to the Plaintiffs’ business and reputations.

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(vi) *The Defendants procured at least eight internet domains to facilitate widespread publication of their Defamatory Manifesto*

97. Following communications with the host of the www.MoezKassam.com domain, the Plaintiffs were able to have Defamatory Manifesto removed from that website.

98. Since that time, the Defendants acquired multiple Internet domain names to republish the Defamatory Manifesto online. To date, the websites acquired and used by the Defendants to publish the Defamatory Manifesto include the following:

- (a) www.MoezKassam.com;
- (b) www.StockManipulators.com;
- (c) www.CapitalMarketCrimes.com;
- (d) www.StockManipulators.org;
- (e) www.CapitalMarketCrimes.org;
- (f) www.MarketCrimes.ws;
- (g) www.MarketCrimes.to; and
- (h) www.CapitalMarketCrimes.to.

99. When the Plaintiffs have taken steps to have a website containing the Defamatory Manifesto taken down, the Defendants have republished the Defamatory Manifesto on a new website, forcing the Plaintiffs to seek to have that new post of the Defamatory Manifesto taken down. Each time the Defamatory Manifesto is republished online, it increases the harm and damage to the Plaintiffs. The Plaintiffs' claim against the Defendants is in relation to all versions of the Defamatory Manifesto that any of the

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Defendants published on the Internet, regardless of any differences between published versions of the Defamatory Manifesto.

100. The Defendants did not acquire the domain names directly. Rather, in order to cover their tracks and frustrate the Plaintiffs' efforts to determine who was behind the Defamatory Manifesto, the Defendants hired Emir Hodzic, a freelance web developer based in Serajevo, Bosnia and Herzegovina, and potentially others, to register the websites on their behalf. This was a sophisticated attempt to obfuscate who was behind the Defamatory Manifesto and shield members of the Conspiracy from liability for their misconduct.

101. Despite Anson's requests, the current web hosts of the Defamatory Manifesto on www.MarketCrimes.to and www.CapitalMarketCrimes.to have refused to remove it. These websites were accessible on the Internet until recently before the date of the Statement of Claim.

102. The Plaintiffs expended considerable resources in response to the Defendants' online attack, including but not limited to hiring investigators in North America and overseas, and containing web registrars, hosts, message boards to mitigate the harm.

103. After the Plaintiffs worked with website registrars to have the Defamatory Manifesto removed from the websites described in paragraphs 98(a) through 98(f), the Defendants falsely alleged that Anson had undertaken a "Distributed Denial-of-Service" or "DDoS" attack – a type of illegal cyber attack – in order to have the Defamatory

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Manifesto removed, further defaming Anson. This is false: the websites were voluntarily taken down by the website hosts or registrars.

(vii) *The Defendants conspire to lead widespread dissemination of the Defamatory Manifesto*

104. ***On the day the Defamatory Manifesto was initially published***, September 27, 2020, “John Murphy” tweeted the first link to the Defamatory Manifesto on www.MoezKassam.com – again demonstrating the involvement of the Doxtators in the Defamatory Manifesto and its proliferation. He included in his tweet the Twitter accounts of The Globe and Mail newspaper and BNN Bloomberg, with the aim of drawing the Unlawful Statements in the Defamatory Manifesto to their attention. From that initial tweet, the Defamatory Manifesto was reposted, shared and publicized widely around the Internet, including through social media.

105. On the same day, the Defendants anonymously sent an unsolicited email containing a link to the Defamatory Manifesto to a reporter at The Globe and Mail in an attempt to have the Unlawful Statements further publicized in the media. The Defendants used the email address “capitalmarketsinvestigation@protonmail.com”.

106. The Defendants also anonymously sent unsolicited emails containing a link to the Defamatory Manifesto (along with the false and defamatory content set out below) to individuals in the financial industry (the “**Unsolicited Emails**”). One version of the Unsolicited Emails was sent from the address “info@stockmanipulators.org” with the subject line “Hedge Fund Scandal in Canada and the U.S.: Moez Kassam and Anson Funds accused of Stealing Billions.” Another version of the Unsolicited Emails had the

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title “Urgent News Tip – Huge Hedge Fund Fraud in America and Canada’s Stock Markets”.

107. The Unsolicited Emails sharing the Defamatory Manifesto contained further Unlawful Statements against the Plaintiffs. One version of the email included the following (emphasis added):

This is a huge developing story on insider trading, market manipulation and fraud within America and Canada’s capital markets that I thought you might be interested in.

Anson Funds and Moez Kassam have been destroying companies through illegal means and their partners are some of the largest banks in the world.

The below investigative report looks at which banks are involved and how the fraud has taken place. A lot of very powerful people are going to find themselves under fire....

From what I have been led to believe Anson Funds have sponsored a huge DDOS attack against the various sites that hosted the article and they have all gone down now.

The report obviously has these crooks very concerned and they are desperate no one reads the report. So we can now add cyber crimes to Anson’s list of wrongs as well.

108. Another version of the Unsolicited Emails stated the following:

We have a new tip for you that involves the almost unbelievable activities of a hedge fund based in the U.S. and Canada that has broken countless laws and because of their actions have taken billions from ordinary investors and destroyed a huge number of companies.

Please take a moment to read this piece: [link to “MarketCrimes.to”].]

You might have heard rumours about it – but it has been going up and down due to huge DDOS attacks from the hedge fund in question who do not want this information getting out.

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A second part will be coming soon but this really is a story that needs to see the light of day and I'm hoping you can share this piece with as many people as possible.

109. These Unsolicited Emails were designed and intended to further harm the Plaintiffs and damage their reputation in the financial industry.

110. On September 28, 2020 – the day after the Defamatory Manifesto was first published – Robert texted Spektor (the contact who introduced him to Anson) the following in reference to the Defamatory Manifesto (emphasis added):

I knew it was coming...

I know who wrote...

Moez likely going [to] sue

111. On September 29, 2020, "Betting Bruiser" tweeted a link to the Defamatory Manifesto, commenting:



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112. On September 29, 2020, shortly after Anson was able to have the Defamatory Manifesto taken down from www.MoezKassam.com, Jacob quickly tweeted a new link to the Defamatory Manifesto on a different website, www.StockManipulators.com – again showing the Doxtators' involvement in the Defamatory Manifesto. He again included the Twitter accounts of the Globe and Mail, and reporter David Milstead, in his tweet:



113. On September 29, 2020 “John Murphy” also tweeted:

big difference from shorting a fraud and paying for a short report calling a company a fraud to try and fix your trade. bad companies need to be taken down. big difference between the two. anson does both! [sic]

114. On September 30, 2020, Robert referenced the Defamatory Manifesto in a “Betting Bruiser” tweet to advance his allegation that he was unpaid for certain due diligence:

Something that was wrong about the Anson and Moez article circulating was the allegation that Moez/Anson compensates people to write reports. They just use people and don't pay anyone but themselves. \$ZENA \$APHA #PotStocks

115. On September 30, 2020, in response to an Anson press release denouncing the Unlawful Statements, “John Murphy” commented:

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Anson and Moez put out this response. it fails to address the allegations outlined. when they question a company they ask for a line by line response. we are waiting @MunchingMoez ansonfunds.com/wp-content/upl...
@QTRResearch @BettingBruiser @LamboJohnny @weedstreet420
@davidmilstead

116. During this time, “John Murphy” re-tweeted several tweets publishing links to the Defamatory Manifesto. He also re-tweeted several of Robert’s tweets about the Plaintiffs, as well as those of other Twitter users sharing and discussing the Defamatory Manifesto, reflecting the Defendants’ concerted and coordinated effort to defame the Plaintiffs. He also repeated false allegations of a DDOS attack by Anson, in replying to a tweet by “Betting Bruiser” that contained a link to the Defamatory Manifesto with the following false allegation:

sounds like #moez attacked the site where the @AnsonGroupFunds report was profiled. a very expensive DDOS attack to prevent the public from seeing the piece. Investors in the fund probably have plenty of questions for @MunchingMoez @davidmilstead \$apha \$fd \$gfl \$shrm many more

(viii) Shortly after its publication, Robert attempts to leverage the Defamatory Manifesto to extract money from the Plaintiffs and magnify his attacks

117. In early October 2020, Kassam approached Robert for information about who was behind the Defamatory Manifesto. In those conversations, Robert sought \$75,000 from Anson in relation to the due diligence he had provided, referenced in his September 30 tweet, and aggressively suggested that far more would be needed for information regarding the Unknown Defendants. He also sought blanket immunity, indemnification and a release from Anson before he would provide assistance, clearly attempting to use purported leverage against Kassam and Anson. In particular, Robert alleged that the

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Unknown Defendants had promised to pay him \$250,000 to assist them, insinuating that a similar or greater amount would be needed from Anson in order for Robert to forego assisting the conspirators and/or to provide assistance to Anson.

118. In a Whatsapp chat on October 1, 2020, Robert, using the username “Betting Bruiser”, sent Kassam the following messages (emphasis added):

I sent invoice for what I think you owe me ... if you don't pay it

I can make 250k going to the other side

And that's not owed to me ... ***that's just to help bury you. Choice is yours.***

[...]

Again ... I sent invoice for \$75k [which] I think is fair for what you owe me ... I wanna sign indemnification... then we go from there. I'll try my best to get you what you need. That's all.

119. On October 9, 2020, Kassam informed Robert via Whatsapp chat that Anson would no longer negotiate with him given his involvement in the Conspiracy. Anson was not prepared to provide Robert with payments or a release/indemnity. In response, Robert told Kassam that he had recorded a telephone conversation between them.

120. Shortly after the message exchange on October 9, “Betting Bruiser” published a series of tweets making false, defamatory, malicious and harassing allegations against Anson, Kassam and other individuals associated with Anson. Among other things, these tweets were in retaliation for Anson and Kassam refusing to accede to Robert's aggressive demands. “Betting Bruiser” also threatened to release the recordings that

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Robert purportedly made of his private conversations with Kassam. These tweets included the following:

- (a) “One thing that was left out of the \$ZENA [Zenabis] and Anson Funds report was [the] fact that Anson’s funds legal counsel (Laura Salvatori) husband (Muneeb Yusuf) via Brownstone Advisors facilitated the toxic financing deal between \$ZENA & \$TLRY [Tilray] ... conflict of interest much? #Potstocks”;
- (b) “Hi Laura [Salvatori, Anson’s legal counsel] [Hand waving emoji] ... cause I know you follow every tweet I speak about Anson ... I thought I’d give you a shoutout! \$ZENA \$TLRY #PotStocks”;
- (c) “If you r an Anson Funds investor ... be prepared to have your funds locked up b/c there is a lot [of] information floating out there that paints a picture of scams to benefit none other then [sic] Moez Kassam. \$ZENA story is just one of hundreds were its [sic] alleged he broke the law. #PotStocks”;
- (d) “Maybe I should speak to regulators about Anson Funds and collect the reward in 50 years Or should I just leak snippets of recorded conversations with Moez Kassam? Thoughts? #PotStocks”; and
- (e) “I think I’m going [to] release some of the recordings about Moez Kassam ... just interested how much money Anson pays Ben Axler from @sprucepointcap ... you care to comment Ben?”

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121. The tweet described immediately above was accompanied by a purported transcript of a recent conversation between Kassam and Robert. In fact, the conversation that was transcribed occurred several years ago and the tweet was misleading. This was another attempt by Robert to deceive his Twitter followers and defame the Plaintiffs.

122. On October 9, 2020 — the Friday before Thanksgiving weekend — “Betting Bruiser” wished death on Kassam:



123. On October 29, 2020, shortly after the Defamatory Manifesto was republished on www.MarketCrimes.to, “John Murphy” tweeted a link to the new website, and included in the tweet the Twitter accounts of BNN Bloomberg and Jeff Kehoe, the Director of Enforcement for the OSC, to bring the Defamatory Manifesto to their attention and attempt to cause the maximum harm to the Plaintiffs.

124. On October 30, 2020, “Betting Bruiser” posted further Unlawful Statements regarding Anson and Kassam:

- (a) he posted a recording of part of a recent conversation between Robert and Kassam regarding the Conspiracy, with the following comment: “This is

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Moez Kassam from Anson Funds in the flesh running scared from recent reports about his tactics. Worth a listen. This guy is the scum of the earth”; and

- (b) “He doesn’t have anyone but the scum Sunny Puri, the Globe & Mail and other short sellers doing his dirty work for him. Including paying @sprucepointcap @CitronResearch @FriendlyBearSA and others ... why did you block me Ben Adler ... is it the fact your Moez Kassam lapdog?”

125. On October 31, 2020, “Betting Bruiser” posted a tweet encouraging vandalism of Kassam’s house:



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(ix) The Defamatory Manifesto was disseminated widely online

126. The Defendants have discussed, shared and published links to the Defamatory Manifesto, and/or hired others to discuss, share and publish links to the Defamatory Manifesto on their behalf, on several other websites and Internet message boards, including but not limited to Reddit, Stockhouse, Yahoo Finance and on social media. The Defendants or their proxies shared the Defamatory Manifesto in these industry forums using anonymous accounts. The Defendants also made further Unlawful Statements against the Plaintiffs while publicizing links to the Defamatory Manifesto on these specialized message boards – all designed to cause the Plaintiffs maximum harm.

127. The messages publicizing the Defamatory Manifesto on blogs or chat forums often used similar or the exact same wording as one another (but were published by different usernames), reflecting the Defendants' sophisticated and coordinated effort to anonymously disseminate the Defamatory Manifesto as widely as possible to maximize the damage caused to the Plaintiffs.

128. For example, the Defendants and/or their proxies shared links to the Defamatory Manifesto on Yahoo Finance with the comments including the following:

- (a) a user named "America" commented, "Will the Canadian regulators do something? I cannot believe someone has been able to get away with this for so long";

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- (b) a user named “Antti” commented, “Canadian hedge fund under fire for illegal practices[.] Looks like Anson have managed to take those sites down – they don’t want the world to know about their crimes”;
- (c) a user named “Alissa” published several messages sharing the Defamatory Manifesto, commenting, “This is everything that’s wrong with the stock market... Looks like a big scandal might be unfolding”, “Have anyone else seen this??? Bomb report on Moez Kassam and Anson Funds. About time ... Clean up what’s truly dirty and rotten to the core” and “Interesting investigative piece looking at a short selling group that have scammed investors out of billions. It’s a must read”; and
- (d) a user named “Daniela” commented, “Seems like a scandal might be starting in the Canadian markets[.] Take a look at this article I found on another community about this hedge fund guy that has been running amok in the Canadian markets – crazy...”.

129. Messages sharing links to the Defamatory Manifesto also appeared on Stockhouse using similar language to the messages described above. Comments on Stockhouse included the following:

- (a) on September 29, 2020, a user named “KhalidZ” shared a link to the Defamatory Manifesto with comments almost identical to those of “Daniela”, described above: “A scandal might be starting to unfold in the Canadian market[.] Take a look at this article I found on another community about this

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hedge fund guy that has been running amok in the Canadian markets – crazy...”; and

- (b) on October 1, 2020, a user named “HannaJensen” shared a link to the Defamatory Manifesto with comments identical to those published by “Alissa”, described above: “Interesting investigative piece looking at short selling group that have scammed investors out of billions”.

E. THE DEFENDANTS ARE LIABLE

130. The Defendants are liable to the Plaintiffs for conspiracy, publicity that inaccurately places the plaintiff in a false light, intentional interference with economic relations, misappropriation of personality, and defamation.

(i) The Defendants’ Tortious Conspiracy Against Anson

131. Robert, Jacob and the Unknown Defendants conspired with one another to make and publicize the Unlawful Statements against the Plaintiffs. They formed an agreement with one another to injure the Plaintiffs, and in making the Unlawful Statements, their predominant purpose was to injure the Plaintiffs – namely, by damaging their business and reputation.

132. The Defendants knew, or should have known, that the Unlawful Statements about the Plaintiffs and the publicity attached to them would be extremely harmful to the Plaintiffs, damaging their reputation and business.

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133. The Defendants acted in furtherance of the Conspiracy by making, assisting with, participating in, and/or publicizing the Unlawful Statements, causing damage to the Plaintiffs.

(ii) False light

134. In addition, the Defendants are liable for placing Anson and Kassam in a false light.

135. By making, assisting with, participating in and/or publicizing the Unlawful Statements, the Defendants gave publicity to very serious allegations against Anson and Kassam that placed them in a false light. The Defendants have publicly, falsely accused Anson and Kassam of serious crimes – including fraud, insider trading and other significant breaches of applicable securities laws and regulations, as well as cyber crimes. These allegations would be highly offensive to a reasonable person.

136. In making, assisting with, participating in and/or publicizing the Unlawful Statements, the Defendants knew or recklessly disregarded the falsity of the Unlawful Statements against Anson and Kassam and the false light in which they would thereby be placed.

(iii) Intentional interference with economic relations

137. By making, assisting with, contributing to and/or publicizing the Unlawful Statements through the Unlawful Stockhouse Statements, the Defamatory Manifesto, Robert Lee and Jacob's Twitter accounts, and other websites the Defendants are liable for intentional interference with Anson's economic relations.

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138. The Defendants, with the intention of harming Anson's business and damaging its reputation, made a series of false, malicious, defamatory and unlawful public statements about Anson's principal, Kassam, as well as other Anson personnel, including Puri and Anson's General Counsel, Laura Salvatori. The Unlawful Statements accused Kassam, and by extension Anson, of unlawful, dishonest and criminal conduct. The Defendants intentionally harmed Anson through making Unlawful Statements about Kassam.

(iv) Appropriation of personality

139. The Defendants are liable for wrongfully appropriating Kassam's personality by purchasing the domain name "www.MoezKassam.com" and using it to publicize the Unlawful Statements regarding Anson and Kassam. The Defendants also acquired the email address "info@moezkassam.com" in furtherance of the Conspiracy.

140. By using the domain name in this manner, they violated Kassam's exclusive right to use his own identity, particularly his name, causing damage.

(v) Defamation

141. Finally, the Defendants are liable for defamation for the false and highly defamatory statements made in the Unlawful Stockhouse Statements, the Unsolicited Emails, and, ultimately, the Defamatory Manifesto (which was published multiple times, using various domain names). The Doxtators are further liable for the false and defamatory statements they published about the Plaintiffs on Twitter.

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The Unlawful Stockhouse Statements are Defamatory

142. The Unlawful Stockhouse Statements (discussed above at paragraphs 40 to 68) in their entirety, in their natural and ordinary meaning, including their express and implied meaning in their full context, and/or by innuendo, are false and defamatory of the Plaintiffs. In addition to the natural and ordinary meanings of the Unlawful Statements contained in the Unlawful Stockhouse Statements, and without limiting the generality of the foregoing, the Unlawful Stockhouse Statements would lead a reasonable reader to conclude, or would mean or would be understood to mean, the following regarding Anson and its principals:

- (a) they are corrupt, dishonest, deceptive, duplicitous and cannot be trusted;
- (b) they destroy and/or devalue companies and their shareholders through nefarious means in order to benefit financially;
- (c) they get in over their heads and are unable to control their investments/trading strategies, and/or are inept, incompetent and reckless in their investment/trading practices;
- (d) they engage in unlawful and illegal activities, including market manipulation, abusive trading practices, and securities law and/or criminal law violations;
- (e) they published or participated in the creation of false research reports for the purpose of manipulating the market; and
- (f) they ought to be investigated, including by regulators.

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143. In addition to the meanings set out in paragraph 142, and in addition to its plain and ordinary meaning, the July 23 Stockhouse Post would lead a reasonable reader to conclude, or would mean or would be understood to mean, the following regarding Anson and its principals:

- (a) they are criminals;
- (b) they bribe and/or induce regulators through other means to ignore their unlawful and/or illegal activities;
- (c) they do not exercise proper judgment and they make poor business decisions;
- (d) they cannot be trusted with investors' funds;
- (e) they have not legitimately earned their success and goodwill;
- (f) the Anson Funds lost millions of dollars due to their reckless conduct; and
- (g) they were humiliated and desperate as a result of the losses they incurred.

144. In addition to the meanings set out in paragraph 142, and in addition to its plain and ordinary meaning, the August 14 Stockhouse Post would lead a reasonable reader to conclude, or would mean or would be understood to mean, the following regarding Anson and its principals:

- (a) they caused Anson Funds to lose hundreds of millions of dollars due to their reckless conduct or ineptitude;

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- (b) they were humiliated and desperate as a result of their business losses;
- (c) they ought to be avoided, as associating with them will result in harm;
- (d) they encourage or induce others to become corrupt;
- (e) they caused or contributed to the publication of misleading, false, and/or fraudulent information regarding a legitimate company;
- (f) they will be investigated and punished by regulators; and
- (g) with respect to Kassam, in particular, that he is unscrupulous, immoral and unethical.

145. In addition to the meanings set out in paragraph 142, and in addition to its plain and ordinary meaning, the August 17 Stockhouse Post would lead a reasonable reader to conclude, or would mean or would be understood to mean, the following regarding Anson and its principals:

- (a) they have significantly harmed the capital markets through their unethical, unlawful, duplicitous and/or illegal conduct;
- (b) they engaged in malicious, unlawful, and targeted attacks and/or trading and other conduct to harm Aphria and its shareholders in order to increase their own wealth;
- (c) they engage in predatory, opportunistic, dishonest and unethical conduct for financial gain;

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- (d) they corrupt and/or induce others to engage in or assist in improper conduct;
- (e) they unlawfully and/or improperly obtained and misused confidential/insider/material non-public information;
- (f) they provided false, fraudulent, or misleading information about Aphria for publication and dissemination to harm Aphria, and for their own gain;
- (g) they profit off the hardship and damage they cause to others;
- (h) they will be investigated and punished; and
- (i) with respect to Kassam in particular, that:
 - i. he is two-faced, a fake and a fraud; and
 - ii. he is amoral, lacks a conscience, and engages in reprehensible and antisocial conduct.

146. In addition to the meanings set out in paragraph 142, and in addition to its plain and ordinary meaning, the August 28 Stockhouse Post would lead a reasonable reader to conclude, or would mean or would be understood to mean, the following regarding Anson and its principals:

- (a) they used illegal, unethical, and/or nefarious means to destroy and/or devalue the Canadian company, Zenabis, for financial gain;

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- (b) they covertly or otherwise inserted a “stooge” to influence Zenabis’ decisions and/or cause the company to act against its own interests for Anson’s gain;
- (c) they exploit, induce and/or corrupt others to engage in dishonest, illegal, unlawful, and/or unethical activities on their behalf;
- (d) they coerce, deceive, or trick companies into acting against those companies own interests and/or into making poor decisions for the Plaintiffs’ financial gain;
- (e) they knowingly, intentionally or recklessly encourage and/or engage in conflicts of interests for ulterior purposes;
- (f) the Anson Funds lost millions of dollars due to the reckless conduct of its principals;
- (g) they engaged in illegal and unlawful activity including securities law violations, such as insider trading and failing to disclose information as required by law; and
- (h) they will target, attack, harm and/or destroy more companies.

The Defamatory Manifesto

147. The Defamatory Manifesto (discussed above at paragraphs 69 to 96) in its entirety, in its natural and ordinary meaning, including its express and implied meaning in its full context, and/or by innuendo, including in conjunction with the images contained in the

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Defamatory Manifesto, is false and defamatory of the Plaintiffs. In addition to the natural and ordinary meanings of the statements contained in the Defamatory Manifesto, and without limiting the generality of the foregoing, the Defamatory Manifesto would lead a reasonable reader to conclude, or would mean or would be understood to mean, that Anson and its principals, including Kassam, repeatedly, intentionally and maliciously engaged in unlawful and illegal business practices to destroy, and did destroy or cause harm to, legitimate companies and businesses, including Aphria, Zenabis and Genius, to increase their financial wealth. In addition, and more particularly, the Defamatory Manifesto means or would be understood to mean that Anson and its principals:

- (a) are deceptive, dishonest, deceitful, sneaky, duplicitous, immoral, unscrupulous and cannot be trusted;
- (b) lack integrity, are unethical, predatory, and corrupt;
- (c) are liars, cheats, thieves and crooks;
- (d) have not legitimately earned their success and goodwill;
- (e) are incompetent and/or inept in business;
- (f) they attempted to harm and/or destroy legitimate companies, including Tilray and Facedrive, but failed due to their incompetence and/or ineptitude;
- (g) are desperate, and engage in rash, reckless and/or extreme behaviour;
- (h) engage in predatory, surreptitious and unethical business practices;

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- (i) engaged in, and continue to engage in, unlawful and/or illegal activities, including securities law and/or criminal law violations, and including fraud, illegal short-selling schemes, market manipulation, abusive trading practices and insider trading;
- (j) involved other entities in their unlawful, illegal, and/or fraudulent activities;
- (k) engaged in conspiracies with other entities, including by paying for short reports and long/buy reports, in order to benefit financially;
- (l) committed, and continue to commit, crimes and/or are criminals;
- (m) are part of a criminal enterprise and/or criminal alliance;
- (n) operate their business in a manner that is contrary to applicable law and regulations;
- (o) breached, and continue to breach, securities laws and regulatory rules and policies;
- (p) unlawfully and/or illegally obtained and misused confidential/insider/material non-public information;
- (q) exploit information or resources that they have been trusted to protect;
- (r) published or participated in the creation of false research reports for the purpose of manipulating the market;

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- (s) use unlawful and/or illegal means to silence critics because they have something nefarious to hide;
- (t) robbed and/or defrauded North American shareholders of millions of dollars;
- (u) harmed investors in Canada and the United States;
- (v) targeted and destroyed legitimate companies through nefarious means to increase their wealth;
- (w) made false reports to regulators and engaged in fraudulent social media campaigns to manipulate the capital markets;
- (x) inflict serious harm on the Canadian capital markets and on investors;
- (y) are involved in fraudulent activity of the kind that ought to concern authorities and regulators;
- (z) ought to be investigated, including by regulators in Canada and the United States;
- (aa) are being, have been, and/or will be investigated by regulators;
- (bb) ought to be and/or will be penalized and/or imprisoned;
- (cc) have caused, are causing, and will cause financial ruin to their partners, investors, and other capital market participants; and

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(dd) with respect to Kassam, in particular:

- i. that he is a sociopath, engages in reprehensible and repulsive conduct, is amoral, lacks a conscience, and engages in antisocial behaviour; and
- ii. does not exercise judgment and cannot be trusted with investors' funds.

Robert Lee Doxtator's Defamatory Tweets

148. In addition to the foregoing and as set out below, the Defendant Robert is liable to the Plaintiffs for defamation in relation to a number of tweets he published under the username "Betting Bruiser". The defamatory tweets of which the Plaintiffs are currently aware are included as Appendix "A". They include, but are not limited to, the following:

- (a) as discussed above at paragraph 38(a) an August 25, 2019 tweet from "Betting Bruiser" falsely alleged that the Plaintiffs put out a false report "to manipulate the market so they could cover an already short position";
- (b) as discussed above at paragraph 38(b) another August 25, 2019 tweet from "Betting Bruiser" falsely alleged that the Plaintiffs had "connections to other short sellers and market manipulators" and "historically invested [in] and the death spiral the fund created to cash out their short positions";
- (c) as discussed above at paragraph 38(c), on August 26, 2019, "Betting Bruiser" published several tweets falsely alleging that the Plaintiffs used a representative on Zenabis' Board of Directors, Adam Spears, to negatively

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influence the company's business decisions, reduce its share price and provide them with inside information/material non-public information;

- (d) as discussed above at paragraph 38(d), a subsequent tweet on August 26, 2019 alleged that Spears was "recording conversations of [Zenabis] management and executives in hopes of Anson blackmailing or using the info for the detriment of the company";
- (e) as discussed above at paragraph 111, a September 29, 2020 tweet from "Betting Bruiser" falsely alleged that the Plaintiffs use "tactics" that "are simply sleight of hand with the gift of gab";
- (f) as discussed above at paragraph 114, in a subsequent tweet on September 30, Robert alleged that the Plaintiffs "use people and don't pay anyone but themselves";
- (g) as discussed above at paragraph 120, on October 9 Robert published a series of tweets, falsely alleging a "toxic financing deal" involving Anson's legal counsel, that Anson Funds investors ought to "be prepared to have [their] funds locked up" given the information indicating "scams to benefit...Kassam" and allegations "he broke the law", threatening to "speak to regulators about Anson Funds" to collect a reward, and falsely alleging that the Plaintiffs pay Ben Axler;
- (h) as discussed above at paragraph 124, on October 30, Robert published tweets alleging that Kassam is "running scared from recent reports about

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his tactics” and “the scum of the earth”, and that he has others do “his dirty work for him”.

149. These tweets, in their natural and ordinary meaning, including their express and implied meaning, and/or by innuendo, are false and defamatory of the Plaintiffs. In addition to the plain and ordinary meaning of each of the tweets, they would lead a reasonable reader to conclude, or would mean or would be understood to mean, that Anson and its principals, including Kassam:

- (a) are liars, are dishonest, duplicitous, immoral, deceptive, unscrupulous, unethical, sneaky, and cannot be trusted;
- (b) engage in unlawful and illegal conduct, including securities law and/or criminal law violations, and including insider trading, market manipulation, abusive trading practices and fraud; and
- (c) destroy legitimate businesses through nefarious means for their financial gain.

150. Additionally, the October 9 series of Tweets, in addition to their plain and ordinary meaning, would lead readers to conclude, or would mean or would be understood to mean, that Anson and its principals, including Kassam:

- (a) ought to be and will be investigated, including by regulators; and
- (b) will cause harm to their investors.

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Jacob Doxtator's Defamatory Tweets

151. In addition to the foregoing and as set out below, the Defendant Jacob is liable to the Plaintiffs for defamation in relation to a number of tweets he published using the alter-ego named "John Murphy" with the username @JohnMur67039142, which are, in their natural and ordinary meaning, including their express and implied meaning, and/or by innuendo, are false and defamatory of the Plaintiffs. The defamatory tweets of which the Plaintiffs are currently aware are included as Appendix "B", and include, but are not limited to, the following:

- (a) as discussed above at paragraph 55, an August 14, 2020 retweet falsely claimed that Anson was behind the Hindenburg Research report regarding Aphria, included a picture of Kassam, and stated "how dirty moez hurt his business partner [sic] and lied to the founders of \$apha [Aphria]. On the same day Jacob also tweeted that Kassam had "paid for negative promotions" regarding Facedrve, Aphria, Tilray "and many more". In addition to the plain and ordinary meaning of these tweets, the tweets would lead a reasonable reader to conclude that Anson and its principals, including Kassam:
 - i. are corrupt, dishonest, deceitful, deceptive, duplicitous, and cannot be trusted;
 - ii. engaged in malicious, unlawful, and targeted attacks to harm legitimate companies and their shareholders; and

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- iii. provided false, fraudulent, or misleading information about legitimate companies (including Aphria, Facedrive and Tilray) for publication and dissemination to harm them;
- (b) as discussed above at paragraph 71, a September 10, 2020 tweet stated that regulators should scrutinize Anson and Kassam: “these reverse pump and dumps must be watched more closely by the regulators. moez [sic] and his band fund these trades every week...” In addition to the plain and ordinary meaning of the tweet, the tweet would lead a reasonable reader to conclude that Anson and its principals, including Kassam:
- i. engage in unlawful and illegal activities, including securities law violations; and
 - ii. ought to be investigated, including by regulators;
- (c) as discussed above at paragraphs 72 and 113, a September 12, 2020 tweet alleged “anson [sic] is a very corrupt cad fund nake [sic] shorting many small cap co’s and when they get in trouble / want to cover they pay groups like @HindenburgRes to say the co is a fraud and going to zero. how many zeros have they called. the bottom is normally around when the piece comes out”. On September 29, he added, “big difference from shorting a fraud and paying for a short report calling a company a fraud to try and fix your trade. bad companies need to be taken down. big difference between the two. anson does both! [sic]”. In addition to the plain and ordinary

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meaning of these tweets, the tweets would lead a reasonable reader to conclude that Anson and its principals, including Kassam:

- i. are corrupt, reckless and dishonest; and
 - ii. provide false, fraudulent, or misleading information about legitimate companies to harm those companies and benefit themselves; and
- (d) as discussed above at paragraphs 112 and 116, two September 29, 2020 tweets included a link to the Defamatory Manifesto, and stated: “stockmanipulators.com. Cyber crimes added to the list of wrongdoings by @AnsonGroupFunds ? who funded this defense? Unit holders?”, and “sounds like #moez attacked the site where the @AnsonGroupFunds report was profiled. a very expensive DDOS attack to prevent the public from seeing the piece. Investors in the fund probably have plenty of questions for @MunchingMoez @davidmilstead \$apha \$fd \$shrm many more”.” In addition to the plain and ordinary meaning of these tweets, these tweets would lead a reasonable reader to conclude that Anson and its principals, including Kassam:
- i. engage in illegal and unlawful activities, including criminal law violations and are criminals;
 - ii. are dishonest and deceptive; and
 - iii. misuse investor funds, including for their personal benefit.

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152. Jacob is also liable for using the “John Murphy” Twitter account to re-tweet other Twitter users’ false and defamatory statements about the Plaintiffs.

The Unsolicited Emails are Defamatory

153. As discussed above at paragraphs 106 to 109, the Defendants anonymously sent Unsolicited Emails regarding the Plaintiffs. The Unsolicited Emails, in their entirety, in their natural and ordinary meaning, including their express and implied meaning in their full context, and/or by innuendo, are false and defamatory of the Plaintiffs. In addition to the natural and ordinary meanings of the Unlawful Statements contained in the Unsolicited Emails, and without limiting the generality of the foregoing, the Unsolicited Emails would lead a reasonable reader to conclude, or would mean or would be understood to mean, the following regarding Anson and its principals, including Kassam:

- (a) they engage in wrongdoing, unlawful, illegal, and unethical conduct, including securities law and/or criminal law violations, insider trading, market manipulation, abusive trading practices, fraud and cybercrimes;
- (b) they destroy legitimate businesses through nefarious means;
- (c) they have robbed shareholders of billions of dollars;
- (d) they are dishonest and cannot be trusted; and
- (e) they are criminals.

154. The Plaintiffs have not seen all of the Unsolicited Emails or any of the emails in their entirety and reserve their right to amend this pleading to add additional meanings and/or claims once they are discovered.

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The Defendants were Malicious

155. The Defendants acted with malice: they made, assisted with, participated in and/or publicized the Unlawful Statements, knowing that the Unlawful Statements were false or misleading and/or while intentionally, recklessly or callously disregarding their falsity and the harm that the allegations would do to the Plaintiffs. They acted for the predominant purposes of harming the Plaintiffs, including in pursuit of their animus and vendetta against the Plaintiffs. Examples of the Defendants' malicious conduct include the Defamatory Manifesto soliciting readers to confidentially provide additional material for future Defamatory Manifestos, and the Defendants' continuous efforts to draw the Unlawful Statements to the attention of regulators and the media.

156. The Defendants repeatedly published the Unlawful Statements on various websites and through various means, including through the Unlawful Stockhouse Statements, the Unsolicited Emails, the Defamatory Manifesto, and the tweets described above, in an attempt to publish them to the widest audience possible and cause the greatest commercial and emotional harm to the Plaintiffs as possible.

157. The Defendants are also liable for republication of the Unlawful Statements, which was a natural and probable result of the Unlawful Statements. In fact, the Defendants actively encouraged re-publication of the Defamatory Manifesto, both in the text of the Defamatory Manifesto itself, and in Robert's and Jacob's tweets sharing the Defamatory Manifesto. Republications of the Defamatory Manifesto currently remain online.

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F. DAMAGES

158. The Defendants' conduct has caused substantial damage to the Plaintiffs' business and reputations. The Unlawful Statements have been widely distributed and publicized and have been viewed by thousands of people to date. A version of the Defamatory Manifesto remains widely available on the Internet. The Unlawful Statements have significantly interfered with and disrupted the Plaintiffs' business and affairs and their relationship with clients, counterparties, and potential investors, leading to a loss of business opportunities.

159. Moreover, the Plaintiffs have incurred significant costs and spent a significant amount of time investigating who is behind the Conspiracy and in seeking to have the Unlawful Statements removed from various websites.

160. As mentioned above, Anson has also received threatening telephone calls to its offices because of the Unlawful Statements.

161. Particulars regarding damages will be provided in advance of trial.

162. The Plaintiffs also seek an interim, interlocutory and permanent injunction restraining the Defendants from publishing further unlawful and defamatory statements about the Plaintiffs. As noted above, despite Anson's diligent attempts to have the Defamatory Manifesto removed from the Internet, the Defendants persist in acquiring new websites to publish and disseminate the Defamatory Manifesto, and in repeating the Unlawful Statements and publicizing the Defamatory Manifesto through social media, including Twitter. In addition, the Defendants continue to threaten the release of two

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additional “Parts”. This has caused, is causing, and will continue to cause irreparable harm to the Plaintiffs’ business and their reputations. This nonstop game of “whack-a-mole” cries out for a remedy.

163. Finally, the Defendants are liable for aggravated and punitive or exemplary damages. The Defendants maliciously and intentionally caused harm to the Plaintiffs through the repeated and coordinated publication, and broad online dissemination, of the Unlawful Statements. Further, Robert attempted to obtain significant payments and other benefits to purportedly assist Anson, which Anson refused. The Defendants knew, and in fact intended, that serious harm would result from their unlawful conduct.

164. The Defendants executed a coordinated, malicious campaign to spread lies about the Plaintiffs and damage their business, including attempting to reach the attention of securities regulators such as the OSC, the SEC, and IIROC. The Plaintiffs believe that the Defendants intended to cause them to become the subject of regulatory inquiries or investigations on the basis of these false and misleading allegations. Such inquiries or investigations would result in serious and irreparable reputational harm, and in addition would force the Plaintiffs to divert significant time, financial and other resources, and management attention, towards addressing any such inquiries or investigations. The Defendants also took steps to attract media attention to the Unlawful Statements in an attempt to further publicize them. The Defendants acted in a high-handed, malicious, arbitrary and/or highly reprehensible manner, as set above, which constitutes a marked departure from ordinary standards of decent behaviour. The Defendants’ conduct requires the sanction of the Court.

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165. The Plaintiffs propose that this action be tried at Toronto.

166. The Plaintiffs rely on the *Libel and Slander Act*, R.S.O. 1990, c. L.12 and the *Courts of Justice Act*, R.S.O. 1990, c. C.43, s. 101.

December 17, 2020

BLAKE, CASSELS & GRAYDON LLP

Barristers & Solicitors
199 Bay Street
Suite 4000, Commerce Court West
Toronto ON M5L 1A9

Michael Barrack LSO #21941W

Tel: 416-863-5280
michael.barrack@blakes.com

Iris Fischer LSO #52762M

Tel: 416-863-2408
iris.fischer@blakes.com

Kaley Pulfer LSO #58413T

Tel: 416-863-2756
kaley.pulfer@blakes.com

Christopher DiMatteo LSO #68711E

Tel: 416-863-3342
Fax: 416-863-2653
christopher.dimatteo@blakes.com

Lawyers for the Plaintiffs

APPENDIX “A” – “Betting Bruiser” Tweets







Betting Bruiser
@BettingBruiser

...

Replying to @LamboJohnny and @LaurenceJeuness

Right about what? That's Anson doesn't appear on Sedi as insider. No they don't and that's part of the problem. In cases were they have former managers as "independent" directors how are they not insiders?

4:52 PM · Aug 25, 2019 · Twitter for iPhone



Betting Bruiser @BettingBruiser · Aug 25, 2019

Hey @LamboJohnny if this is true ... why don't we see Anson Funds name come up as being escrowed on Sedi for owning more than 10%? I don't see Moez name either ... Anson not on any SEDI filing since 2016 for [\\$SOL](#) #Potstocks [twitter.com/LamboJohnny/st...](#)

This Tweet is unavailable.



6



14



Betting Bruiser @BettingBruiser · Aug 25, 2019

Oh they have converts ... that they use to cover their short positions without suspecting retail investors ... creating any visible cover or tripping any insider trading reports... why not listed on Sedi? Cause they using the same convert scheme they use with everyone else!




1



4




 **Betting Bruiser**
@BettingBruiser

A lot DM's about \$ZENA & Anson Funds.

Anson Funds holds a boatload of converts in \$ZENA that they are using to cover their short position.

They've had a direct hand creating chaos within management decisions. Including the listing price. How so? Anson representative! #Potstocks



Adam Spears
Independent Director

- Founder of ace148, an investment company
- Was a Principal and Portfolio Manager at Anson Funds where he managed multiple long-short equity hedge funds
- Also worked in private equity at ONCAP Management Partners, and in the investment banking group of Citigroup Global Markets

9:09 AM · Aug 26, 2019 · Twitter for iPhone

4 Retweets 4 Quote Tweets 35 Likes

 **Betting Bruiser** @BettingBruiser · Aug 26, 2019

Replying to @BettingBruiser

The entire problems relating to the former CEO leaving, taking the \$TLRY deal and now death spiral financing. Was in relation to \$ZENA attempting to limit Anson's ability to cover and manipulate the share price down further. The current \$ZENA CEO is out of league. #Potstocks

 3  1  15  

 **Betting Bruiser** @BettingBruiser · Aug 26, 2019

\$TLRY themselves wanted to offer a helping hand. As that company is the only successful #Potstocks to date to squeeze Anson Funds for a loss to my knowledge. Despite Anson Funds getting @CitronResearch to pump out as many \$TLRY short pieces it possibly could. #Potstocks

 2  2  20  

 **Betting Bruiser** @BettingBruiser · Aug 26, 2019

I'd love to talk to the @CEO_Zenabis to try to help... but it may be a case of to little to late ... CEO wants to convert all debts to a bank loan... that's a start but expect Anson Funds to fight tooth and nail against that. Their independent director acts for Anson. #Potstocks

 3  1  18  

 **Betting Bruiser** @BettingBruiser · Aug 26, 2019

As in the case with \$HEXO ... I wouldn't doubt that Adam is recording conversations of \$ZENA management and executives in hopes of Anson blackmailing or using the info for the detriment of the company. Adam needs to be removed. #Potstocks

   14  

 **Chris Rutherford** @RutherfordCG · Aug 26, 2019

Replying to @BettingBruiser

How is it legal for Adam to be on the board and do what this guy is doing? It's not in the best interests of @Zenabis obviously. @CEO_Zenabis

 1    

 **Betting Bruiser** @BettingBruiser · Aug 26, 2019

No it's not ... like \$AEF Anson will argue that they acting in best interest of the shareholder ... all a guise ...







Betting Bruiser
@BettingBruiser



The biggest chicken hawk that I've ever met in my life.
Every time I see him we have words.

Sunny Puri from Anson Funds.

If you've ever crossed paths with him then your stock is
likely -95% from its high and he holds your faint in his
hands via convertible debt. [#PotStocks](#)



11:11 AM · Mar 11, 2020 · Twitter for iPhone

4 Retweets 39 Likes



Betting Bruiser
@BettingBruiser

...

Watch "Moez Kassam" from Anson Funds on [#Vimeo](#) give short sellers a bad name. Cringe worthy. I think that's filmed at [@DeFrancesco_A](#) house in the Muskoka? vimeo.com/140274640 [#PotStocks](#)



Moez Kassam

This is "Moez Kassam" by Charles Chan on Vimeo, the home for high quality videos and the people who love them.
vimeo.com

1:54 PM · Jul 2, 2020 · Twitter for iPhone



Betting Bruiser
@BettingBruiser

...

Replying to [@BettingBruiser](#)

Director: Rick Brar former CEO & Co-Founder of [@Zenabis \\$ZENA](#)

Secretly gave Anson Funds a share loan agreemnt so they could short [\\$ZENA](#) to the dismay of retail investors. Upon finalizing that he aggressively dumped all his shares. [\\$ZENA](#) -98%. \$2.25 to \$0.08 [#PotStocks](#)
2/9

9:50 AM · Jul 6, 2020 · Twitter for iPhone



Betting Bruiser
@BettingBruiser

...

Replying to @BettingBruiser

Director, President and Co-Chief Executive Officer, Chief Financial Officer: Eli Dusenbury

A rent a CFO whoms main gig was a CFO of #PotStocks Company \$ISOL @isodiol. Ankther company directly involving Anson Funds. Another company which has seen a 98% fall in share price. 8/9

9:50 AM · Jul 6, 2020 · Twitter for iPhone



Betting Bruiser
@BettingBruiser

▼

I have been a early voice of concern re: Moez Kassam, Sunni Puri & Anson Funds. Their tactics are simply sleight of hand with the gift of gab. I know their strategies very well this article shed some light on them. #PotStocks



Moez Kassam and Anson Funds: A Tale of Corruption, Greed, and Failure
moezkassam.com

9:43 AM · Sep 29, 2020 · Twitter for iPhone

8 Retweets 2 Quote Tweets 63 Likes



Betting Bruiser
@BettingBruiser



Something that was wrong about the Anson and Moez article circulating was the allegation that Moez/Anson compensates people to write reports. They just use people and don't pay anyone but themselves. [\\$ZENA](#) [\\$APHA](#) [#PotStocks](#)

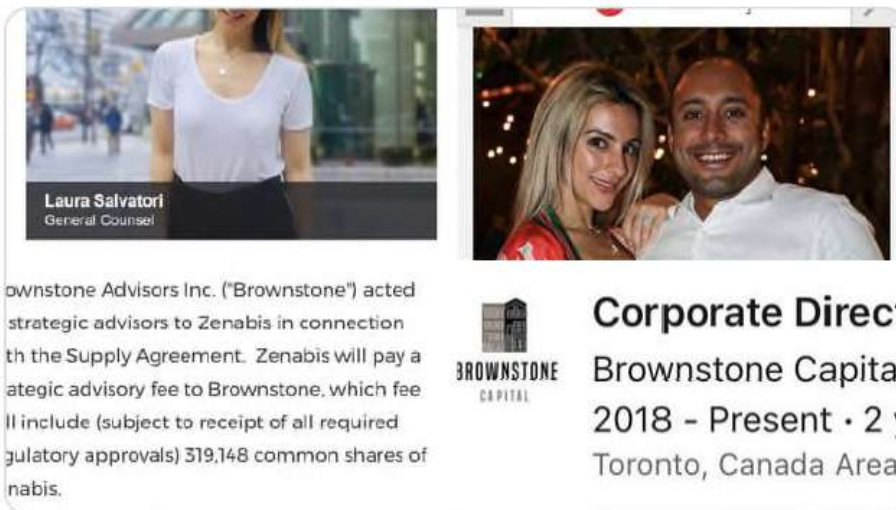
11:08 AM · Sep 30, 2020 · Twitter for iPhone

2 Retweets · 28 Likes



Betting Bruiser
@BettingBruiser

One thing that was left out of the [\\$ZENA](#) and Anson Funds report was fact that Anson's funds legal counsel (Laura Salvatori) husband (Muneeb Yusuf) via Brownstone Advisors facilitated the toxic financing deal between [\\$ZENA](#) & [\\$TLRY](#) ... conflict of interest much? [#Potstocks](#)



1:50 PM · Oct 9, 2020 · Twitter for iPhone



Betting Bruiser @BettingBruiser · Oct 9

Replying to @BettingBruiser

Hi Laura 🙋 ... cause I know you follow every tweet I speak about Anson ... I thought I'd give you a shoutout! [\\$ZENA](#) [\\$TLRY](#) [#PotStocks](#)



Betting Bruiser @BettingBruiser · Oct 9

If you r an Anson Fund investor ... be prepared to have your funds locked up b/c there is a lot information floating out there that paints a picture of scams to benefit none other then Moez Kassam. [\\$ZENA](#) story is just one of hundreds were its alleged he broke the law. [#PotStocks](#)





Betting Bruiser
@BettingBruiser

Maybe I should speak to regulators about Anson Funds and collect the reward in 50 years

Or should I just leak snippets of recorded conversations with Moez Kassam?

Thoughts? [#PotStocks](#)



2:17 PM · Oct 9, 2020 · Twitter for iPhone

6 Retweets 1 Quote Tweet 83 Likes



Betting Bruiser
@BettingBruiser



I think I'm going release some of the recordings about Moez Kassam ... just interested how much money Anson pays Ben Axler from @sprucepointcap ... you care to comment Ben?

"You know what's gonna happen"

14:47

"A lot of times if I'm working with Ben (Axler) or doing this kind of stuff (shorts) than we can create our own catalysts right because we're putting out a report"

"So I know when stuffs gonna go down and I'll buy puts"

3:19 PM · Oct 9, 2020 · Twitter for iPhone

3 Retweets 2 Quote Tweets 64 Likes



Betting Bruiser
@BettingBruiser



Everyone have a good long weekend expect for Anson Funds Moez Kassam he can choke on a wishbone!

#PotStocks

4:55 PM · Oct 9, 2020 · Twitter for iPhone

4 Retweets 1 Quote Tweet 105 Likes



Betting Bruiser
@BettingBruiser



Has Anson Funds and/or MMCAP name all over it.
\$VIVO #PotStocks



8:33 AM · Oct 16, 2020 · Twitter for iPhone



Betting Bruiser
@BettingBruiser



This is Moez Kassam from Anson Funds in the flesh running scared from recent reports about his tactics. Worth a listen. This guy is scum of the earth.



10:50 AM · Oct 30, 2020 · Twitter for iPhone



Betting Bruiser
@BettingBruiser

Replying to @BettingBruiser

He doesn't have anyone but the scum Sunny Puri, the Globe & Mail and other short sellers doing his dirty work for him. Including paying @sprucepointcap @CitronResearch @FriendlyBearSA and others ... why did you block me Ben Axler ... is it the fact your Moez Kassam lapdog?



10:55 AM · Oct 30, 2020 · Twitter for iPhone



Betting Bruiser
@BettingBruiser



Happy Halloween to the [#PotStocks](#) community!

Trick or Treat:

Who is going to toilet paper Moez Kassams house tonight? [\\$ZENA](#) executives should just throw stock as it's cheaper then toilet paper!



12:48 PM · Oct 31, 2020 · Twitter for iPhone

APPENDIX “B” – “John Murphy” Tweets

**John Murphy**

@JohnMur67039142

...

it seems moez and sunny from [@AnsonGroupFunds](#)
[@MunchingMoez](#) [@HindenburgRes](#) [@globeandmail](#)
[@davidmilstead](#) quickly blocked me by suggesting they
were short 1mm \$FD. i think much more will come out
on this trade. [@business](#) [@BNNBloomberg](#)

**John Murphy** @JohnMur67039142 · Jul 28

Looks like [@facedrivecanada](#) \$FD is going higher [@HindenburgRes](#)
[@AnsonGroupFunds](#) finance.yahoo.com/news/400-tesla...

7:41 PM · Jul 30, 2020 · Twitter for iPhone

**John Murphy** @JohnMur67039142 · Aug 14

✓

[@HindenburgRes](#) [@BNNBloomberg](#) [@AnsonGroupFunds](#) this story will be
all over the street within months. how dirty **moez** hurt his business parnter
and lied to the founders of [\\$apha](#). [@LamboJohnny](#) [@BettingBruiser](#)

**MDeCicco** @MDeCicco_ · Aug 14

Hey [@MunchingMoez](#). Can you confirm/deny? The word around is that
you were the source of the [@HindenburgRes](#) Short Attack on [@aphriainc](#),
to cover HUGE losses on \$TLRY

[Show this thread](#)







John Murphy
@JohnMur67039142

Capital Market Crimes – Moez Kassam and Anson Funds: A Tale of Corruption, Greed, and Failure.
[@LamboJohnny](#) [@BettingBruiser](#) [@globeandmail](#)
[@weedstreet420](#) [@BNNBloomberg](#) [@amberkanwar](#)



Home

[vc_row][vc_column][vc_empty_space height="20px"]
[/vc_column][vc_column offset="vc_hidden-xs"]...
[moezkassam.com](#)

3:47 PM · Sep 27, 2020 · Twitter for iPhone

4 Retweets 15 Likes

Jim Retweeted



John Murphy @JohnMur67039142 · 27 Sep

8 Capital's [#tradertonny](#). plays right into the stereotype of a [#WallStreet](#) trader. i think his compliance might have some questions about the recommendations that he has been putting out.... [#viiicapital](#)
[@MunchingMoez](#) [stockmanipulators.com/moez-kassam-an...](#)



John Murphy @JohnMur67039142 · Sep 29

sounds like [#moez](#) attacked the site where the [@AnsonGroupFunds](#) report was profiled. a very expensive DDOS attack to prevent the public from seeing the piece. Investors in the fund probably have plenty of questions for [@MunchingMoez](#) [@davidmilstead](#) [\\$apha](#) [\\$fd](#) [\\$gfi](#) [\\$shrm](#) many more





John Murphy @JohnMur67039142 · 15m

spicy. stinks something awful !!! #handsomefunds #dirtymoez
#moezkassam @AnsonGroupFunds @LamboJohnny @QTRResearch
@weedstreet420 @ddale8



John Murphy @JohnMur67039142 · Sep 27

I wonder if this slows down his extravagant dinners that he posts every night. sean kallir from HGC seems to be in attendance often. **moez's** new member. special shout out to #traderTony from 8capital. love the pics



John Murphy @JohnMur67039142 · Sep 29

big difference from shorting a fraud and paying for a short report calling a company a fraud to try and fix your trade. bad companies need to be taken down. big difference between the two. **anson** does both!



John Murphy
@JohnMur67039142

Home stockmanipulators.com. Cyber crimes added to the list of wrongdoings by @AnsonGroupFunds ? who funded this defense? unit holders? @davidmilstead @globeandmail @thomasg_grizzle

7:52 AM · Sep 29, 2020 · Twitter for iPhone



John Murphy @JohnMur67039142 · Sep 30

chatter is \$300k-400 for that report. a deep audit of **anson's** books might help.





John Murphy @JohnMur67039142 · Sep 30

Anson and Moez put out this response. it fails to address the allegations outlined, when they question a company they ask for a line by line response. we are waiting @MunchingMoez ansonfunds.com/wp-content/upl...
@QTRResearch @BettingBruiser @LamboJohnny @weedstreet420
@davidmilstead



John Murphy @JohnMur67039142 · Oct 28

\$FD Facedrive target of an ongoing short attack by @AnsonGroupFunds
how will this play out? @QTRResearch @BettingBruiser @weedstreet420
@ddale8 @BNNBloomberg @DisruptorsBNN



Blackrock, Bezos And Musk Charging Ahead in this \$30 Trillion Mega-Tr...
In the last two years there has been a 733% increase in ESG investments
while tech companies have soared, now there is one new industry playe...
finance.yahoo.com







ANSON ADVISORS INC., ANSON FUNDS MANAGEMENT -and-
LP, ANSON INVESTMENTS MASTER FUND LP AND
MOEZ KASSAM
Plaintiffs

ROBERT LEE DOXTATOR, JACOB DOXTATOR,
JOHN DOE 1, JOHN DOE 2, JOHN DOE 3, JOHN DOE 4
AND OTHER PERSONS UNKNOWN
Defendants

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

STATEMENT OF CLAIM

BLAKE, CASSELS & GRAYDON LLP

Barristers & Solicitors
199 Bay Street
Suite 4000, Commerce Court West
Toronto ON M5L 1A9

Michael Barrack LSO #21941W

Tel: 416-863-5280
michael.barrack@blakes.com

Iris Fischer LSO #52762M

Tel: 416-863-2408
iris.fischer@blakes.com

Kaley Pulfer LSO #58413T

Tel: 416-863-2756
kaley.pulfer@blakes.com

Christopher DiMatteo LSO #68711E

Tel: 416-863-3342
Fax: 416-863-2653
christopher.dimatteo@blakes.com

Lawyers for the Plaintiffs

**THIS IS EXHIBIT “2” REFERRED
TO IN THE AFFIDAVIT OF ANDREW RUDENSKY
SWORN BEFORE ME THIS
25TH DAY OF FEBRUARY, 2024.**



Connor Allison

EXHIBIT “B”

RECORDINGS BETWEEN ROBERT DOXTATOR AND MOEZ KASSAM


**THIS IS EXHIBIT “3” REFERRED
TO IN THE AFFIDAVIT OF ANDREW RUDENSKY
SWORN BEFORE ME THIS
25TH DAY OF FEBRUARY, 2024.**



Connor Allison

| | |
|---|--|
| <p style="text-align: right;">250</p> <p>1 MR. STALEY: And, Won, I just want to 2 clarify. Your question was directed at what may 3 have happened as a result of this second version 4 or the second Defamatory Manifesto. I'm not 5 sure if the witness is speaking to him having to 6 deal with these organizations generally or just 7 specific to the second one. 8 So I just want to be clear on that. 9 BY MR. KIM: 10 886 Q. Let me ask for an undertaking. 11 Mr. Kassam, could you advise us if any 12 philanthropic organization that you and anyone 13 related to you at Anson, including your spouse, 14 had to resign or had their donations refused as 15 a result of the publication of these manifestos, 16 please? 17 MR. STALEY: Well, I'm not going to 18 give you an undertaking. 19 I think he was trying to answer that 20 question. I just was concerned that you had 21 tied it to the second one, and I didn't believe 22 that it was tethered to the second one in 23 particular. 24 BY MR. KIM: 25 887 Q. All right. Now, did anyone ask</p> | <p style="text-align: right;">252</p> <p>1 A. I believe it is. 2 890 Q. And you're speaking to Mr. Robert 3 Doxtator on the call? 4 A. I believe so. 5 891 Q. This call was around 6 September 30th, 2020? 7 A. I don't know the specific date. 8 892 Q. Okay. Well, check your records, 9 and if it's not September 30th, 2020, let me 10 know? 11 MR. STALEY: We will. 12 THE WITNESS: I think we asked for 13 your client to confirm when this recording was 14 taken because it's not evident from what's been 15 produced when it was taken. 16 BY MR. KIM: 17 893 Q. Sorry, I didn't get that. 18 MR. STALEY: We can move on, Won, 19 that's fine. 20 BY MR. KIM: 21 894 Q. Okay. Now, when you say you 22 don't care who did it or why they did it, you're 23 talking about Defamatory Manifesto part 1? 24 MR. STALEY: Well, if it's 25 September 30, 2020, then it would have to be</p> |
| <p style="text-align: right;">251</p> <p>1 you if any part of the second part of the 2 manifesto was true? Did they ask you if any 3 part of it was true? 4 MR. STALEY: Won, I think we've 5 covered this ground before. There's a fair bit 6 of background in these things that doesn't 7 appear to be inaccurate in terms of Mr. Kassam 8 is with Anson Funds and stuff like that. The 9 issue is sort of the overall thrust of that and 10 whether it contains statements that are clearly 11 false and defamatory. 12 So I think we're going down a -- 13 you're trying to take him down a path we've 14 already covered because -- 15 BY MR. KIM: 16 888 Q. I've got your pleading. I'm 17 content to move on here because we have 18 tomorrow. 19 But I'm going to play for you a 20 recording that we have, the ROB 19 recording. 21 A. Okay. 22 889 Q. Okay. 23 [Audio played]. 24 Now, is that you on the recording, 25 Mr. Kassam?</p> | <p style="text-align: right;">253</p> <p>1 just based on the matter of timing; right? 2 BY MR. KIM: 3 895 Q. Yeah -- 4 MR. STALEY: Because that would have 5 been three days after that. 6 BY MR. KIM: 7 896 Q. That's right. 8 MR. STALEY: So your client took a 9 recording and can tell us when it was, and that 10 would clearly date the conversation. 11 BY MR. KIM: 12 897 Q. So it would be Defamatory 13 Manifesto part 1; correct? 14 MR. STALEY: That's correct, if it was 15 September 30, 2020, it would have to be. 16 BY MR. KIM: 17 898 Q. So, Mr. Kassam, you say: 18 "From a perception basis, I have 19 to go hard the way Newton Glassman did 20 it to everyone. I have to go scorched 21 earth". 22 What do you mean by this? 23 A. I mean we have to take this 24 seriously. And people are saying, don't worry 25 about it, just shrug it off, not a big deal.</p> |

| | |
|---|--|
| <p style="text-align: right;">254</p> <p>1 You know, people just trying to pacify you to 2 move forward saying that at the end of the day, 3 you know, you can recover from this. 4 I felt that the strategy had to be 5 that this kind of tactic is not acceptable to us 6 and that anyone who is going to act in this type 7 of manner in regards to the vitriol and 8 animosity shown towards us, we have to take this 9 seriously and irrespective of the outcome. 10 At that point, we didn't know what the 11 outcome was going to be. So, yeah, at that 12 time, three days later, you know, we thought 13 everything would be eventually okay, but we 14 didn't know what was to cascade from that point. 15 899 Q. So when you reference Mr. Newton 16 Glassman, you're talking about the CEO of 17 Catalyst? 18 A. Former CEO, yes. 19 900 Q. Yes, you were talking about what 20 happened with Catalyst and West Face litigation? 21 A. Amongst other litigations, yes. 22 901 Q. And Anson was sued as part of 23 that litigation; right? 24 A. We were. 25 902 Q. And what did you learn from your</p> | <p style="text-align: right;">256</p> <p>1 are not accepting of what happened, and saying 2 and showing to the market and to market's 3 constituents that we are taking this incredibly 4 seriously, we're hiring as many experts as we 5 can, we're hiring counsel. You know, we are 6 going to get to the bottom of this and to figure 7 out how and why this occurred. 8 906 Q. So when you say "at the time", 9 have your goals changed? 10 A. Well, like we just said, at the 11 time, three days later we didn't realize the 12 ramifications of what we were dealing with, 13 right. 14 I thought at that point there was a 15 chance that it would just blow over. I didn't 16 realize that, you know, three years later we 17 would still be dealing with the fallout of that 18 situation. 19 907 Q. What is the fallout? Your assets 20 under management and your revenues have never 21 been higher. What's the fallout? 22 A. We're going to go back down the 23 rabbit hole. It's not a function of just profit 24 and loss, right. 25 There is your standing in the</p> |
| <p style="text-align: right;">255</p> <p>1 involvement in the Catalyst litigation? 2 MR. STALEY: Well, I'm not sure that's 3 a proper question, what he learned. I'm not 4 sure that that's relevant to anything at issue. 5 BY MR. KIM: 6 903 Q. Clearly the reference -- 7 -- SIMULTANEOUS SPEAKERS -- 8 9 10 MR. STALEY: Well, that fair. It's 11 fair to ask what the reference means, but to ask 12 what he learned in the litigation, I'm not sure 13 that's a relevant question. 14 BY MR. KIM: 15 904 Q. Well, when you reference the way 16 that Newton Glassman did it, what do you mean by 17 that? 18 A. I mean that, you know, he hired 19 investigators, he hired multiple counsels, he, 20 you know, irrespective of whether he was guilty 21 or not, he came out guns-a-blazing. 22 905 Q. Yeah. And you've adopted that 23 playbook? 24 A. At the time, the idea was we were 25 going to make noise saying that, you know, we</p> | <p style="text-align: right;">257</p> <p>1 community. There is the way you are proceed. 2 There's the way you hire employees. The way you 3 deal with retention. 4 Everything took a hit other than the 5 financial aspect of what you're referring to. 6 Everything, you know, diminished as a result of 7 this attack on us. 8 908 Q. Well, have you made a calculation 9 of which part of any diminishment in your 10 standing or Anson's standing stems from the 11 manifestos versus the publication of the 12 information that you and Anson are under SEC 13 investigation? 14 R/F MR. STALEY: Well, hold on a second 15 here. 16 The premise of the question is not one 17 that we accept. And if you're asking for a 18 breakdown of damages, we will eventually produce 19 a damages analysis for purpose of trial. 20 But I'm not going to let the witness 21 answer the question as framed. 22 BY MR. KIM: 23 909 Q. Well, thank you for that, but my 24 question was more general in nature. 25 Have you at this time separated the</p> |

| | |
|---|---|
| <p style="text-align: right;">258</p> <p>1 fallout from the manifestos verses the fallout 2 that you may have experienced as a result of the 3 public dissemination of the information that you 4 are under investigation by the SEC? 5 R/F MR. STALEY: Same answer. It's not a 6 proper question. 7 BY MR. KIM: 8 910 Q. When you say you can afford it, 9 you don't care, "we have to flex, I'm going to 10 be flexing hard", what do you mean by that 11 statement? 12 A. I mean we are going to use all 13 our power and all our resources to get to the 14 bottom of this conspiracy. 15 911 Q. And who are your audience for 16 your flexing? 17 A. The court of public opinion, to 18 our partners, to our investors, to our 19 employees, to the market in general. 20 912 Q. Okay. Is part of this you're 21 flexing to prevent future criticism of Anson? 22 A. I don't necessarily think it's a 23 function of future criticism, but it should act 24 as a deterrent towards anyone trying to put 25 false and malicious information out about us.</p> | <p style="text-align: right;">260</p> <p>1 REPORTER'S CERTIFICATE 2 3 4 I, Amy Armstrong, CVR-RVR, Realtime 5 Verbatim Reporter, certify; 6 That the foregoing proceedings were 7 taken before me at the time and place therein 8 set forth at which time the witness was put 9 under oath by me; 10 That the testimony of the witness and 11 all objections made at the time of the 12 examination were recorded by oral stenography by 13 me and were thereafter transcribed; 14 That the foregoing is a true and 15 accurate transcript of my shorthand notes so 16 taken. Dated this 28th day of April, 2023. 17  18 19 20 PER: AMY ARMSTRONG 21 REALTIME VERBATIM REPORTER #7305 22 23 24 25</p> |
| <p style="text-align: right;">259</p> <p>1 You know, if someone wants to have a 2 proper, mature dialogue about what we do and how 3 we do it, I'm always up for that. But to have 4 anonymous manifestos posted with false and 5 completely misleading information, that's what 6 we are trying to get rid of. 7 913 Q. Mr. Kassam and counsel, it's 8 4:30. I happen to pride myself on being a man 9 of my word. So can we agree to pick up tomorrow 10 and Mr. Staley can go to his social event and 11 Mr. Kassam can get a well-deserved glass of 12 wine, as will I. 13 -- ADJOURNED AT 4:29 P.M. -- 14 15 16 17 18 19 20 21 22 23 24 25</p> | |

**THIS IS EXHIBIT “4” REFERRED
TO IN THE AFFIDAVIT OF ANDREW RUDENSKY
SWORN BEFORE ME THIS
25TH DAY OF FEBRUARY, 2024.**



Connor Allison

X
X

C

Court File No. CV-20-00653410-00CL

Justice Conway

May 3, 2022

Christina
Irwin

Digitally signed by Christina Irwin
DN: cn=Christina Irwin, o=Ministry of the
Attorney General, ou=Superior Court of
Justice, email=christina.irwin@ontario.ca,
c=CA
Date: 2022.05.27 13:50:25 -0400

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

B E T W E E N:

(Court Seal)

ANSON ADVISORS INC., ANSON FUNDS MANAGEMENT LP,
ANSON INVESTMENTS MASTER FUND LP AND MOEZ KASSAM

Plaintiffs

- and -

JAMES STAFFORD, ANDREW RUDENSKY, ROBERT LEE DOXTATOR,
JACOB DOXTATOR, AND JOHN DOE 1, JOHN DOE 2, JOHN DOE 3,
JOHN DOE 4 AND OTHER PERSONS UNKNOWN

Defendants

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 lawyer 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.

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.

Date _____ Issued by _____
Local Registrar

Address of Superior Court of Justice
court office: 330 University Avenue, 9th Floor
Toronto ON M5G 1R7

TO: Robert Lee Doxtator
184 Albert Street
Belleville, ON
K8N 3N4

Jacob Doxtator
1150 Salem Road
Prince Edward, ON
K0K 1T0

James Stafford
Address Unknown

Andrew Rudensky
1107 Melvin Ave
Oakville, ON L6J 2V8

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CLAIM

1. The Plaintiffs, Anson Advisors Inc. (“**AAI**”), Anson Funds Management LP (“**AFM**”), Anson Investments Master Fund LP (“**AIMF**” and, together with AAI and AFM, “**Anson**”) and Moez Kassam (“**Kassam**”), claim against the Defendants, James Stafford, Andrew Rudensky, Robert Lee Doxtator, Jacob Doxtator, John Doe 1, John Doe 2, John Doe 3, John Doe 4 and other persons unknown (the “**Defendants**”), jointly and severally, for:

- (a) general damages in the amount of \$100,000,000 for conspiracy, publicity that places the plaintiffs in a false light, intentional interference with economic relations, appropriation of personality, internet harassment, and defamation;
- (b) aggravated damages of \$1,000,000;
- (c) punitive or exemplary damages of \$10,000,000;
- (d) special damages to be proven at trial;
- (e) fees and costs incurred by the Plaintiffs in investigating the persons involved in the Conspiracy (as defined below), and removing the Unlawful Statements (as defined below), in amounts to be proven at trial;
- (f) a mandatory order compelling the Defendants to remove the publications complained of in this action from all Internet websites, online message boards and social media platforms within their control;
- (g) an interim, interlocutory and permanent injunction restraining the Defendants or anyone with notice of the order from republishing the

publications complained of in this action or the Unlawful Statements (as defined below), or publishing further unlawful and defamatory statements about Anson and its current and past personnel;

- (h) pre-judgment interest in accordance with section 128 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended;
- (i) post-judgment interest in accordance with section 129 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended;
- (j) the costs of this proceeding on the highest allowable basis, plus all applicable taxes; and
- (k) such further and other relief as to this Honourable Court may seem just.

2. Since at least the summer of 2019 and intensifying to the present, the Defendants James Stafford, Andrew Rudensky, Robert Lee Doxtator and Jacob Doxtator have engaged in a scheme with each other and other unknown persons to damage the business and reputations of a successful securities business, Anson, and its founder, Moez Kassam. Specifically, the Defendants conspired to falsely and repeatedly claim that Kassam is a criminal and that he and his businesses are engaged in conduct that is illegal, unethical, and contrary to Canadian and United States securities regulations. The Defendants have, for example, published or encouraged the publication of the following false and defamatory statements:

- (a) “Moez Kassam and his Anson Funds have systematically engaged in capital market crimes, including insider trading and fraud, to rob North American shareholders of countless millions”;
- (b) “Anson Funds and Moez Kassam have been destroying companies through illegal means...”;
- (c) Kassam is a “corrupted and criminal CIO [Chief Investment Officer] at Anson funds”;
- (d) “If you r [sic] an Anson Fund investor ... be prepared to have your funds locked up b/c there is a lot information floating out there that paints a picture of scams to benefit none other then Moez Kassam”;
- (e) “In his attempt to destroy small-cap Canadian companies through nefarious means, a string of feeder funds and untraceable payments to elude regulators, Moez Kassam has betrayed even his closest friends”;
- (f) Kassam pursued “questionable and illegal activities” in “an attempt to make money by destroying small companies and the lives of anyone who happened to get in his way: even those who helped him and ended up being disposable”;
- (g) “Moez Kassam & Sunny Puri of Anson . . . put out the report to manipulate the market so they could cover an already short position”;

- (h) “... dirty moez [sic] hurt his business parnter [sic] and lied to the founders of \$apha [Aphria Inc.]”;
- (i) Kassam and Anson “just use people and don’t pay anyone but themselves”;
- (j) “Moez has even threatened all Anson employees with lawsuits and installed draconian measures in the office to stop leaks from employees. The fear level is rising—fast. At this point, it is becoming clearer that employees will either sink with this ship or be fired, and now the latter is starting to look more attractive than the former”; and
- (k) the OSC and SEC have “[begun] a full investigation into Anson Funds business practices (according to sources inside Anson)”.

3. Statements accusing the Plaintiffs of illegal and unethical conduct, including market manipulation, fraud, insider trading, breaches of applicable securities law and regulations, and cyber crimes, are false and defamatory. This lawsuit seeks to hold the Defendants accountable for the economic, reputational, and emotional harm their lies have caused.

A. THE PLAINTIFFS

4. AAI is a corporation incorporated under the laws of Ontario. It is a private asset management firm that serves as the co-investment adviser, exempt market dealer, and portfolio manager to several investment funds in which private investors may invest their capital (collectively, the “**Anson Funds**”). It is regulated by the United States Securities

and Exchange Commission (“**SEC**”) and the Ontario Securities Commission (“**OSC**”), among other regulatory bodies.

5. AFM is a Texas limited partnership that serves as the investment fund manager for the Anson Funds. It is regulated by the SEC and the OSC.

6. AIMF is a Cayman Islands exempted limited partnership. It is Anson Funds’ flagship investment fund. The Anson investments that are the subject of the Unlawful Statements (as defined below) were undertaken by AIMF.

7. Anson uses multiple strategies to execute its investment program, including both long and short investment strategies and opportunistic investments. One subset of Anson’s short investment strategies includes short selling securities that have been overvalued by the public markets. One way in which securities can become overvalued is through fraudulent “pump and dump” schemes. In a pump and dump scheme, the perpetrators attempt to inflate the value of a stock that they own by making and/or publicizing false or misleading positive statements about the company whose stock is being traded, and then enrich themselves at the cost of other shareholders, including but not limited to by way of selling stock, paying inflated salaries, or paying parties related to the perpetrators inflated amounts without proper disclosure.

8. Short selling is a legitimate investment strategy that involves borrowing shares from a dealer and selling them in anticipation that the share price will decline. The borrower must later repurchase the shares in order to return them to the lender. If the share price has fallen by the time the borrower repurchases the shares for return, the borrower will earn a profit. By contrast, if the shares increase in value while the borrower

holds a short position, the borrower will be required to repurchase the shares at the increased price, causing a loss.

9. Short selling, as a trading activity, is subject to a well-developed regulatory regime in Canada.

10. Anson conducts and reviews research and due diligence on the market and relevant companies to inform its trades, all based on publicly available information. When Anson determines that the stock of a public company may be overvalued and/or conducts short sales, its scrutiny may threaten individuals who perpetrate pump-and-dump and other fraudulent securities schemes, or who otherwise benefit from inflated securities. Anson complies with all applicable investment rules and regulations in all trading transactions it undertakes.

11. A “naked” short sale is a colloquial term that is generally understood to refer to when an investor sells shares in anticipation that their price will decline without first having a reasonable belief that it can borrow the shares that it sold. Anson does not engage in naked short selling, and as described above complies with all applicable investment rules and regulations.

12. The capital markets rely on the free flow of public information about publicly traded companies. Further, publication of analyses of public companies is a routine feature of the capital markets, including where the entity publishing the analysis has made an investment (either short or long) in the securities of the company in question. In the ordinary course of its business, Anson from time to time discusses its research and investment analyses and theses with others in the industry. This is done to conduct

research, stress test due diligence and investment theories, learn potentially variant points of view and solicit other independent analyses. To the extent analyses that are published by others align with Anson's – or other investment funds' – views, this is simply the result of various individuals involved in the capital markets independently reaching the same conclusions based on the same publicly available information.

13. Moez Kassam is a founder of Anson, and a director and the principal, Chief Executive Officer and Chief Investment Officer of AAI. Kassam is 41 years old. He founded Saunders Capital Master Fund LP, the predecessor to AIMF, in July 2007 at the age of 26, and has since built Anson into a billion-dollar investment firm. In 2018, Kassam was named to Canada's Top 40 Under 40 for extraordinary achievement in business and philanthropy. He is an executive member of the Young Presidents Organization's Maple Leaf Chapter, and previously served on its board as Education Officer. He sits on the boards of directors of the Canadian Olympic Foundation, Toronto Public Library Foundation, Friends of Aseema, and Kids Cook to Care. He also serves as a line of credit guarantor for Windmill Microlending, which supports immigrants and refugees who come to Canada with education, skills and experience but struggle to resume their careers here.

14. Through the Moez & Marissa Kassam Foundation, Kassam has donated millions of dollars to Canadian charitable causes, including the Sunnybrook Foundation, the SickKids Foundation, Community Food Centres Canada, the Michael Garron Hospital Foundation, the Canadian Foundation for AIDS Research (CANFAR), Together We Stand Foundation, the Institute for Canadian Citizenship, the South Asian Legal Clinic of Ontario and many others. In fiscal year 2021 alone, the Moez & Marissa Kassam Foundation donated over one million dollars to various Canadian charitable entities.

15. Kassam provides advice with respect to AIMF and all of Anson's other funds under management and is ultimately responsible for Anson's investment strategy, trading, and overall investment performance. Kassam is the face of Anson and is well known in the industry as such.

B. THE DEFENDANTS

16. The Defendant James Stafford ("**Stafford**") is the principal of A Media Solutions Limited, a private company that was incorporated in 2012 and is registered in England and Wales, which operates the website www.OilPrice.com. He is also the principal of Advanced Media Solutions, a company incorporated in the British Virgin Islands, which owns www.OilPrice.com. Although Stafford styles himself as a "journalist", "publisher" and "editor" of www.OilPrice.com, he is, in fact, a stock promoter. Stafford has made millions of dollars as a stock promoter by writing sensationalist yet glowing articles about companies that advertise with him. Despite extensive efforts to attempt to identify Stafford's residential address, the Plaintiffs do not know Stafford's address and do not know where he resides. Stafford appears to have connections to numerous jurisdictions and it is unknown to the Plaintiffs whether Stafford's residential address is in Mexico, England, the Bahamas, or elsewhere. He maintains operations in Mexico and has a business registered there; at least four employees of www.OilPrice.com are based in Mexico; several of the Unlawful Statements (as defined below) were published from Mexico on the website Stockhouse (which provides market news and analysis regarding companies with small market capitalizations, as well as message boards for users to discuss securities issuers) as discussed in paragraphs 53 to 61 below and in **Appendix "C"** at section C; and Stafford himself, using the Stockhouse account "ToffRaffles" (which

is linked to one of his email addresses) published Unlawful Statements on Stockhouse from an IP address originating in Mexico (as discussed in paragraph 106 below). For further information on Stafford's background, companies and possible location, see **Appendix "C"** at sections A and C.

17. The Defendant Andrew Rudensky ("**Rudensky**") resides in Toronto, Ontario. Rudensky is a partner of The Delavaco Group, a small merchant bank with a historical working relationship with Stafford. Rudensky previously worked as an advisor at Richardson GMP Limited from November 2009 until September 2015.

18. In July 2018, the Investment Industry Regulatory Organization of Canada ("**IIROC**") found that Rudensky had violated IIROC Dealer Member Rules by engaging in personal financial dealings with one of his clients and by making false and misleading representations to his firm. Rudensky had borrowed \$3 million from a client to finance a trade and misrepresented the source of the funds to Richardson GMP Limited. IIROC found that Rudensky's "misconduct and lack of honesty harmed market integrity and the reputation of the marketplace. He breached the fundamental principle of trust in the business." IIROC ultimately suspended Rudensky from his IIROC registration for two years, ordered him to pay fines and disgorgement totalling \$55,923, and ordered him to pay IIROC's costs of \$24,500. The Ontario Securities Commission upheld that decision upon review.

19. The Defendant Robert Lee Doxtator ("**Robert**") resides in Belleville, Ontario. He is a founder of Harvest Moon Cannabis Company (a company providing research and due diligence services) and is a business development consultant in the cannabis industry. In

the past, Robert has shared due diligence with Anson. Robert operates a Twitter account under the username @BettingBruiser. It has over 14,000 followers. The “Betting Bruiser” Twitter profile states: “@HarvestMoon420 Founder -#Potstocks Legal & Business Development Consultant Inquiries: HarvestMoonCannabisCo@gmail.com.” It is well known in the Canadian investment industry that “Betting Bruiser” is Robert.

20. Robert, as “Betting Bruiser”, is a prolific Twitter user and has repeatedly used his Twitter account to publish offensive content, including content disparaging of immigrants, women and members of the LGBT community.

21. While Robert holds himself out to be a lawyer, including in posts on the “Betting Bruiser” Twitter account, there is no record of his being admitted to practice law in any province or territory of Canada.

22. The Defendant Jacob Doxtator (“**Jacob**”) is the cousin of Robert. He also resides in Belleville, Ontario. He operates, in coordination with Robert, a Twitter account through an alter-ego named “John Murphy” under the username @JohnMur67039142. Unlike with “Betting Bruiser”, it is not commonly known that Jacob operates the “John Murphy” Twitter account. The Defendants went out of their way to use this account to conceal their identities as part of their scheme against Anson. Although Jacob lives in Belleville, the Twitter account states that “John Murphy” lives in the state of Georgia in the United States. The John Murphy account was removed from Twitter in or around March 2021, after this claim was brought and Jacob was served.

23. The Defendants John Doe 1, John Doe 2, John Doe 3, John Doe 4 and other persons unknown (the “**Unknown Defendants**”) are individuals whose identities are

presently unknown, but who are believed to have the means and business motivation to seek to harm the Plaintiffs. The Unknown Defendants may reside in the United States or elsewhere outside of Canada. The Plaintiffs will substitute the actual names of these Defendants after they have been discovered.

24. More generally, the Plaintiffs reserve their right to make, or seek to make, amendments to this pleading to incorporate additional material facts and information that they discover.

C. OVERVIEW OF CLAIM

25. Stafford, Rudensky, Robert, Jacob (Robert and Jacob together are referred to as the “**Doxtators**”) and the Unknown Defendants are parties to a sophisticated, coordinated scheme to damage the Plaintiffs’ business and reputations (the “**Conspiracy**”).

26. In particular, and as described further below, in furtherance of this Conspiracy, the Defendants maliciously and intentionally entered into an agreement to conspire with one another and committed acts with the predominant purpose of injuring the Plaintiffs by damaging their business and reputations. In addition, or in the alternative, in furtherance of this Conspiracy, the Defendants have acted in a concerted and coordinated effort while using unlawful means aimed at the Plaintiffs, including but not limited to acts that amount to defamation at law, when they knew, or ought to have known, that significant harm to the Plaintiffs would result. In fact, the Defendants have caused significant damage to the Plaintiffs’ business and reputations through their unlawful, improper conduct. Furthermore, the Defendants took sophisticated steps to conceal their identities and advance the Conspiracy anonymously (using, among other things and as described

further below, offshore web developers based in Bosnia and Herzegovina, temporary “burner” email addresses, virtual private networks (“**VPNs**”), fake identities, anonymous Twitter profiles, and more) because they knew that they were engaged in unlawful conduct. The Defendants are savvy about capital markets and deliberately fabricated allegations about the Plaintiffs – or at best were reckless as to whether the allegations were false – in order to sabotage their business. In addition, some or all of the Defendants are routinely engaged in pump and dump schemes and publicly blame the Plaintiffs when the artificially inflated share prices of the companies at issue ultimately return to their lower, intrinsic levels.

27. In the Conspiracy, Stafford, Rudensky and the Doxtators coordinated and agreed with one another and with the Unknown Defendants to harm the Plaintiffs through a carefully planned and executed plot. This plot has included fabricating, spreading and publicizing a series of unlawful, abusive, false, malicious, harassing and defamatory statements about Anson, Kassam and other individuals connected with Anson (the “**Unlawful Statements**”), including by first publishing defamatory comments on the website Stockhouse, and then on a series of websites generated by the Defendants, as set out below, in an attempt to manufacture a narrative to harm Anson and Kassam; hiring freelance web developers based in Bosnia and Herzegovina to register the websites on which Unlawful Statements were posted, for the purpose of concealing the Defendants’ identities; taking other sophisticated steps to obscure their identities while disseminating Unlawful Statements, including hiring Bosnian developers, using VPNs, burner email addresses and false identities; sending targeted communications containing the Unlawful Statements via email, including to reporters, as well as disseminating the Unlawful

Statements on Twitter, Reddit and other platforms; and attempting to improperly attract media attention to the Unlawful Statements. Moreover, the Defendants have sought to disseminate the Unlawful Statements internationally to individuals in (at least) the United States (where the Plaintiffs do business) as well as in Canada, with the intention of causing maximum, widespread harm to the Plaintiffs.

28. Steps taken by the Defendants pursuant to the Conspiracy include the following:

- (a) in summer 2019, some or all of the Defendants, and in particular Robert, began a campaign to spread Unlawful Statements about the Plaintiffs on Twitter through Robert's "Betting Bruiser" Twitter account;
- (b) in July and August 2020, in a further concerted and coordinated effort, the Defendants increased their efforts and conspired to post Unlawful Statements on message boards on the website Stockhouse. These Unlawful Statements were viewed by many thousands;
- (c) beginning on or around September 27, 2020, after the Plaintiffs took steps to have the Unlawful Statements on Stockhouse removed, the Defendants conspired to anonymously write, publish and disseminate a lengthy Internet post containing Unlawful Statements about the Plaintiffs (the "**Defamatory Manifesto**") on a series of websites. The Plaintiffs believe that Stafford led the effort to draft and publish the Defamatory Manifesto, including because Stafford styles himself a "journalist" and is often hired as a promoter of stocks – including those mentioned in the Defamatory Manifesto – in pump and dump schemes, with the aim of creating publicity in order to artificially

and often temporarily inflate the share price of companies in which his clients have a financial interest. The Defamatory Manifesto also mimics Stafford's sensationalist writing style. The Plaintiffs further believe that Robert and Rudensky directly participated in the preparation and/or drafting of the Defamatory Manifesto, including (but not limited to) supplying Stafford with many of the false and defamatory allegations against the Plaintiffs, which Stafford then incorporated into the Defamatory Manifesto. However, the precise roles of the Defendants in crafting and disseminating the Defamatory Manifesto are known to them alone, and not yet known to the Plaintiffs;

- (d) The Defendants knew that the allegations in the Defamatory Manifesto were false and defamatory, and intended to make and widely distribute these false, defamatory and misleading allegations. They sought to imbue the Defamatory Manifesto with credibility by falsely calling it an "investigation". It was viewed by tens of thousands of people, and counting;
- (e) as part of the Defamatory Manifesto, the Defendants set up a "tipline" operated by Stafford to collect further false and defamatory allegations against the Plaintiffs;
- (f) the Defendants hired freelance web developers based in Bosnia and Herzegovina to register the websites on which they published the Defamatory Manifesto, to obscure the websites' origins and conceal the

Defendants' involvement in the publication, something that would only be part of a sophisticated plot;

- (g) after the Plaintiffs were forced to take steps to have websites publishing the Defamatory Manifesto taken down, the Defendants again re-published it on new websites, which were once again created in a manner to conceal the Defendants' involvement. A version of the Defamatory Manifesto remains available on the Internet;
- (h) the Defendants used alter-ego Twitter accounts, and/or hired or otherwise procured or involved additional conspirators, to further disseminate and publish links to the Defamatory Manifesto;
- (i) the Defendants, similarly concealing their identities through alter-egos, using fake email addresses and Twitter accounts and VPNs, and/or by hiring or otherwise procuring or involving additional conspirators for this purpose, publicized and provided links to the Defamatory Manifesto on various Internet message boards and chat rooms. These message boards and chat rooms related to the Canadian and U.S. securities markets and are frequented by investors;
- (j) the Defendants also used alter-ego Twitter accounts to publish further false, defamatory, harassing, and malicious Unlawful Statements against the Plaintiffs, including wishing harm to come to Kassam, and inciting or encouraging others to harm him;

- (k) the Defendants published further false, defamatory, harassing, and malicious Unlawful Statements against the Plaintiffs through targeted emails sent from an anonymized email address;
- (l) the Defendants generated an Excel spreadsheet titled “Journalists.xlsx” that was made up of a list of journalists, news editors and others in the business community to whom the Defamatory Manifesto would be sent, with the goal of maximizing its distribution (the file was created on September 30, 2020 and listed 2,854 names). In the metadata, James Stafford (who purports to be a “journalist” with access to such contacts) is indicated as the “author” of this spreadsheet. The Defendants sent the Defamatory Manifesto to the media in a concerted but unsuccessful attempt to use the media to further publicize the Unlawful Statements and lend them a false and unwarranted air of credibility;
- (m) from fall 2020 through at least spring 2021, the Defendants continued their coordinated defamation campaign by publishing false and defamatory Unlawful Statements in over 1,000 posts on the website Stockhouse. The Defendants took steps to conceal their identities and obscure the origin of these additional Stockhouse posts by using VPNs, and temporary email addresses;
- (n) on June 28, 2021, after the initial Statement of Claim in this matter was issued, the Defendants published a sequel to the Defamatory Manifesto on the website www.marketfrauds.to, titled “Moez Kassam & Anson Funds Part

II: Rotten to the Core” (the “**Second Defamatory Manifesto**”). The Defendants published several other false and defamatory posts about the Plaintiffs on this website, including audio recordings provided by Robert, demonstrating his involvement in the preparation and/or drafting of the Second Defamatory Manifesto, as described further below. The Second Defamatory Manifesto was released on June 28, 2021, days after critical commentary regarding Reconnaissance Energy Africa Ltd. (“**RECO**”), a stock that Stafford was hired to promote, as set out below, was published: *The Globe and Mail* published an article questioning the legitimacy of RECO on June 20, 2021. Viceroy Research, another forensic research firm, published analysis also questioning the quality of RECO assets and stock value on June 24, 2021. Stafford used the Plaintiffs as a scapegoat to distract attention from adverse developments involving companies in which he had an interest.

29. As a result of the Defendants’ conduct, the Unlawful Statements have been publicized broadly on the Internet, on various websites and online message boards, including Reddit and Stockhouse, and on Twitter. They have been disseminated widely, causing unwarranted adverse publicity for Anson that has significantly disrupted and damaged its business. In fact, as of the date of this Fresh as Amended Statement of Claim, the Secondary Defamatory Manifesto is on the “first page” of Google search results for Moez Kassam.

30. The Defendants have the means to attack the Plaintiffs through the Conspiracy and are motivated by an animus against Anson because of its scrutiny of overvalued

stocks and pump-and-dump schemes, some of which Stafford or the other Defendants stood to benefit from. Stafford is paid significant sums of money (millions of dollars) as a stock promoter and has been involved in several pump and dump schemes. In particular, the Plaintiffs believe that the Defendants have targeted them in their malicious and illicit Conspiracy because part of Anson's investment strategy involves scrutinizing overvalued companies, including, in the past, those in the cannabis industry, and including overvalued companies which Stafford promoted and/or invested in.

31. As was the case with other investment firms in 2018, one of Anson's investment strategies involved short-selling securities of several Canadian-operated publicly listed cannabis companies that it believed to be overvalued. Many investment firms, in the ordinary course of business, established short positions against Canadian cannabis companies whose stock prices they believed to be overvalued based on their business fundamentals. Some of these cannabis companies were referred to in the Unlawful Statements.

32. The Unlawful Statements falsely attribute to the Plaintiffs an almost preternatural power to choose securities where they can cause the share price of a company to decline. The Plaintiffs did not cause the share prices of the companies mentioned in the Unlawful Statements to decline. Market fundamentals – alongside overall waning investor sentiment and the actual performance of these companies, among other factors – did. In most cases, the valuations of such companies had at one point fallen 70% or more from their peak price.

33. The Defendant Rudensky has an animus against Anson and Kassam tracing back to at least December 2018, when an independent forensic financial research firm, Hindenburg Research, posted critical findings about Aphria Inc. ("**Aphria**"), a publicly traded cannabis start-up. During this period, Aphria's stock price fell over 40%. The critical research findings related to a key promoter of Aphria who is one of its founders, Andy DeFrancesco. DeFrancesco is the CEO of The Delavaco Group, a merchant bank of which Rudensky is a partner. Rudensky wrongfully blamed the Plaintiffs for Hindenburg's critical research findings regarding Aphria.

34. The Defendant Stafford has an animus against Anson and Kassam tracing back to at least mid-2020, including but not limited to in connection with the companies Facedrive Inc. ("**Facedrive**") and RECO. Stafford has a significant financial interest and exposure to Facedrive and RECO, which gave him an incentive to diminish and disparage critical commentary about those companies. As a result, Stafford publicly and wrongfully used the Plaintiffs as scapegoats to blame for Facedrive and RECO's share prices declining, and in particular he blamed the Plaintiffs for the critical research findings about Facedrive and RECO published by Hindenburg Research and Viceroy Research respectively. In fact, the share prices of overvalued companies like FaceDrive and RECO decline not because of the Plaintiffs' influence, but rather because of market fundamentals.

35. Stafford is a stock promoter and was hired, directly and/or indirectly, to promote, and artificially inflate the volume and/or price of, Facedrive shares using his website, www.OilPrice.com. The public disclosure on www.OilPrice.com stated in part that the purported articles about Facedrive "**should be viewed as a commercial advertisement**

only. We have not investigated the background of the featured company. Frequently companies profiled in our alerts experience a large increase in volume and share price during the course of investor awareness marketing, which often end as soon as the investor awareness marketing ceases” (emphasis added).

36. In total, Stafford directly and indirectly, at one point in time, owned up to approximately 1.5 million shares in Facedrive (worth roughly \$8 million at the time the agreement was press released by Facedrive), some of which he received as compensation for stock promotion, and some of which he purchased on the open market. As a result, Stafford had a significant incentive to inflate Facedrive’s share price.

37. These incentives gave Stafford the impetus to engage in the Conspiracy and spread Unlawful Statements about the Plaintiffs. Given Stafford’s financial interest in Facedrive, he has an incentive to undermine and disparage critical commentary about Facedrive, published by market participants or other observers, which questions its intrinsic value. On July 23, 2020, Hindenburg Research published research findings that were critical about Facedrive. That same night, the first Unlawful Statements about the Plaintiffs were published on Stockhouse.

38. Stafford was also hired to promote, and artificially inflate the volume and/or price of, RECO’s shares. Since January 2020, Stafford and/or his companies have published over twenty false and misleading articles promoting RECO on www.OilPrice.com. The disclosure on these articles indicates that Stafford was paid US\$280,000 for a series of four articles in January 2021. All of the articles consistently disclosed that Stafford and/or

his companies own shares in RECO and accordingly have a substantial incentive to see the share price perform well.

39. Stafford's financial interest in RECO once again motivated him to spread Unlawful Statements about the Plaintiffs as part of the Conspiracy. On June 20, 2021, *The Globe and Mail* published a critical article about RECO. On June 24, 2021, Viceroy Research, another forensic research firm, expanded on *The Globe and Mail's* reporting and posted further critical findings about RECO. The critical findings included allegations that RECO had engaged in stock promotion and had other fundamental issues. The Second Defamatory Manifesto was published on June 28, 2021, a few days after Viceroy Research released its first report regarding RECO.

40. For further information on Facedrive, RECO and Stafford's animus towards the Plaintiffs, see **Appendix "C"** at section B.

41. With respect to the Defendant Robert, he has an animus against Anson and Kassam, which is in part based on his claims that he has not been paid for due diligence that he shared with Anson. In October 2020, he aggressively attempted to obtain a significant and unwarranted amount of money from Anson, plus an indemnity and immunity, in exchange for certain due diligence he shared with Anson, and for information on the identity of the Unknown Defendants, which he confirmed he knew. Robert utilized the circumstances – the publication of the Defamatory Manifesto and other Unlawful Statements – to attempt to pressure Kassam and Anson to pay him significant amounts, giving his demands the air of extortion. While not all aspects of Robert's animus against Anson and Kassam are known to the Plaintiffs, the animus is consistent with past racist

tweets by Doxtator, and in light of the fact that Kassam, other senior employees at Anson, and their spouses are not Caucasian.

42. Though all of the parties behind the Conspiracy to damage the Plaintiffs' business and reputation are not known at this time, the damage wrought by their illegal conduct is clear.

D. THE DEFENDANTS' CONSPIRACY AGAINST THE PLAINTIFFS

(i) Beginning in late 2018, Robert develops animus towards Plaintiffs

43. Beginning in late 2018, Robert developed a malevolent animus towards the Plaintiffs, and in particular towards Sunny Puri ("**Puri**"), a Principal and Portfolio Manager at Anson. Indeed, as set out below, Robert's animosity towards Puri has included threatening violence.

44. Anson and Kassam first met Robert in late August 2018, when they discussed the prospect of him providing consulting services to Anson via the company he had founded, Harvest Moon Cannabis Company. Over a series of messages exchanged between Kassam, on behalf of Anson, and Robert, Anson and Robert agreed that Robert would provide Anson with due diligence, and that if Anson chose to trade on any due diligence provided by Robert, it would pay Robert 15% of any profits it made on the trade. Anson could and did independently decide, based on its own process, if it would trade any securities discussed with Robert.

45. In the months after August 2018, Robert shared limited due diligence with Anson regarding certain public companies, but Anson did not trade on any of that information at that time. Robert became irrationally angry with Anson, and with Puri in particular,

because Robert thought – incorrectly – that Anson had traded profitably on the limited due diligence he had provided and that Anson had shared this information with others. In November 2018, Robert told Allen Spektor (the person who introduced Robert to Anson) that he wanted Puri fired. On November 8, 2018, Robert wrote to Spektor via a messaging app that “I’m never moving on...And if I see sunny [sic] I might kick him in the teeth[.] Straight up[.] Your friend is a SHYSTER”.

46. In or around August 2019, Robert provided Anson with diligence concerning General Electric (the “**GE Diligence**”), which Anson did use in respect of a trade. Specifically, on or around August 15, 2019, Anson purchased approximately 5,000 put options in GE, which allow for the right to short sell the equivalent of 500,000 shares. Anson also sold short approximately 430,000 common shares of GE. Anson subsequently closed both positions. Kassam informed Robert about Anson’s trades in GE in real time in order to be completely transparent about how Anson was using the GE Diligence. In the aggregate, Anson’s GE trade yielded a profit of US\$121,073.70. Anson was prepared to pay Robert 15% of its profit, or US\$18,161.06, for the GE Diligence in accordance with its arrangement with Robert.

47. Despite this transparency, Robert refused to accept the amount he was owed for the GE Diligence because he falsely claimed, without any basis, that Anson had “made millions” using it. Instead, Robert began to threaten legal action, as well as physical violence and other retribution.

48. On August 21 and 22, 2019, Robert sent Kassam the following messages (emphasis added):

I'm working on a report

It's called the biggest predatory fund in Potstocks...

I'm going to talk to my lawyer also cause I'm sick [of] people like trying [to] fuck me over...

I'm going to talk to my lawyer sorry Moez sick of this...

So tomorrow I reveal your friendly bear

Just getting started

Reports ready to go...

You fucked over wrong person for last time Moez

Tweets pretty popular

Media already texting me for the story

49. In September 2019, while Puri was in a meeting at a professional conference at the Shangri-La Hotel in Toronto, Robert threatened to physically assault him in front of other conference attendees.

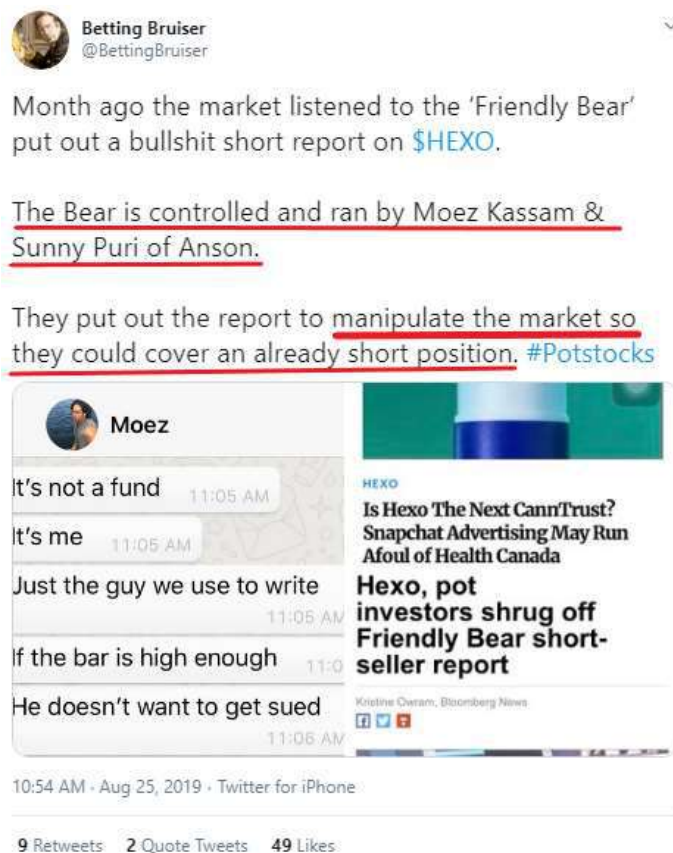
50. After August 2019, Anson never again worked with Robert.

(ii) In Summer 2019, Robert launches a Campaign to spread Unlawful Statements about the Plaintiffs

51. In late August 2019 – a few days after threatening to begin to publicly “reveal” purported content about Anson – Robert unleashed a series of tweets through his Betting Bruiser account making false and defamatory Unlawful Statements about the Plaintiffs. Just as Robert had threatened Kassam, “Betting Bruiser” tweeted false allegations that

Anson and Kassam had commissioned a report that the Friendly Bear, an independent research outfit, had published regarding Hexo Corp., a cannabis company. In particular:

- (a) on August 25, 2019, “Betting Bruiser” tweeted false allegations about Anson’s purported involvement in the Friendly Bear report. He falsely alleged that Anson “controls” the Friendly Bear – which allegations also appeared in the Defamatory Manifesto over a year later. He included in the tweet a screen shot of text messages from Kassam, which he presented out of context and in a misleading manner (emphasis added below):



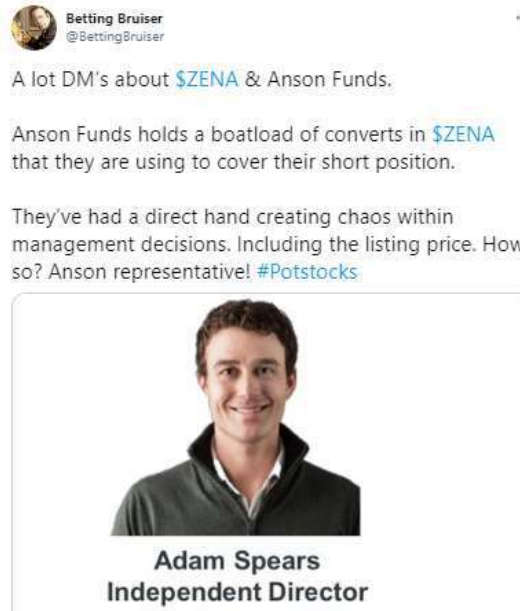
To be clear, neither Anson nor Kassam owns or controls (or owned or controlled at the time) the Friendly Bear. As described above, publication of

public company analysis is a routine feature of the capital markets. Anson and other market participants routinely share investment theses (based on publicly available information) with others in the industry for the purpose of stress testing such theses. To the extent individuals publish reports on public companies, these may or may not accord with the views of Anson and other investment firms. Anson does not “control” such analysts, who independently form their own views regarding companies and independently choose if and when to publish reports;

- (b) later the same day, he tweeted about his plan to “expose” Anson. This tweet falsely stated that Anson had connections to market manipulators, and that the Anson funds had “created” a “death spiral” in public companies in order to “cash out their short positions”:



- (c) on August 26, 2019, “Betting Bruiser” published several tweets falsely alleging that Anson used a representative, Adam Spears, on the Board of Directors of a cannabis company named Zenabis Inc. (“**Zenabis**” or “**\$ZENA**”) to intentionally and negatively influence the company’s business decisions and artificially reduce its share price:



- (d) later that same day, he tweeted false allegations that Spears was recording conversations among Zenabis management so that Anson could blackmail the company or use the information to its detriment (emphasis added below):



52. On March 11, 2020, "Betting Bruiser" tweeted a photo of Puri, commenting: "The biggest chicken hawk that I've ever met in my life. Every time I see him we have words. Sunny Puri from Anson Funds. If you've ever crossed paths with him then your stock is likely -95% from its high and he holds your [fate] in his hands via convertible debt. #PotStocks". This demonstrates the personal animus that Robert holds towards Puri.

(iii) In Summer 2020, the Conspiracy spreading Unlawful Statements about the Plaintiffs expands

53. In July and August 2020, the Defendants conspired to spread the publication of the Unlawful Statements on the Internet, including via posts published on the website Stockhouse. They published posts on Stockhouse on:

- (a) July 23 (the “**July 23 Stockhouse Post**”),
- (b) August 14 (the “**August 14 Stockhouse Post**”),
- (c) August 17 (the “**August 17 Stockhouse Post**”), and
- (d) August 28, 2020 (the “**August 28 Stockhouse Post**” and collectively, the “**Unlawful Stockhouse Statements**”).

54. The August 14, 17 and 28 Stockhouse Posts were published from Mexico.

55. The Defendants have also continued to publish further and additional Unlawful Statements on Stockhouse through at least spring 2021 (collectively, the “**Further Unlawful Stockhouse Statements**”). Many of the Unlawful Stockhouse Statements and Further Unlawful Stockhouse Statements were published using IP addresses originating in Mexico, predominantly Mexico City, the surrounding area, and the nearby city of Toluca. At least four employees of www.OilPrice.com are based in Mexico.

56. For example, as set out above, on July 23, 2020, Hindenburg Research published a critical report about Facedrive, a company whose stock Stafford was hired to promote.

57. Stafford and the other Defendants conspired to anonymously publish a post titled “The Real Story on Moez Kassam and Anson Funds – Part 1” on Stockhouse on July 23, 2020, under the pseudonym “JusinTime”:



58. The July 23 Stockhouse Post called Kassam a “criminal” and included statements accusing him of engaging in illegal, unethical, and “corrupt” business practices as well as egregious personal attacks, which were intended to damage his reputation and turn investors away from him. The accusations are false and defamatory.

59. The July 23 Stockhouse Post accused Kassam of being “corrupt and criminal” and asserted that his practices included “treading on people, lying and using every trick in the book to bring companies down that he bet against” (emphasis added below):

So here is the beginning part of the tale about the corrupt and criminal CIO at Anson funds? A few short years ago Moez Kassam was a high flying star in the hedge fund space. He had \$1 billion under management (now down to \$250 million and falling) and was the praise of the financial community. But what people don't know is that his media praise was paid for (like when Toronto Life covered his wedding – paid for and made to look like an editorial - shame). But even worse he made his money the dirty way, treading on people, lying and using every trick in the book to bring companies down that he bet against. Whatever it took, whoever he ruined financially or reputation wise he would do it to turn a profit.

60. For more detail on the July 23 Stockhouse Post and information regarding the Unlawful Stockhouse Statements that followed, see **Appendix “D”**.

61. Other posts containing Unlawful Statements against the Plaintiffs, in addition to those described in **Appendix “D”**, were published on Stockhouse throughout July and

August 2020 via Mexican IP addresses. Stockhouse users located in Mexico City and surrounding areas were some of the most active and frequent posters of Unlawful Statements on Stockhouse. Later, as set out further below, a Stockhouse account named “ToffRaffles”, which is controlled by Stafford, published several Unlawful Statements on Stockhouse via a Mexican IP address associated with Mexico City.

62. Following communications with Stockhouse and in light of its website terms and conditions of use, which prohibit unlawful or defamatory content, the Plaintiffs were able to have the Unlawful Stockhouse Statements removed from the Stockhouse website.

63. Almost immediately after the removal of the Unlawful Stockhouse Statements, the Defendants conspired to curate a lengthier publication adding to the false and defamatory statements they previously published via the Unlawful Stockhouse Statements. Then they took to other means to broadly disseminate the Unlawful Statements as part of their concerted and coordinated effort to defame the Plaintiffs.

64. On September 10, 2020, “John Murphy” tweeted that Anson and Kassam were engaged in unlawful market manipulation, and that regulators should scrutinize Anson and Kassam, tagging the Twitter accounts of Robert (“Betting Bruiser”); Jeff Kehoe, head of enforcement of the OSC; and Daniel Dale, a reporter with CNN who formerly reported for The Toronto Star:

these reverse pump and dumps must be watched more closely by the regulators. moez and his band fund these trades every week @ClarityToast finds the next fraud that he is paid to profile. @BettingBruiser @ddale8 @JeffKehoeOSC \$apha \$fd \$gfl \$nkla

65. A few days later, on September 12, 2020, “John Murphy” tweeted (emphasis added):

anson is a very corrupt cad fund naked [sic] shorting many small cap co's and when they get in trouble / want to cover ***they pay groups like @Hindenburg*** ***Res to say the co is a fraud and going to zero.*** how many zeros have they called, the bottom is normally around when the piece comes out

66. In or around summer or early fall 2020, Stafford, Rudensky and/or Robert met or spoke and agreed to concoct defamatory allegations against the Plaintiffs and coordinate the content of the Defamatory Manifesto. They were motivated by their respective animus against the Plaintiffs, as described herein. Stafford was aware of Robert's animus against the Plaintiffs because he had publicly documented it via Twitter. Stafford and Rudensky had previously met given that Rudensky's employer, the Delavaco Group, worked with Stafford on several occasions to promote stocks through www.OilPrice.com.

67. Stafford, Rudensky and/or Robert met or spoke on at least four occasions to plan the Defamatory Manifesto. At those meetings, some of which were recorded and/or transcribed, Stafford solicited Robert and Rudensky for material to include in the Defamatory Manifesto. Robert and Rudensky – purportedly acting as “sources” for Stafford as a “journalist” – made false and defamatory allegations against the Plaintiffs that they knew and intended that Stafford or others would use in the Defamatory Manifesto. Stafford, Robert and Rudensky planned to publish the Defamatory Manifesto anonymously because they knew the allegations it contained were defamatory. When Robert later spoke to Kassam about the Defamatory Manifesto, he falsely told Kassam that, although he knew about the Defamatory Manifesto, he was not involved in its drafting

or publication, and instead blamed only Stafford and Rudensky (as described in paragraphs 98-99 below).

68. Excerpts from transcripts of meetings and/or conversations between Stafford, Rudensky and/or Robert to plan the Defamatory Manifesto are included in **Appendix “E”** at section A. As set out in **Appendix “E”** at section A, the excerpts from the transcripts establish that: Rudensky was involved in preparing the Defamatory Manifesto; Stafford and Robert discussed drafting the Defamatory Manifesto, with Stafford asking Robert to draft false and defamatory allegations against the Plaintiffs; Stafford, Rudensky and Robert intended to harm the Plaintiffs by targeting their relationships with brokers and regulators; Stafford was paid to promote Facedrive; Stafford and Robert discussed Rudensky's employer, Andy DeFrancesco; and Robert was involved in critical research findings published about public companies, including Aphria.

69. Stafford, Rudensky, Robert, Jacob and the other Unknown Defendants then wrote or contributed to the Defamatory Manifesto – using the material provided by Robert and Rudensky as well as material from other Defendants and other sources – and/or published, disseminated or publicized the Defamatory Manifesto, as set out below.

70. On or around September 27, 2020, the Defamatory Manifesto – a 20-page screed titled “Moez Kassam and Anson Funds: A Tale of Corruption, Greed and Failure” – appeared on the website www.MoezKassam.com. It was published anonymously under the pseudonym “The Match Man”.

71. www.MoezKassam.com is a website created or established by the Defendants for the principal purpose of publishing the Defamatory Manifesto in furtherance of the conspiracy.

72. In the weeks after the Defamatory Manifesto was published, Anson received two anonymous telephone calls at its offices threatening harm to Anson and physical harm to Kassam personally.

(iv) *The Defamatory Manifesto expands on previously published false statements and falsely states and implies that the Plaintiffs' behaviour was illegal, unethical, and/or in violation of securities laws*

73. The Defamatory Manifesto contains many serious and inflammatory allegations regarding the Plaintiffs that are entirely false and that the Defendants knew or ought to have known were false. It repeats and expands on the baseless claims made in Robert's August 2019 tweets and the Unlawful Stockhouse Statements. It falsely and maliciously accuses Anson, Kassam, and other Anson personnel, including Puri, of dishonest and illegal activities that included the following: short-selling schemes, which the Defamatory Manifesto alleges were illegal, even though short selling is a legal trading strategy; insider trading; fraud; and other breaches of securities laws and regulatory rules and policies, among other things.

74. Although the Defamatory Manifesto was published anonymously, it references many precise topics that the Doxtators had previously tweeted false claims about. Robert provided this material to Stafford in their meetings to plan the Defamatory Manifesto.

75. By way of example, from its first paragraph, the Defamatory Manifesto accuses the Plaintiffs of engaging in criminal and unethical conduct (emphasis added):

Never has there been a bigger scourge of the Canadian capital markets. Moez Kassam and his Anson Funds have systematically engaged in capital market crimes, including insider trading and fraud, to rob North American shareholders of countless millions. In his attempt to destroy small-cap Canadian companies through nefarious means, a string of feeder funds and untraceable payments to elude regulators, Moez Kassam has betrayed even his closest friends. Now, the other shoe is about to drop as Kassam's funds run out and a string of failed attempts at illegal destruction leave this naked short seller truly naked.

76. The Defamatory Manifesto labels Kassam the "Toad of Bay Street", with a large photograph of a toad, and advises readers to "steer clear" from Kassam's ***"illegal activities."***

77. A detailed summary of the entire Defamatory Manifesto can be found in **Appendix "E"** at section B.

78. The Defamatory Manifesto encourages readers to share and re-publish it. It also solicits readers to provide additional defamatory material regarding Anson and Kassam for future posts, including by use of the email "hotline" accounts, such as info@moezkassam.com.

79. The earliest published version of the Defamatory Manifesto purported to be a standalone document. The Defamatory Manifesto was later amended to allege that it was the first of a three-part series (similar to the "Part 1" concept used in the title of the July 23 Stockhouse Post). "Part 2", the Second Defamatory Manifesto, has been published, as set out below. To Anson's knowledge, the third part has not yet been published. If it is, and it contains false, malicious and defamatory content similar to the Unlawful Statements

already contained in the Defamatory Manifesto and the Second Defamatory Manifesto, it will cause further, irreparable damage to the Plaintiffs' business and reputations.

(v) *The Defendants procured at least eight internet domains to facilitate widespread publication of their Defamatory Manifesto*

80. Following communications with the third party host of the www.MoezKassam.com domain, the Plaintiffs were able to have Defamatory Manifesto removed from that website.

81. Since that time, the Defendants acquired multiple Internet domain names to republish the Defamatory Manifesto online. To date, the websites acquired and used by the Defendants to publish the Defamatory Manifesto include the following:

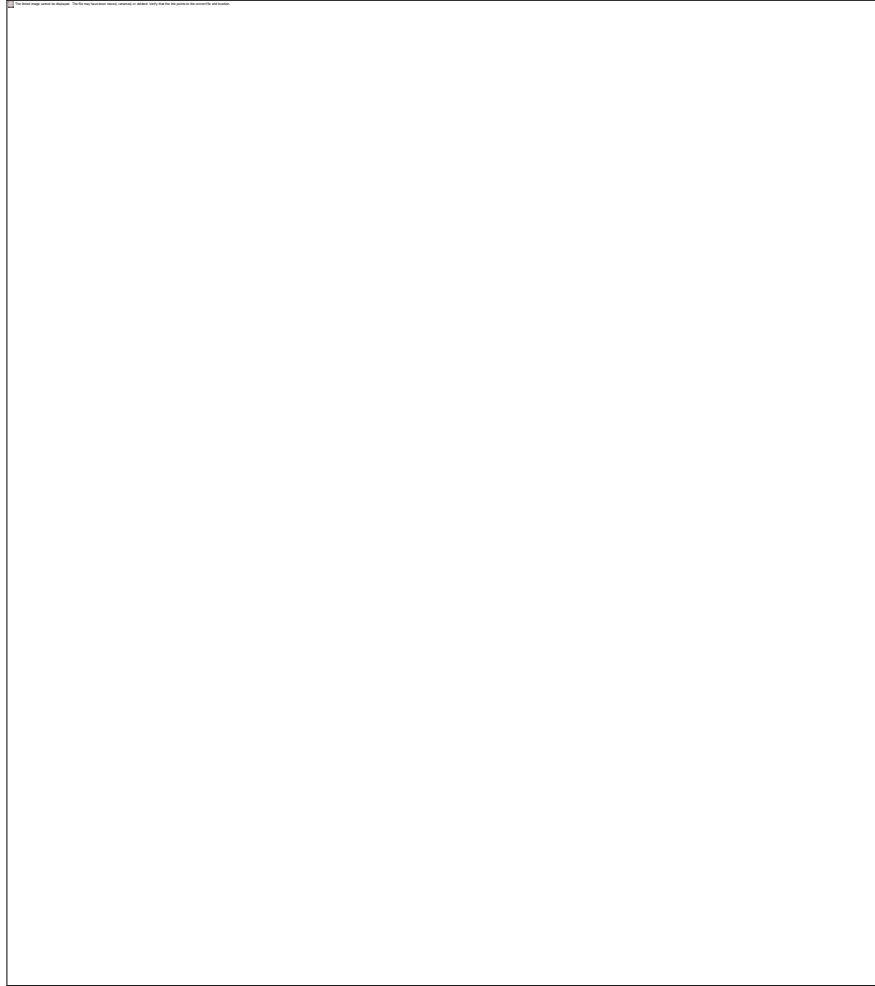
- (a) www.MoezKassam.com;
- (b) www.StockManipulators.com;
- (c) www.CapitalMarketCrimes.com;
- (d) www.StockManipulators.org;
- (e) www.CapitalMarketCrimes.org;
- (f) www.MarketCrimes.ws;
- (g) www.MarketCrimes.to;
- (h) www.CapitalMarketCrimes.to; and
- (i) www.MarketFrauds.to.

82. Whenever the Plaintiffs have taken steps to have a website containing the Defamatory Manifesto taken down, the Defendants have republished the Defamatory

Manifesto on a new website, forcing the Plaintiffs to seek to have that new post of the Defamatory Manifesto taken down. Each time the Defamatory Manifesto is republished online, it increases the harm and damage to the Plaintiffs. The Plaintiffs' claim against the Defendants is in relation to all versions of the Defamatory Manifesto that any of the Defendants published on the Internet, regardless of any differences between published versions of the Defamatory Manifesto.


83. The Defendants did not acquire the domain names directly. Rather, in order to cover their tracks and frustrate the Plaintiffs' efforts to determine who was behind the Defamatory Manifesto, the Defendants hired freelance web developers based in Sarajevo, Bosnia and Herzegovina, and potentially other developers based in other jurisdictions, to create the websites and register the websites on their behalf. This was a sophisticated attempt to obfuscate who was behind the Defamatory Manifesto and shield members of the Conspiracy from liability for their misconduct.

84. The Defendants or their proxies communicated with the Bosnian developers using anonymous email addresses to conceal their identities, including from the developers themselves. The email addresses used by the Defendants were editormarketinvestigations@protonmail.ch and anesalic@protonmail.com. "Anes Alic", the name used in one of these email addresses, is a "journalist" for Stafford's website www.OilPrice.com (as shown below), and the emails sent by anesalic@protonmail.com to the developers were sent either by Stafford or at his behest:



85. Stafford and the other Defendants compiled a spreadsheet containing the names and email addresses of 2,854 journalists, news editors, and others in the business community to whom they planned to disseminate the Defamatory Manifesto. Stafford had many of these names and contact information in his purported capacity as a “journalist”. He and the other Defendants – seeking to imbue the Defamatory Manifesto with a false sense of credibility – intended that these journalists and news editors would re-publish the allegations against the Plaintiffs in their respective news outlets. The spreadsheet’s metadata (pictured below) indicates that the spreadsheet’s author was “James Stafford”, and that the spreadsheet was created on September 30, 2020 and last edited October 1,

2020 — just days after the Defamatory Manifesto was first published. Further details of the Defendants’ actions in regard to anonymously hiring the Bosnian web developers, and anonymously disseminating the Defamatory Manifesto, can be found in **Appendix “E”** at section C.

| Related Dates | |
|------------------|--|
| Last Modified | 10/1/2020 4:29 PM |
| Created | 9/30/2020 6:36 PM |
| Last Printed | |
| Related People | |
| Manager | None |
| Author |  James Stafford |
| Last Modified By |  James Stafford |

86. Stafford and/or the other Defendants, using the email address “anesalic@protonmail.com”, sent this spreadsheet to the developers hired to assist with disseminating the Defamatory Manifesto:



Sent from ProtonMail mobile

----- Original Message -----

On 4. okt 2020. 23:17, [anesalic <anesalic@protonmail.com>](mailto:anesalic@protonmail.com) wrote:

Sent with [ProtonMail](#) Secure Email.

----- Original Message -----

On Sunday, October 4, 2020 10:44 AM, [editormarketinvestigations <editormarketinvestigations@protonmail.ch>](mailto:editormarketinvestigations@protonmail.ch) wrote:

Sent with [ProtonMail](#) Secure Email.

87. Despite Anson's requests, the current web host of the Defamatory Manifesto on www.MarketFrauds.to has refused to remove it. This website remains accessible on the Internet as of the date of this Amended Statement of Claim.

88. The Plaintiffs expended considerable resources in response to the Defendants' online attack, including but not limited to hiring investigators in North America and overseas, and contacting web registrars, hosts, message boards to mitigate the harm.

89. After the Plaintiffs worked with website registrars to have the Defamatory Manifesto removed from the websites described in paragraphs 81(a) through 81(i), the Defendants falsely alleged that Anson had undertaken a "Distributed Denial-of-Service" or "DDoS" attack – a type of illegal cyber attack – in order to have the Defamatory Manifesto removed, further defaming Anson. This is false: the websites were voluntarily taken down by the website hosts or registrars after Anson and/or its legal advisors advised

that the content was false and defamatory and in breach of these hosts/registrar's policies.

(vi) *The Defendants conspire to lead widespread dissemination of the Defamatory Manifesto*

90. **On the day the Defamatory Manifesto was initially published**, September 27, 2020, "John Murphy" tweeted the first link to the Defamatory Manifesto on www.MoezKassam.com – again demonstrating the involvement of the Doxtators in the Defamatory Manifesto and its proliferation. He included in his tweet the Twitter accounts of *The Globe and Mail* newspaper and BNN Bloomberg, with the aim of drawing the Unlawful Statements in the Defamatory Manifesto to their attention. From that initial tweet, the Defamatory Manifesto was reposted, shared and publicized widely around the Internet, including through social media.

91. On the same day, the Defendants anonymously sent an unsolicited email containing a link to the Defamatory Manifesto to a reporter at *The Globe and Mail* in an attempt to have the Unlawful Statements further publicized in the media. The Defendants used the email address "capitalmarketsinvestigation@protonmail.com". To further defame the Plaintiffs and in furtherance of the Conspiracy, the Defendants anonymously sent links to the Defamatory Manifesto to other journalists, news editors, and others in the business community as well.

92. The Defendants also anonymously sent unsolicited emails containing a link to the Defamatory Manifesto (along with the false and defamatory content set out below) to individuals in the financial industry (the "**Unsolicited Emails**"). One version of the Unsolicited Emails was sent from the address "info@stockmanipulators.org" with the

subject line “Hedge Fund Scandal in Canada and the U.S.: Moez Kassam and Anson Funds accused of Stealing Billions.” Another version of the Unsolicited Emails had the title “Urgent News Tip – Huge Hedge Fund Fraud in America and Canada’s Stock Markets”. These Unsolicited Emails were designed and intended to further harm the Plaintiffs and damage their reputation in the financial industry.

93. On September 28, 2020 – the day after the Defamatory Manifesto was first published – Robert texted Spektor (the contact who introduced him to Anson) the following in reference to the Defamatory Manifesto (emphasis added):

I knew it was coming...

I know who wrote...

Moez likely going [to] sue

94. On September 29, 2020, “Betting Bruiser” tweeted a link to the Defamatory Manifesto, supporting the content of the post as follows:



95. Further examples of the Unsolicited Emails sharing the Defamatory Manifesto and the Defendants' concerted effort to disseminate the Defamatory Manifesto and publish it on Twitter can be found in **Appendix "E"** at sections D and E.

(vii) *Shortly after its publication, Robert attempts to leverage the Defamatory Manifesto to extract money from the Plaintiffs and magnify his attacks*

96. In early October 2020, Kassam approached Robert for information about who was behind the Defamatory Manifesto. In those conversations, Robert sought \$75,000 from Anson in relation to the due diligence he had provided, referenced in his September 30 tweet, and aggressively suggested that far more would be needed for information regarding the Unknown Defendants. He also sought blanket immunity, indemnification and a release from Anson before he would provide assistance, clearly attempting to use purported leverage against Kassam and Anson. In particular, Robert alleged that the Unknown Defendants had promised to pay him \$250,000 to assist them, insinuating that a similar or greater amount would be needed from Anson in order for Robert to forego assisting the conspirators and/or to provide assistance to Anson.

97. In a Whatsapp chat on October 1, 2020, Robert, using the username "Betting Bruiser", sent Kassam the following messages (emphasis added):

I sent invoice for what I think you owe me ... if you don't pay it

I can make 250k going to the other side

And that's not owed to me ... ***that's just to help bury you. Choice is yours.***

[...]

Again ... I sent invoice for \$75k [which] I think is fair for what you owe me ... I wanna sign indemnification... then we go from there. I'll try my best to get you what you need. That's all.

98. In their Whatsapp chat on October 1, 2020, Robert also told Kassam that Stafford had procured the drafting of the Defamatory Manifesto and was paying individuals for their involvement, including Rudensky. Robert also stated that Stafford was involved in running the “hotline” or tipline to which readers of the Defamatory Manifesto could send information. Robert texted Kassam the following:

[Attachment]

That's what Stafford sent me today

That's the general game plan for part 2 [of the Defamatory Manifesto]

Rudensky for sure wrote part 1 ... Stafford was paying him to do it ... he tried to get me to talk to him ... I assume he's one running the hotline

99. By telling Kassam that Stafford “tried to get me to talk to him” for the Defamatory Manifesto, Robert falsely implied that he was not a source of the defamatory allegations, which he was. He placed blame solely on Rudensky and Stafford.

100. On October 9, 2020, Kassam informed Robert via Whatsapp chat that Anson would no longer negotiate with him given his involvement in the Conspiracy. Anson was not prepared to provide Robert with payments or a release/indemnity. In response, Robert told Kassam that he had recorded a telephone conversation between them.

101. Shortly after the message exchange on October 9, “Betting Bruiser” published a series of tweets making false, defamatory, malicious and harassing allegations against

Anson, Kassam and other individuals associated with Anson. Among other things, these tweets were in retaliation for Anson and Kassam refusing to accede to Robert's aggressive demands. "Betting Bruiser" also threatened to release the recordings that Robert purportedly made of his private conversations with Kassam. These tweets included "Betting Bruiser" wishing death on Kassam on October 9, 2020 – the Friday before Thanksgiving weekend:



102. Further examples of these tweets can be found in **Appendix "E"** at section F.

(viii) The Defamatory Manifesto was disseminated widely online in fall 2020 and beyond

103. The Defendants have discussed, shared and published links to the Defamatory Manifesto, and/or hired others to discuss, share and publish links to the Defamatory Manifesto on their behalf, on several other websites and Internet message boards, including but not limited to Reddit, Stockhouse, Yahoo Finance and on social media. The Defendants or their proxies shared the Defamatory Manifesto in these industry forums using anonymous accounts, many of which were created using VPNs and "burner" email accounts, for the purpose of concealing the Defendants' identities. The Defendants also made further Unlawful Statements against the Plaintiffs while publicizing links to the

Defamatory Manifesto on these specialized message boards – all designed to cause the Plaintiffs maximum harm.

104. The messages publicizing the Defamatory Manifesto on blogs or chat forums often used similar or the exact same wording as one another (but were published by different usernames), reflecting the Defendants’ sophisticated and coordinated effort to anonymously disseminate the Defamatory Manifesto as widely as possible to maximize the damage caused to the Plaintiffs. Examples of messages publicizing the Defamatory Manifesto can be found in **Appendix “E”** at section G.

105. The Defendants published the Further Unlawful Stockhouse Statements – a litany of posts on Stockhouse from September 2020 and onwards – to disseminate the Defamatory Manifesto and other Unlawful Statements against the Plaintiffs. In total, over 1,000 such posts appeared on Stockhouse after September 27, 2020 (and the number of posts continues to increase as the Defendants perpetuate the Conspiracy). Many of the Further Unlawful Stockhouse Statements were published using single-purpose Stockhouse accounts, created and used predominantly or exclusively for the purpose of disseminating Unlawful Statements. To register these accounts, the Defendants often used email addresses created using www.SharkLasers.com, a website that provides temporary and untraceable email addresses. The Defendants also used VPNs to publish these Stockhouse posts. All of this covert behaviour was for the purpose of concealing the Defendants’ identities and obscuring the scope of the Conspiracy. Further details on the Further Unlawful Stockhouse Statements can be found in **Appendix “E”** at section G.

106. Between November 2020 and March 2021, Stafford also personally published Unlawful Statements on Stockhouse using the username “ToffRaffles”, a Stockhouse account registered to james@floatingmix.com, an email address Stafford owned and uses (the “**Stafford Unlawful Stockhouse Statements**”). The Stafford Unlawful Stockhouse Statements were published in a series of Stockhouse posts via a Mexican IP address. Stafford’s website, www.OilPrice.com, has offices and/or employees in or around Mexico City. Many of the Stafford Unlawful Stockhouse Statements referred to Facedrive, one of the companies that Stafford was hired to promote and of which he owned a significant number of shares. The Stafford Unlawful Stockhouse Statements can be found in **Appendix “E”** at section H.

107. The Defendants continued to publish Further Unlawful Stockhouse Statements in March and April 2021 and beyond. Many of these were published using the “Tor” browser (which conceals a user’s Internet activity) and Stockhouse accounts registered to temporary email addresses. Since March 2021, Stockhouse accounts using the Tor browser have published nearly 600 defamatory posts about the Plaintiffs, showing the continuing effort to defame the Plaintiffs and the sophistication of the Conspiracy. Further Unlawful Stockhouse Statements published in spring 2021 had headline tags including the following:

- (a) “How Embarrassing: Another Scandal For This Hedge Fund?”;
- (b) “Looks Like These Guys Are In Trouble Again”;
- (c) “Notorious Short Selling Fund In Trouble”;

- (d) “Sunny Puri wants to know the truth – here it is Sunny Puri”;
- (e) “Canadian Hedge Fund under SEC Investigation”;
- (f) “Anson Funds under SEC Investigation – Do Unitholders know”; and
- (g) “100K Reward for info leading to conviction of Anson Funds”.

(ix) *The Second Defamatory Manifesto and other defamatory articles*

108. On or around June 28, 2021, Stafford, Robert, Jacob and the other Unknown Defendants published the Second Defamatory Manifesto, titled “Moez Kassam & Anson Funds Part II: Rotten To The Core”, on the website www.marketfrauds.to. The Second Defamatory Manifesto continued the malicious attack against the Plaintiffs contained in the Defamatory Manifesto and the other Unlawful Statements, using many of the same themes. By way of example, the Second Defamatory Manifesto:

- (a) falsely alleged that the Plaintiffs were being investigated by the OSC and SEC and solicited readers to send “tips” to regulators;
- (b) claimed that Anson’s “bumper year in 2020” was due to its “destroying a fair number of companies and causing thousands of regular shareholders to lose their savings”;
- (c) called Kassam “a naked short seller whose activities are criminal and whose modus operandi is to manipulate the market and infiltrate companies to destroy them from the inside, while violating all short selling laws. He deliberately goes out of his way to ensure that companies fail”;

- (d) alleged that the Plaintiffs and *The Globe and Mail* conspired so that the newspaper “publish[es] a hit piece” on companies in which Anson has a short position; and
- (e) falsely claimed that the Plaintiffs commissioned and paid for critical media articles and critical analysis from industry analysts regarding, among other things, RECO (Reconnaissance Energy Africa Ltd.) and Facedrive.

109. As set out in **Appendix “C”**, Stafford was hired to promote and increase RECO’s stock price. *The Globe and Mail* published an article questioning the stock promotion activities and public disclosure of RECO on June 20, 2021. Viceroy Research, another investment firm, published analysis also questioning the quality of RECO assets and stock value on June 24, 2021. The Second Defamatory Manifesto was released on June 28, 2021, days after *The Globe and Mail* reporting and Viceroy Research analysis. As set out above, it is in the normal course that market participants and media look at facts and objective sources to analyse and report on different companies. Where those companies turn out to be grossly overvalued, market participants and media may publish their findings in that regard. This is part of properly functioning capital markets.

110. The Second Defamatory Manifesto included snippets of audio recordings of conversations Kassam had with Robert several years ago, which only included one side of the conversation when Kassam was speaking. Robert took these recordings without Kassam’s consent and gave them to Stafford and/or the other Defendants. The recordings were presented in the Second Defamatory Manifesto without context and in a

deliberately misleading manner in order to promote the defamatory meanings pleaded above.

111. The Second Defamatory Manifesto made numerous other defamatory allegations against the Plaintiffs, including that they manipulated stocks through social media, engaged in bribery and insider trading, commissioned DDOS attacks, filed false financial reporting, and “utilize Water boarding style trading tactics”. The Second Defamatory Manifesto accused Anson of “attacking” several companies, including Zoom, Facedrive, GSX Techedu, Genius Brands International, Gamestop, Valorem Resources, Starr Peak Mining, Whole Earth Brands, United Lithium, Mountain Valley MD Holdings, SOL Global, Clean Power Capital Corp, Red White & Bloom, Moderna, Medivolve, AMM Power, Value Line, Champignon Brands, “and many others.”

112. Several other defamatory posts were published on www.marketfrauds.to in addition to the Second Defamatory Manifesto (the “**Additional Unlawful Posts**”), including posts with the following titles:

- (a) “Moez Kassam has moved over \$20 million into offshore accounts in UAE and Dubai”, on May 15 and reposted on May 19, 2021.
- (b) “Reconnaissance Energy Africa is Anson Funds next target – Illegal tactics being employed by Anson”, on May 23, 2021;
- (c) “Anson Funds short and distort campaign against Recon Africa (and Globe & Mail corruption)”, on May 31, 2021;

- (d) “Corruption at Globe and Mail – Mail sent to their staff and regulators”, on June 18, 2021; and
- (e) “Hurt by Anson Funds – the SEC wants to hear from you ASAP”, on July 21, 2021.

E. THE DEFENDANTS ARE LIABLE

113. The Defendants are liable to the Plaintiffs for conspiracy, publicity that inaccurately places the plaintiff in a false light, intentional interference with economic relations, misappropriation of personality, internet harassment, and defamation.

(i) The Defendants’ Tortious Conspiracy Against Anson

114. Robert, Jacob and the Unknown Defendants conspired with one another to make and publicize the Unlawful Statements against the Plaintiffs. They formed an agreement with one another to injure the Plaintiffs, and in making the Unlawful Statements, their predominant purpose was to injure the Plaintiffs – namely, by damaging their business and reputation.

115. Moreover, the Defendants carried out the conspiracy by the unlawful means of defamation and other tortious misconduct pleaded herein.

116. The Defendants knew, or should have known, that the Unlawful Statements about the Plaintiffs and the publicity attached to them would be extremely harmful to the Plaintiffs, damaging their reputation and business.

117. The Defendants acted in furtherance of the Conspiracy by making, assisting with, participating in, and/or publicizing the Unlawful Statements, causing damage to the Plaintiffs.

(ii) False light

118. In addition, the Defendants are liable for placing Anson and Kassam in a false light.

119. By making, assisting with, participating in and/or publicizing the Unlawful Statements, the Defendants gave publicity to very serious false allegations against Anson and Kassam that placed them in a false light. The Defendants have publicly, falsely accused Anson and Kassam of serious crimes – including fraud, insider trading and other significant breaches of applicable securities laws and regulations, as well as cyber crimes. These allegations would be highly offensive to a reasonable person.

120. In making, assisting with, participating in and/or publicizing the Unlawful Statements, the Defendants knew or recklessly disregarded the falsity of the Unlawful Statements against Anson and Kassam and the false light in which they would thereby be placed.

(iii) Intentional interference with economic relations

121. By making, assisting with, contributing to and/or publicizing the Unlawful Statements, including through the Unlawful Stockhouse Statements, the Further Unlawful Stockhouse Statements, the Defamatory Manifesto, the Second Defamatory Manifesto, and the Additional Unlawful Posts, Robert and Jacob's Twitter accounts, and other websites, the Defendants are liable for intentional interference with Anson's economic relations.

122. The Defendants, with the intention of harming Anson's business and damaging its reputation, made a series of false, malicious, defamatory and unlawful public statements about Anson's principal, Kassam, as well as other Anson personnel, including Puri and Anson's General Counsel, Laura Salvatori. The Unlawful Statements falsely accused Kassam, and by extension Anson, of unlawful, dishonest and criminal conduct. The Unlawful Statements were published to countless market participants, including current and potential Anson investors. As a result of the Unlawful Statements, these third parties were deceived about the subject matter of the Unlawful Statements. The purpose and result of the Defendants' deceit was to harm Anson and Kassam.

(iv) Appropriation of personality

123. The Defendants are liable for wrongfully appropriating Kassam's personality by purchasing the domain name "www.MoezKassam.com" and using it to publicize the Unlawful Statements regarding Anson and Kassam. The Defendants also acquired the email address "info@moezkassam.com" in furtherance of the Conspiracy.

124. By using the domain name in this manner, they violated Kassam's exclusive right to use his own identity, particularly his name, causing damage.

(v) Internet harassment

125. The Defendants are liable for internet harassment of the Plaintiffs by writing, publishing, disseminating, and publicizing all of the Unlawful Statements – including the Unlawful Stockhouse Statements, the Further Unlawful Stockhouse Statements, the Unsolicited Emails, the Defamatory Manifesto, the Second Defamatory Manifesto, the Additional Unlawful Posts, and countless communications via social media. The

Defendants' defamation campaign against the Plaintiffs has lasted over a year to date and is ongoing, with no end in sight. They have publicized the Unlawful Statements in a wide range of Internet forums with the intent of maximizing the spread of their false and defamatory allegations.

126. In writing, publishing, disseminating and publicizing the Unlawful Statements, the Defendants maliciously or recklessly engaged in outrageous, extreme conduct that is beyond all possible bounds of decency or tolerance, causing the Plaintiffs damage. The Defendants intended to impugn the Plaintiffs' dignity and cause fear, anxiety or emotional upset in the Plaintiffs.

(vi) Defamation

127. Finally, the Defendants are liable for defamation for the false and highly defamatory statements made in the Unlawful Statements, including the Unlawful Stockhouse Statements, the Further Unlawful Stockhouse Statements, the Unsolicited Emails, and, ultimately, the Defamatory Manifesto (which was published multiple times, using various domain names), the Second Defamatory Manifesto, the Stafford Unlawful Stockhouse Statements and the Additional Unlawful Posts. The Doxtators are further liable for the false and defamatory statements they published about the Plaintiffs on Twitter.

The Unlawful Stockhouse Statements are Defamatory

128. The Unlawful Stockhouse Statements (discussed above at paragraphs 53 to 60 and in **Appendix "D"**) in their entirety, in their natural and ordinary meaning, including their express and implied meaning in their full context, and/or by innuendo, are false and

defamatory of the Plaintiffs. In addition to the natural and ordinary meanings of the Unlawful Statements contained in the Unlawful Stockhouse Statements, and without limiting the generality of the foregoing, the Unlawful Stockhouse Statements would lead a reasonable reader to conclude, or would mean or would be understood to mean, the following regarding Anson and its principals:

- (a) they are corrupt, dishonest, deceptive, duplicitous and cannot be trusted;
- (b) they destroy and/or devalue companies and their shareholders through nefarious means in order to benefit financially;
- (c) they get in over their heads and are unable to control their investments/trading strategies, and/or are inept, incompetent and reckless in their investment/trading practices;
- (d) they engage in unlawful and illegal activities, including market manipulation, abusive trading practices, and securities law and/or criminal law violations;
- (e) they published or participated in the creation of false research reports for the purpose of manipulating the market; and
- (f) they ought to be investigated, including by regulators.

129. In addition to the meanings set out in paragraph 128, and in addition to its plain and ordinary meaning, the July 23 Stockhouse Post would lead a reasonable reader to conclude, or would mean or would be understood to mean, the following regarding Anson and its principals:

- (a) they are criminals;
- (b) they bribe and/or induce regulators through other means to ignore their unlawful and/or illegal activities;
- (c) they do not exercise proper judgment and they make poor business decisions;
- (d) they cannot be trusted with investors' funds;
- (e) they have not legitimately earned their success and goodwill;
- (f) the Anson Funds lost millions of dollars due to their reckless conduct; and
- (g) they were humiliated and desperate as a result of the losses they incurred.

130. In addition to the meanings set out in paragraph 128, and in addition to its plain and ordinary meaning, the August 14 Stockhouse Post would lead a reasonable reader to conclude, or would mean or would be understood to mean, the following regarding Anson and its principals:

- (a) they caused Anson Funds to lose hundreds of millions of dollars due to their reckless conduct or ineptitude;
- (b) they were humiliated and desperate as a result of their business losses;
- (c) they ought to be avoided, as associating with them will result in harm;
- (d) they encourage or induce others to become corrupt;

- (e) they caused or contributed to the publication of misleading, false, and/or fraudulent information regarding a legitimate company;
- (f) they will be investigated and punished by regulators; and
- (g) with respect to Kassam, in particular, that he is unscrupulous, immoral and unethical.

131. In addition to the meanings set out in paragraph 128, and in addition to its plain and ordinary meaning, the August 17 Stockhouse Post would lead a reasonable reader to conclude, or would mean or would be understood to mean, the following regarding Anson and its principals:

- (a) they have significantly harmed the capital markets through their unethical, unlawful, duplicitous and/or illegal conduct;
- (b) they engaged in malicious, unlawful, and targeted attacks and/or trading and other conduct to harm Aphria and its shareholders in order to increase their own wealth;
- (c) they engage in predatory, opportunistic, dishonest and unethical conduct for financial gain;
- (d) they corrupt and/or induce others to engage in or assist in improper conduct;
- (e) they unlawfully and/or improperly obtained and misused confidential/insider/material non-public information;

- (f) they provided false, fraudulent, or misleading information about Aphria for publication and dissemination to harm Aphria, and for their own gain;
- (g) they profit off the hardship and damage they cause to others;
- (h) they will be investigated and punished; and
- (i) with respect to Kassam in particular, that:
 - i. he is two-faced, a fake and a fraud; and
 - ii. he is amoral, lacks a conscience, and engages in reprehensible and antisocial conduct.

132. In addition to the meanings set out in paragraph 128, and in addition to its plain and ordinary meaning, the August 28 Stockhouse Post would lead a reasonable reader to conclude, or would mean or would be understood to mean, the following regarding Anson and its principals:

- (a) they used illegal, unethical, and/or nefarious means to destroy and/or devalue the Canadian company, Zenabis, for financial gain;
- (b) they covertly or otherwise inserted a “stooge” to influence Zenabis’ decisions and/or cause the company to act against its own interests for Anson’s gain;
- (c) they exploit, induce and/or corrupt others to engage in dishonest, illegal, unlawful, and/or unethical activities on their behalf;

- (d) they coerce, deceive, or trick companies into acting against those companies own interests and/or into making poor decisions for the Plaintiffs' financial gain;
- (e) they knowingly, intentionally or recklessly encourage and/or engage in conflicts of interests for ulterior purposes;
- (f) the Anson Funds lost millions of dollars due to the reckless conduct of its principals;
- (g) they engaged in illegal and unlawful activity including securities law violations, such as insider trading and failing to disclose information as required by law; and
- (h) they will target, attack, harm and/or destroy more companies.

The Defamatory Manifesto

133. The Defamatory Manifesto (discussed above at paragraphs 62 to 79 and in **Appendix "E"** at paragraphs 42 to 65) in its entirety, in its natural and ordinary meaning, including its express and implied meaning in its full context, and/or by innuendo, including in conjunction with the images contained in the Defamatory Manifesto, is false and defamatory of the Plaintiffs. In addition to the natural and ordinary meanings of the statements contained in the Defamatory Manifesto, and without limiting the generality of the foregoing, the Defamatory Manifesto would lead a reasonable reader to conclude, or would mean or would be understood to mean, that Anson and its principals, including Kassam, repeatedly, intentionally and maliciously engaged in unlawful and illegal

business practices to destroy, and did destroy or cause harm to, legitimate companies and businesses, including Aphria, Zenabis and Genius Brands International (as defined in **Appendix “E”**), to increase their financial wealth. In addition, and more particularly, the Defamatory Manifesto means or would be understood to mean that Anson and its principals:

- (a) are deceptive, dishonest, deceitful, sneaky, duplicitous, immoral, unscrupulous and cannot be trusted;
- (b) lack integrity, are unethical, predatory, and corrupt;
- (c) are liars, cheats, thieves and crooks;
- (d) have not legitimately earned their success and goodwill;
- (e) are incompetent and/or inept in business;
- (f) they attempted to harm and/or destroy legitimate companies, including Tilray (as defined in **Appendix “D”**) and Facedrive, but failed due to their incompetence and/or ineptitude;
- (g) are desperate, and engage in rash, reckless and/or extreme behaviour;
- (h) engage in predatory, surreptitious and unethical business practices;
- (i) engaged in, and continue to engage in, unlawful and/or illegal activities, including securities law and/or criminal law violations, and including fraud, illegal short-selling schemes, market manipulation, abusive trading practices and insider trading;

- (j) involved other entities in their unlawful, illegal, and/or fraudulent activities;
- (k) engaged in conspiracies with other entities, including by paying for short reports and long/buy reports, in order to benefit financially;
- (l) committed, and continue to commit, crimes and/or are criminals;
- (m) are part of a criminal enterprise and/or criminal alliance;
- (n) operate their business in a manner that is contrary to applicable law and regulations;
- (o) breached, and continue to breach, securities laws and regulatory rules and policies;
- (p) unlawfully and/or illegally obtained and misused confidential/insider/material non-public information;
- (q) exploit information or resources that they have been trusted to protect;
- (r) published or participated in the creation of false research reports for the purpose of manipulating the market;
- (s) use unlawful and/or illegal means to silence critics because they have something nefarious to hide;
- (t) robbed and/or defrauded North American shareholders of millions of dollars;
- (u) harmed investors in Canada and the United States;

- (v) targeted and destroyed legitimate companies through nefarious means to increase their wealth;
- (w) made false reports to regulators and engaged in fraudulent social media campaigns to manipulate the capital markets;
- (x) inflict serious harm on the Canadian capital markets and on investors;
- (y) are involved in fraudulent activity of the kind that ought to concern authorities and regulators;
- (z) ought to be investigated, including by regulators in Canada and the United States;
- (aa) are being, have been, and/or will be investigated by regulators;
- (bb) ought to be and/or will be penalized and/or imprisoned;
- (cc) have caused, are causing, and will cause financial ruin to their partners, investors, and other capital market participants; and
- (dd) with respect to Kassam, in particular:
 - i. that he is a sociopath, engages in reprehensible and repulsive conduct, is amoral, lacks a conscience, and engages in antisocial behaviour; and
 - ii. does not exercise judgment and cannot be trusted with investors' funds.

The Second Defamatory Manifesto

134. The Second Defamatory Manifesto (discussed above at paragraphs 108 to 112) in its entirety, in its natural and ordinary meaning, including its express and implied meaning in its full context, and/or by innuendo, including in conjunction with the images contained in the Second Defamatory Manifesto, is false and defamatory of the Plaintiffs. In addition to the natural and ordinary meanings of the statements contained in the Second Defamatory Manifesto, and without limiting the generality of the foregoing, the Second Defamatory Manifesto would lead a reasonable reader to conclude, or would mean or would be understood to mean, that Anson and its principals, including Kassam, repeatedly, intentionally and maliciously engaged in unlawful and illegal business practices to destroy, and did destroy or cause harm to, legitimate companies and businesses in order to increase their financial wealth, including Zoom, Facedrive, GSX Techedu, Genius Brands International, Gamestop, RECO, Valorem Resources, Starr Peak Mining, Whole Earth Brands, United Lithium, Mountain Valley MD Holdings, SOL Global, Clean Power Capital Corp, Red White & Bloom, Moderna, Medivolve, AMM Power, Value Line, Champignon Brands, Madmen, and Zenabis. In addition, and more particularly, the Defamatory Manifesto means or would be understood to mean that Anson and its principals:

- (a) engaged in, and continue to engage in, unlawful and/or illegal activities, including securities law and/or criminal law violations, and including fraud, illegal short-selling schemes, market manipulation, abusive trading practices, insider trading, filing false financial reporting, and bribery;

- (b) manipulate the stock market, including through social media;
- (c) deliberately try to destroy, and in fact destroy, legitimate companies;
- (d) deliberately cause harm to ordinary shareholders, including loss of savings or investments;
- (e) conspired with media outlets to disseminate false reporting regarding legitimate companies;
- (f) ought to be investigated, including by regulators in Canada and the United States;
- (g) are being, have been, and/or will be investigated by regulators; and
- (h) ought to be and/or will be penalized and/or imprisoned.

Stafford Unlawful Stockhouse Statements

135. The Stafford Unlawful Stockhouse Statements (discussed above at paragraph 106 and in **Appendix “E”** at paragraph 93) in their entirety, in their natural and ordinary meaning, including their express and implied meaning in their full context, and/or by innuendo, are false and defamatory of the Plaintiffs. In addition to the natural and ordinary meanings of the Unlawful Statements contained in the Stafford Unlawful Stockhouse Statements, and without limiting the generality of the foregoing, the Stafford Unlawful Stockhouse Statements would lead a reasonable reader to conclude, or would mean or would be understood to mean, the following regarding Anson and its principals:

- (a) they are corrupt, dishonest, deceptive, duplicitous and cannot be trusted;

- (b) they destroy and/or devalue companies and their shareholders through nefarious means in order to benefit financially;
- (c) they engage in unlawful and illegal activities, including market manipulation, abusive trading practices, and securities law and/or criminal law violations, and conspire with others, including financial institutions, in these unlawful and illegal activities;
- (d) their unlawful and illegal conduct has ruined the market;
- (e) they published or participated in the creation of false research reports for the purpose of manipulating the market;
- (f) they are unable to control their investments/trading strategies, and/or are inept, incompetent and reckless in their investment/trading practices; and
- (g) they should be investigated, including by regulators.

Robert Lee Doxtator's Defamatory Tweets

136. In addition to the foregoing and as set out below, the Defendant Robert is liable to the Plaintiffs for defamation in relation to a number of tweets he published under the username "Betting Bruiser". The defamatory tweets of which the Plaintiffs are currently aware are included as **Appendix "A"**. They include, but are not limited to, the following:

- (a) as discussed above at paragraph 51(a) an August 25, 2019 tweet from "Betting Bruiser" falsely alleged that the Plaintiffs put out a false report "to manipulate the market so they could cover an already short position";

- (b) as discussed above at paragraph 51(b) another August 25, 2019 tweet from “Betting Bruiser” falsely alleged that the Plaintiffs had “connections to other short sellers and market manipulators” and “historically invested [in] and the death spiral the fund created to cash out their short positions”;
- (c) as discussed above at paragraph 51(c) on August 26, 2019, “Betting Bruiser” published several tweets falsely alleging that the Plaintiffs used a representative on Zenabis’ Board of Directors, Adam Spears, to negatively influence the company’s business decisions, reduce its share price and provide them with inside information/material non-public information;
- (d) as discussed above at paragraph 51(d), a subsequent tweet on August 26, 2019 alleged that Spears was “recording conversations of [Zenabis] management and executives in hopes of Anson blackmailing or using the info for the detriment of the company”;
- (e) as discussed above at paragraph 94, a September 29, 2020 tweet from “Betting Bruiser” falsely alleged that the Plaintiffs use “tactics” that “are simply sleight of hand with the gift of gab”;
- (f) as discussed in **Appendix “E”** at paragraph 80, in a subsequent tweet on September 30, Robert alleged that the Plaintiffs “use people and don’t pay anyone but themselves”;
- (g) as discussed above at paragraph 101 and in **Appendix “E”** at paragraph 83, on October 9 Robert published a series of tweets, falsely alleging a

“toxic financing deal” involving Anson’s legal counsel, that Anson Funds investors ought to “be prepared to have [their] funds locked up” given the information indicating “scams to benefit...Kassam” and allegations “he broke the law”, threatening to “speak to regulators about Anson Funds” to collect a reward, and falsely alleging that the Plaintiffs pay Ben Axler;

- (h) as discussed in **Appendix “E”** at paragraph 87, on October 30, Robert published tweets alleging that Kassam is “running scared from recent reports about his tactics” and “the scum of the earth”, and that he has others do “his dirty work for him”.

137. These tweets, in their natural and ordinary meaning, including their express and implied meaning, and/or by innuendo, are false and defamatory of the Plaintiffs. In addition to the plain and ordinary meaning of each of the tweets, they would lead a reasonable reader to conclude, or would mean or would be understood to mean, that Anson and its principals, including Kassam:

- (a) are liars, are dishonest, duplicitous, immoral, deceptive, unscrupulous, unethical, sneaky, and cannot be trusted;
- (b) engage in unlawful and illegal conduct, including securities law and/or criminal law violations, and including insider trading, market manipulation, abusive trading practices and fraud; and
- (c) destroy legitimate businesses through nefarious means for their financial gain.

138. Additionally, the October 9 series of Tweets, in addition to their plain and ordinary meaning, would lead readers to conclude, or would mean or would be understood to mean, that Anson and its principals, including Kassam:

- (a) ought to be and will be investigated, including by regulators; and
- (b) will cause harm to their investors.

Jacob Doxtator's Defamatory Tweets

139. In addition to the foregoing and as set out below, the Defendant Jacob is liable to the Plaintiffs for defamation in relation to a number of tweets he published using the alter-ego named "John Murphy" with the username @JohnMur67039142, which are, in their natural and ordinary meaning, including their express and implied meaning, and/or by innuendo, are false and defamatory of the Plaintiffs. The defamatory tweets of which the Plaintiffs are currently aware are included as **Appendix "B"**, and include, but are not limited to, the following:

- (a) as discussed in **Appendix "E"** at paragraph 28, an August 14, 2020 retweet falsely claimed that Anson was behind the Hindenburg Research report regarding Aphria, included a picture of Kassam, and stated "how dirty moez hurt his business partner [sic] and lied to the founders of \$apha [Aphria]. On the same day Jacob also tweeted that Kassam had "paid for negative promotions" regarding Facedrve, Aphria, Tilray "and many more". In addition to the plain and ordinary meaning of these tweets, the tweets

would lead a reasonable reader to conclude that Anson and its principals, including Kassam:

- i. are corrupt, dishonest, deceitful, deceptive, duplicitous, and cannot be trusted;
 - ii. engaged in malicious, unlawful, and targeted attacks to harm legitimate companies and their shareholders; and
 - iii. provided false, fraudulent, or misleading information about legitimate companies (including Aphria, Facedrive and Tilray) for publication and dissemination to harm them;
- (b) as discussed above at paragraph 64, a September 10, 2020 tweet stated that regulators should scrutinize Anson and Kassam: “these reverse pump and dumps must be watched more closely by the regulators. moez [sic] and his band fund these trades every week...” In addition to the plain and ordinary meaning of the tweet, the tweet would lead a reasonable reader to conclude that Anson and its principals, including Kassam:
- i. engage in unlawful and illegal activities, including securities law violations; and
 - ii. ought to be investigated, including by regulators;
- (c) as discussed above at paragraph 65 and in **Appendix “E”** at paragraph 79, a September 12, 2020 tweet alleged “anson [sic] is a very corrupt cad fund

nake [sic] shorting many small cap co's and when they get in trouble / want to cover they pay groups like @HindenburgRes to say the co is a fraud and going to zero. how many zeros have they called. the bottom is normally around when the piece comes out". On September 29, he added, "big difference from shorting a fraud and paying for a short report calling a company a fraud to try and fix your trade. bad companies need to be taken down. big difference between the two. anson does both! [sic]". In addition to the plain and ordinary meaning of these tweets, the tweets would lead a reasonable reader to conclude that Anson and its principals, including Kassam:

- i. are corrupt, reckless and dishonest; and
 - ii. provide false, fraudulent, or misleading information about legitimate companies to harm those companies and benefit themselves; and
- (d) as discussed in **Appendix "E"** at paragraphs 78 and 82, two September 29, 2020 tweets included a link to the Defamatory Manifesto, and stated: "stockmanipulators.com. Cyber crimes added to the list of wrongdoings by @AnsonGroupFunds ? who funded this defense? Unit holders?", and "sounds like #moez attacked the site where the @AnsonGroupFunds report was profiled. a very expensive DDOS attack to prevent the public from seeing the piece. Investors in the fund probably have plenty of questions for @MunchingMoez @davidmilstead \$apha \$fd \$shrm many more". In addition to the plain and ordinary meaning of these tweets, these tweets

would lead a reasonable reader to conclude that Anson and its principals, including Kassam:

- i. engage in illegal and unlawful activities, including criminal law violations and are criminals;
- ii. are dishonest and deceptive; and
- iii. misuse investor funds, including for their personal benefit.

140. Jacob is also liable for using the “John Murphy” Twitter account to re-tweet other Twitter users’ false and defamatory statements about the Plaintiffs.

The Unsolicited Emails are Defamatory

141. As discussed above at paragraph 92 and in **Appendix “E”** at paragraphs 73 to 75, the Defendants anonymously sent Unsolicited Emails regarding the Plaintiffs. The Unsolicited Emails, in their entirety, in their natural and ordinary meaning, including their express and implied meaning in their full context, and/or by innuendo, are false and defamatory of the Plaintiffs. In addition to the natural and ordinary meanings of the Unlawful Statements contained in the Unsolicited Emails, and without limiting the generality of the foregoing, the Unsolicited Emails would lead a reasonable reader to conclude, or would mean or would be understood to mean, the following regarding Anson and its principals, including Kassam:

- (a) they engage in wrongdoing, unlawful, illegal, and unethical conduct, including securities law and/or criminal law violations, insider trading, market manipulation, abusive trading practices, fraud and cybercrimes;

- (b) they destroy legitimate businesses through nefarious means;
- (c) they have robbed shareholders of billions of dollars;
- (d) they are dishonest and cannot be trusted; and
- (e) they are criminals.

142. The Plaintiffs have not seen all of the Unsolicited Emails or any of the emails in their entirety and reserve their right to amend this pleading to add additional meanings and/or claims once they are discovered.

The Defendants were Malicious

143. The Defendants acted with malice: they made, assisted with, participated in and/or publicized the Unlawful Statements, knowing that the Unlawful Statements were false or misleading and/or while intentionally, recklessly or callously disregarding their falsity and the harm that the allegations would do to the Plaintiffs. They acted for the predominant purposes of harming the Plaintiffs, including in pursuit of their animus and vendetta against the Plaintiffs. Examples of the Defendants' malicious conduct include the following:

- (a) the Defamatory Manifesto, the Second Defamatory Manifesto, the Additional Unlawful Posts and other Unlawful Statements solicited readers to confidentially provide additional material for future Defamatory Manifestos;
- (b) the Second Defamatory Manifesto is nearly 10,000 words – even longer than the original Defamatory Manifesto – and repeated and/or amplified

many false and defamatory allegations contained in the Defamatory Manifesto and other Unlawful Statements, and/or elaborated on those allegations and made new and additional false and defamatory allegations against the Plaintiffs;

- (c) Stafford, Rudensky and Robert specifically targeted and maliciously intended to cause harm to the Plaintiffs by writing, publishing, disseminating, and/or procuring the writing, publishing and dissemination of the Defamatory Manifesto and the Second Defamatory Manifesto, including, for Stafford, because of his financial interest in Facedrive and/or RECO. Stafford was directly or indirectly hired to promote these companies and owned a significant number of their shares, and he publicly falsely accused Anson of hiring market participants and media to publish critical commentary on these companies using fabricated material. In fact, market participants and media analysed these companies, using publicly available information, because the companies' inflated share prices were grossly disproportionate to their fundamental value. In well functioning capital markets, it is in the normal course for market participants to comment critically on overvalued companies, and to discuss, share and comment on research, due diligence and investment theses with one another;
- (d) the Defendants' continuous and ongoing efforts to draw the Unlawful Statements to the attention of regulators and the media; and

(e) in addition to publishing the Unlawful Stockhouse Statements in summer 2020, from fall 2020 and continuing to at least spring 2021, the Defendants published, hired others to publish or otherwise procured the publishing of, over 1,000 Further Unlawful Stockhouse Statements, which repeated, amplified and/or elaborated on the false and defamatory allegations contained in the Unlawful Stockhouse Statements, the Defamatory Manifesto, and other Unlawful Statements, and significantly increased the likelihood that such allegations would be re-published by others, as set out below. Stafford also published the Stafford Unlawful Stockhouse Statements using the username “ToffRaffles” between November 2020 and March 2021.

144. The Defendants repeatedly published the Unlawful Statements on various websites and through various means, including through the Unlawful Stockhouse Statements, the Further Unlawful Stockhouse Statements, the Unsolicited Emails, the Defamatory Manifesto, the Second Defamatory Manifesto, the Additional Unlawful Posts, and the tweets described above, in an attempt to publish them to the widest audience possible and cause the greatest possible commercial and emotional harm to the Plaintiffs.

The Defendants are liable for republication of the Unlawful Statements

145. The Defendants are also liable for republication of all of the Unlawful Statements, which was a natural and probable result of the Unlawful Statements given, among other things, the volume of Unlawful Statements published and publicized by the Defendants. In fact, the Defendants actively encouraged republication of the Defamatory Manifesto

and Second Defamatory Manifesto, both in the text of the Defamatory Manifesto and Second Defamatory Manifesto themselves, and in Robert's and Jacob's tweets sharing the Defamatory Manifesto. Many of the nearly 1,000 Further Unlawful Stockhouse Statements also actively encouraged the republication of the Defamatory Manifesto and/or other Unlawful Statements. Republications of the Defamatory Manifesto and Second Defamatory Manifesto currently remain online.

F. DAMAGES

146. The Defendants' conduct has caused substantial damage to the Plaintiffs' business and reputations. The Unlawful Statements have been widely distributed and publicized and have been viewed by thousands of people to date. Versions of the Defamatory Manifesto and the Second Defamatory Manifesto remains widely available on the Internet. The Unlawful Statements have significantly interfered with and disrupted the Plaintiffs' business and affairs and their relationship with clients, counterparties, and potential investors, leading to a loss of business opportunities.

147. Moreover, the Plaintiffs have incurred significant costs and spent a significant amount of time investigating who is behind the Conspiracy and in seeking to have the Unlawful Statements removed from various websites.

148. As mentioned above, Anson has also received threatening telephone calls to its offices because of the Unlawful Statements.

149. Particulars regarding damages will be provided in advance of trial.

150. The Plaintiffs also seek an interim, interlocutory and permanent injunction restraining the Defendants from publishing further unlawful and defamatory statements about the Plaintiffs. As noted above, despite Anson's diligent attempts to have the Defamatory Manifesto and Unlawful Stockhouse Statements removed from the Internet, the Defendants persist in acquiring new websites to publish and disseminate the Defamatory Manifesto, the Second Defamatory Manifesto and Additional Unlawful Posts; in repeating the Unlawful Statements and publicizing the Defamatory Manifesto and Second Defamatory Manifesto through social media, including Twitter; and in publishing the Further Unlawful Stockhouse Statements, which publicized and disseminated the Defamatory Manifesto, Second Defamatory Manifesto and other Unlawful Statements. In addition, the Defendants threatened the release of two additional "Parts" to the Defamatory Manifesto. They have released one additional "Part", the Second Defamatory Manifesto, as well as the Additional Unlawful Posts about the Plaintiffs. This conduct has caused, is causing, and will continue to cause irreparable harm to the Plaintiffs' business and their reputations. This nonstop game of "whack-a-mole" cries out for a remedy.

151. Finally, the Defendants are liable for aggravated and punitive or exemplary damages. The Defendants maliciously and intentionally caused harm to the Plaintiffs through the repeated and coordinated and continuing publication, and broad online dissemination, of the Unlawful Statements. Further, Robert attempted to obtain significant payments and other benefits to purportedly assist Anson, which Anson refused. The Defendants knew, and in fact intended, that serious harm would result from their unlawful conduct.

152. The Defendants executed a coordinated, malicious campaign to spread lies about the Plaintiffs and damage their business, including attempting to reach the attention of securities regulators such as the OSC, the SEC, and IIROC. The Plaintiffs believe that the Defendants intended to cause them to become the subject of regulatory inquiries or investigations on the basis of these false and misleading allegations. Such inquiries or investigations would result in serious and irreparable reputational harm, and in addition would force the Plaintiffs to divert significant time, financial and other resources, and management attention, towards addressing any such inquiries or investigations. The Defendants also took steps to attract media attention to the Unlawful Statements in an attempt to further publicize them. The Defendants acted in a high-handed, malicious, arbitrary and/or highly reprehensible manner, as set above, which constitutes a marked departure from ordinary standards of decent behaviour. The Defendants' conduct requires the sanction of the Court.

153. The Plaintiffs propose that this action be tried at Toronto.

154. The Plaintiffs rely on the *Libel and Slander Act*, R.S.O. 1990, c. L.12 and the *Courts of Justice Act*, R.S.O. 1990, c. C.43, s. 101.

155. This pleading may be served outside of Ontario without a court order pursuant to Rules 17.02(g), (i) and (p) of the *Rules of Civil Procedure* because this proceeding relates to a claim or claims in respect of one or more torts committed in Ontario, seeks an injunction ordering a party to do or refrain from doing anything in Ontario, and is against one or more persons ordinarily resident or carrying on business in Ontario.

December 17, 2020

Amended on November 22, 2021

Davies Ward Phillips & Vineberg LLP
155 Wellington Street West
Toronto, ON M5V 3J7


Matthew Milne-Smith
Tel: 416.863.5595
mmilne-smith@dwpv.com

Andrew Carlson
Tel: 416.367.7437
acarlson@dwpv.com

Maura O'Sullivan
Tel: 416.367.7481
mosullivan@dwpv.com

Lawyers for the Plaintiffs

APPENDIX "A" – "Betting Bruiser" Tweets

**Betting Bruiser**
@BettingBruiser

Month ago the market listened to the 'Friendly Bear' put out a bullshit short report on [\\$HEXO](#).

The Bear is controlled and ran by Moez Kassam & Sunny Puri of Anson.

They put out the report to manipulate the market so they could cover an already short position. [#Potstocks](#)

**Moez**


It's not a fund 11:05 AM

It's me 11:05 AM

Just the guy we use to write 11:05 AM

If the bar is high enough 11:0

He doesn't want to get sued 11:06 AM



HEXO




Is Hexo The Next CannTrust? Snapchat Advertising May Run Afoul of Health Canada

Hexo, pot investors shrug off Friendly Bear short-seller report

Kristina Oseram, Bloomberg News

10:54 AM · Aug 25, 2019 · Twitter for iPhone

9 Retweets 2 Quote Tweets 49 Likes



**Betting Bruiser** @BettingBruiser · Aug 25, 2019
Replying to @BettingBruiser

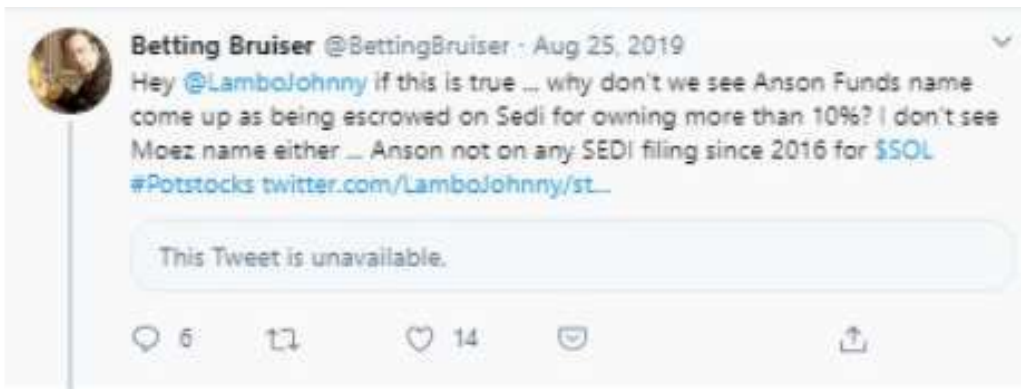
I'm going spend the next week exposing the Anson fund connections to other short sellers and market manipulators. Which [#Potstocks](#) has the fund has historically invested and the death spiral the fund created to cash out their short positions.

**@LamboJohnny**

Just bumped into Moez head of
Anson Fund. He owns over 15% of









Betting Bruiser
@BettingBruiser

A lot DM's about \$ZENA & Anson Funds.

Anson Funds holds a boatload of converts in \$ZENA that they are using to cover their short position.

They've had a direct hand creating chaos within management decisions. Including the listing price. How so? Anson representative! #Potstocks








Adam Spears
Independent Director





- Founder of ace148, an investment company
- Was a Principal and Portfolio Manager at Anson Funds where he managed multiple long-short equity hedge funds
- Also worked in private equity at ONCAP Management Partners, and in the investment banking group of Citigroup Global Markets


9:09 AM · Aug 26, 2019 · Twitter for iPhone



4 Retweets · 4 Quote Tweets · 35 Likes


    





 **Betting Bruiser** @BettingBruiser · Aug 26, 2019
Replying to @BettingBruiser
The entire problems relating to the former CEO leaving, taking the \$TLRY deal and now death spiral financing. Was in relation to \$ZENA attempting to limit Anson's ability to cover and manipulate the share price down further. The current \$ZENA CEO is out of league. #Potstocks


 3  1  15  






 **Betting Bruiser** @BettingBruiser · Aug 26, 2019
\$TLRY themselves wanted to offer a helping hand. As that company is the only successful #Potstocks to date to squeeze Anson Funds for a loss to my knowledge. Despite Anson Funds getting @CitronResearch to pump out as many \$TLRY short pieces it possibly could. #Potstocks


 2  2  20  






 **Betting Bruiser** @BettingBruiser · Aug 26, 2019
I'd love to talk to the @CEO_Zenabis to try to help... but it may be a case of to little to late ... CEO wants to convert all debts to a bank loan... that's a start but expect Anson Funds to fight tooth and nail against that. Their independent director acts for Anson. #Potstocks

 3  1  18  

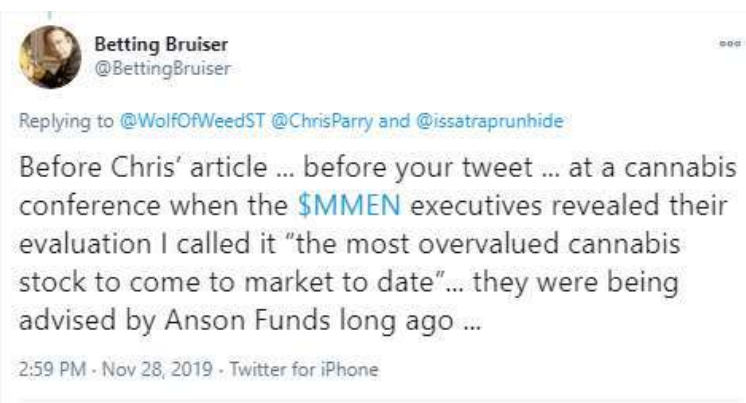
 **Betting Bruiser** @BettingBruiser · Aug 26, 2019
As in the case with \$HEXO ... I wouldn't doubt that Adam is recording conversations of \$ZENA management and executives in hopes of Anson blackmailing or using the info for the detriment of the company. Adam needs to be removed. #Potstocks

   14  

 **Chris Rutherford** @RutherfordCG · Aug 26, 2019
Replying to @BettingBruiser
How is it legal for Adam to be on the board and do what this guy is doing? It's not in the best interests of @Zenabis obviously. @CEO_Zenabis

 1    

 **Betting Bruiser** @BettingBruiser · Aug 26, 2019
No it's not ... like \$AEF Anson will argue that they acting in best interest of the shareholder ... all a guise ...







Betting Bruiser
@BettingBruiser

...

The biggest chicken hawk that I've ever met in my life.
Every time I see him we have words.

Sunny Puri from Anson Funds.

If you've ever crossed paths with him then your stock is
likely -95% from its high and he holds your faint in his
hands via convertible debt. [#PotStocks](#)



11:11 AM · Mar 11, 2020 · Twitter for iPhone

4 Retweets 39 Likes



Betting Bruiser
@BettingBruiser

...

Watch "Moez Kassam" from Anson Funds on [#Vimeo](#) give short sellers a bad name. Cringe worthy. I think that's filmed at [@DeFrancesco_A](#) house in the Muskoka? vimeo.com/140274640 [#PotStocks](#)



Moez Kassam

This is "Moez Kassam" by Charles Chan on Vimeo, the home for high quality videos and the people who love them.
vimeo.com

1:54 PM · Jul 2, 2020 · Twitter for iPhone



Betting Bruiser
@BettingBruiser

...

Replying to [@BettingBruiser](#)

Director: Rick Brar former CEO & Co-Founder of [@Zenabis](#) [\\$ZENA](#)

Secretly gave Anson Funds a share loan agreemnt so they could short [\\$ZENA](#) to the dismay of retail investors. Upon finalizing that he aggressively dumped all his shares. [\\$ZENA](#) -98%. \$2.25 to \$0.08 [#PotStocks](#)
2/9

9:50 AM · Jul 6, 2020 · Twitter for iPhone



Betting Bruiser
@BettingBruiser



Replying to @BettingBruiser

Director, President and Co-Chief Executive Officer, Chief Financial Officer: Eli Dusenbury

A rent a CFO whoms main gig was a CFO of #PotStocks Company \$ISOL @isodiol. Ankther company directly involving Anson Funds. Another company which has seen a 98% fall in share price. 8/9

9:50 AM · Jul 6, 2020 · Twitter for iPhone



Betting Bruiser
@BettingBruiser



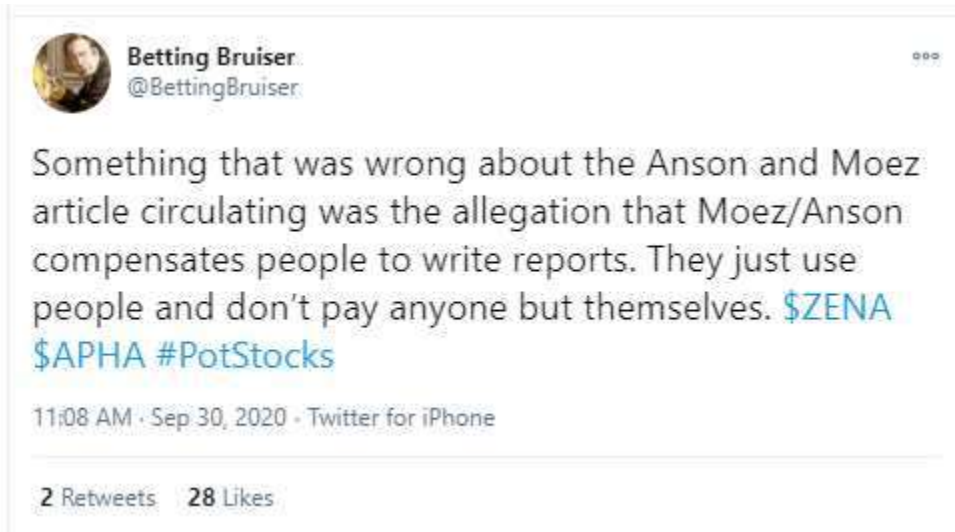
I have been a early voice of concern re: Moez Kassam, Sunni Puri & Anson Funds. Their tactics are simply sleight of hand with the gift of gab. I know their strategies very well this article shed some light on them. #PotStocks



Moez Kassam and Anson Funds: A Tale of Corruption, Greed, and Failure
moezkassam.com

9:43 AM · Sep 29, 2020 · Twitter for iPhone

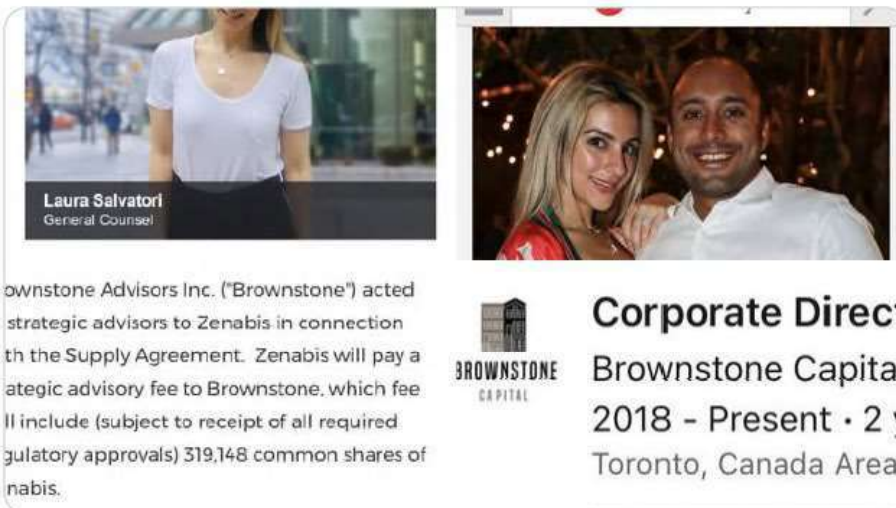
8 Retweets 2 Quote Tweets 63 Likes





Betting Bruiser
@BettingBruiser

One thing that was left out of the [\\$ZENA](#) and Anson Funds report was fact that Anson's funds legal counsel (Laura Salvatori) husband (Muneeb Yusuf) via Brownstone Advisors facilitated the toxic financing deal between [\\$ZENA](#) & [\\$TLRY](#) ... conflict of interest much? [#Potstocks](#)



1:50 PM · Oct 9, 2020 · Twitter for iPhone



Betting Bruiser @BettingBruiser · Oct 9

Replying to @BettingBruiser

Hi Laura 🙌 ... cause I know you follow every tweet I speak about Anson ... I thought I'd give you a shoutout! [\\$ZENA](#) [\\$TLRY](#) [#PotStocks](#)



4



38



Betting Bruiser @BettingBruiser · Oct 9

If you r an Anson Fund investor ... be prepared to have your funds locked up b/c there is a lot information floating out there that paints a picture of scams to benefit none other then Moez Kassam. [\\$ZENA](#) story is just one of hundreds were its alleged he broke the law. [#PotStocks](#)



4



32





Betting Bruiser
@BettingBruiser

Maybe I should speak to regulators about Anson Funds
and collect the reward in 50 years

Or should I just leak snippets of recorded conversations
with Moez Kassam?

Thoughts? [#PotStocks](#)



2:17 PM · Oct 9, 2020 · Twitter for iPhone

6 Retweets 1 Quote Tweet 83 Likes



Betting Bruiser
@BettingBruiser



I think I'm going release some of the recordings about Moez Kassam ... just interested how much money Anson pays Ben Axler from @sprucepointcap ... you care to comment Ben?

"You know what's gonna happen"

14:47

"A lot of times if I'm working with Ben (Axler) or doing this kind of stuff (shorts) than we can create our own catalysts right because we're putting out a report"

"So I know when stuffs gonna go down and I'll buy puts"

3:19 PM · Oct 9, 2020 · Twitter for iPhone

3 Retweets 2 Quote Tweets 64 Likes



Betting Bruiser
@BettingBruiser



Everyone have a good long weekend expect for Anson Funds Moez Kassam he can choke on a wishbone!

#PotStocks

4:55 PM · Oct 9, 2020 · Twitter for iPhone

4 Retweets 1 Quote Tweet 105 Likes



Betting Bruiser
@BettingBruiser

Has Anson Funds and/or MMCAP name all over it
\$VIVO #PotStocks



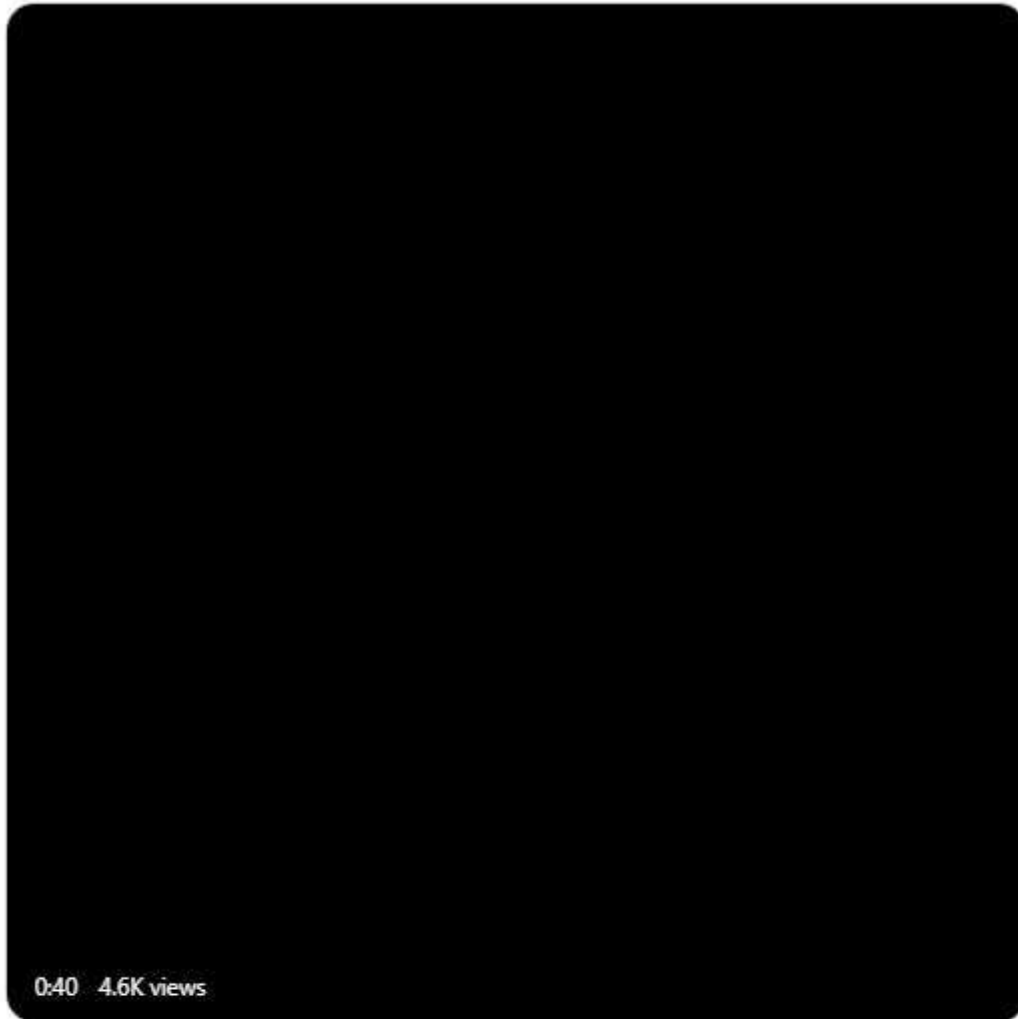
8:33 AM · Oct 16, 2020 · Twitter for iPhone



Betting Bruiser
@BettingBruiser



This is Moez Kassam from Anson Funds in the flesh running scared from recent reports about his tactics. Worth a listen. This guy is scum of the earth.



10:50 AM · Oct 30, 2020 · Twitter for iPhone



Betting Bruiser
@BettingBruiser

Replying to @BettingBruiser

He doesn't have anyone but the scum Sunny Puri, the Globe & Mail and other short sellers doing his dirty work for him. Including paying @sprucepointcap @CitronResearch @FriendlyBearSA and others ... why did you block me Ben Axler ... is it the fact your Moez Kassam lapdog?



10:55 AM · Oct 30, 2020 · Twitter for iPhone



Betting Bruiser
@BettingBruiser

...

Happy Halloween to the #PotStocks community!

Trick or Treat:

Who is going to toilet paper Moez Kassams house tonight? \$ZENA executives should just throw stock as it's cheaper then toilet paper!



12:48 PM · Oct 31, 2020 · Twitter for iPhone

APPENDIX “B” – “John Murphy” Tweets





John Murphy @JohnMur67039142 · Jul 24

@MunchingMoez #ansonfunds, paid for the report as they were caught offside, rumours off 900k in the single digits, called in a favor and doubled down @HindenburgRes moez was telling ppl it was going to 6.00, even called prop desks wanting them to short



John Murphy
@JohnMur67039142



it seems moez and sunny from @AnsonGroupFunds @MunchingMoez @HindenburgRes @globeandmail @davidmilstead quickly blocked me by suggesting they were short 1mm \$FD. i think much more will come out on this trade. @business @BNNBloomberg



John Murphy @JohnMur67039142 · Jul 28

Looks like @facedrivecanada \$FD is going higher @HindenburgRes @AnsonGroupFunds finance.yahoo.com/news/400-tesla...

7:41 PM · Jul 30, 2020 · Twitter for iPhone



John Murphy @JohnMur67039142 · Aug 14

@HindenburgRes @BNNBloomberg @AnsonGroupFunds this story will be all over the street within months. how dirty **moez** hurt his business parnter and lied to the founders of Sapha. @LamboJohnny @BettingBruiser



MDeCicco @MDeCicco_ · Aug 14

Hey @MunchingMoez. Can you confirm/deny? The word around is that you were the source of the @HindenburgRes Short Attack on @aphriainc, to cover HUGE losses on \$TLRY

[Show this thread](#)



John Murphy @JohnMur67039142 · Aug 14

SFD #moezkassam paid for negative promotions on **SFD Sapha \$tlry** and many more. was this disclosed by publisher? @AnsonGroupFunds @HindenburgRes @BNNBloomberg @BettingBruiser \$tlry Sapha #shortsellers @IIROCInfo



Stockhouse.

Just read this on Yahoo: short seller Moez Kassam go...
Just read this on Yahoo: short seller Moez Kassam got BURNED

stockhouse.com









John Murphy @JohnMur67039142 · Sep 29

sounds like [#moez](#) attacked the site where the [@AnsonGroupFunds](#) report was profiled. a very expensive DDOS attack to prevent the public from seeing the piece. Investors in the fund probably have plenty of questions for [@MunchingMoez](#) [@davidmilstead](#) \$apha \$fd \$gfl \$shrm many more

3 replies, 1 like

John Murphy @JohnMur67039142 · 15m

spicy. stinks something awful !!! [#handsomefunds](#) [#dirtymoez](#) [#moezkassam](#) [@AnsonGroupFunds](#) [@LamboJohnny](#) [@QTRResearch](#) [@weedstreet420](#) [@ddale8](#)

John Murphy @JohnMur67039142 · Sep 27

i wonder if this slows down his extravagant dinners that he posts every night. sean kallir from HGC seems to be in attendance often. [moez](#)'s new member. special shout out to [#tradertonny](#) from 8capital. love the pics

1 like



John Murphy @JohnMur67039142 · Sep 29

big difference from shorting a fraud and paying for a short report calling a company a fraud to try and fix your trade. bad companies need to be taken down. big difference between the two. **anson** does both!



John Murphy
@JohnMur67039142

...

Home stockmanipulators.com. Cyber crimes added to the list of wrongdoings by @AnsonGroupFunds ? who funded this defense? unit holders? @davidmilstead @globeandmail @thomasg_grizzle

7:52 AM · Sep 29, 2020 · Twitter for iPhone



John Murphy @JohnMur67039142 · Sep 30

chatter is \$300k-400 for that report. a deep audit of **anson's** books might help.



John Murphy @JohnMur67039142 · Sep 30

...

Anson and Moez put out this response. it fails to address the allegations outlined, when they question a company they ask for a line by line response. we are waiting @MunchingMoez ansonfunds.com/wp-content/upl... @QTRResearch @BettingBruiser @LamboJohnny @weedstreet420 @davidmilstead







APPENDIX “C” – James Stafford

A. Stafford’s Background

1. In his capacity as a stock promoter, Stafford has been involved in numerous pump and dump securities schemes, including several of the companies mentioned in the Unlawful Statements. Stafford’s role in such schemes is to disseminate via the Internet sensationalist and misleading information regarding his clients (usually publicly traded issuers) with the intention of increasing – artificially and often temporarily – the trading volume and price of securities of the company. Those who sell shares in the company while the stock price is inflated – including proponents of the pump and dump scheme – enjoy significant profits, whereas unsophisticated investors (often retail investors) are habitually faced with significant losses when the share price declines back to its intrinsic value. This is also known as the “pump and dump”.

2. While Stafford’s articles on www.OilPrice.com purport to be – and are intentionally designed to appear as – objective news reports, they are promotional materials. Stafford is often directly paid for his articles on www.OilPrice.com in cash or shares by the companies whose securities he is promoting. As such, he often owns securities in the company at issue and is incentivized to increase both their trading price and volume. The disclaimers attached to the bottom of Stafford’s articles on www.OilPrice.com acknowledge this and specifically acknowledge the temporary effects of his pump and dump scheme.

3. The following is a typical example of the disclaimers attached to Stafford’s articles. It appeared at the bottom of an article titled “Is This The Hottest Oil Play Of The Year”,

published January 14, 2021 regarding RECO. It acknowledges that Stafford and/or his companies were paid \$70,000 to write a single article, and that they own shares in RECO:

ADVERTISEMENT: This communication is not a recommendation to buy or sell securities. OilPrice.com, Advanced Media Solutions Ltd., and their owners, managers, employees, and assigns (collectively the “Company”) have been paid by [RECO] seventy thousand U.S. dollars to write and disseminate this article. As the Company has been paid for this article, there is a major conflict with our ability to be unbiased, more specifically:

This communication is for entertainment purposes only. Never invest purely based on our communication. We have not been compensated but may in the future be compensated to conduct investor awareness advertising and marketing for [RECO]. Therefore, this communication should be viewed as a commercial advertisement only. We have not investigated the background of the company. **Frequently companies profiled in our alerts experience a large increase in volume and share price during the course of investor awareness marketing, which often end as soon as the investor awareness marketing ceases.** The information in our communications and on our website has not been independently verified and is not guaranteed to be correct.

SHARE OWNERSHIP: The owner of Oilprice.com owns shares of this featured company and therefore has an additional incentive to see the featured company’s stock perform well. The owner of Oilprice.com will not notify the market when it decides to buy more or sell shares of the issuer in the market. The owner of Oilprice.com will be buying and selling shares of the issuer for its own profit. This is why we stress that you conduct extensive due diligence as well as seek the advice of your financial advisor or a registered broker-dealer before investing in any securities. [Bolded emphasis added.]

B. Stafford’s Animus Towards the Plaintiffs

4. Stafford was hired, directly and/or indirectly, to promote, and artificially inflate the volume and/or price of, Facedrive shares using his website, www.OilPrice.com. Since March 2020, Stafford and/or his companies have published over seventy sensationalist posts about Facedrive (a full list is set out in Section D of this Appendix), with titles including “Could This Be One Of The Best Ways To Play The EV Boom This Summer?”

and “The \$110 Trillion Trend That Bezos, Buffett And Musk Are Betting On”. The public disclosure on www.OilPrice.com stated that:

- (a) Stafford and/or his companies “signed an agreement [with Facedrive] to be paid in shares to provide services to expand ridership and attract drivers in certain jurisdictions outside Canada and the United States” – although, in fact, Stafford and/or his companies was hired for stock promotion purposes;
- (b) Stafford “has acquired additional shares of FaceDrive...for personal investment” and that, as a result, Stafford and/or his companies have “a substantial incentive to see the featured company’s stock perform well”; and
- (c) www.OilPrice.com’s purported articles about Facedrive “**should be viewed as a commercial advertisement only. We have not investigated the background of the featured company. Frequently companies profiled in our alerts experience a large increase in volume and share price during the course of investor awareness marketing, which often end as soon as the investor awareness marketing ceases**” (emphasis added).

5. The www.OilPrice.com disclosure does not, on its own, identify how much Stafford was paid. Many readers of www.OilPrice.com, particularly unsophisticated ones, would not have realized that the website was hired to promote Facedrive stock, and was not providing objective news and analysis about the company.

6. In total, Stafford directly and indirectly, at one point in time, owned up to approximately 1.5 million shares in Facedrive, some of which he received as compensation for stock promotion, and some of which he purchased on the open market. As a result, Stafford had a significant incentive to ensure that Facedrive's share price appreciated and remained artificially inflated. One and a half million shares of Facedrive would have been worth approximately \$90 million at Facedrive's all-time high share price of \$60 and are worth approximately \$3 million at the current share price of approximately \$2 (assuming Stafford held his shares).

7. These incentives gave Stafford the impetus to engage in the Conspiracy and spread Unlawful Statements about the Plaintiffs. Given Stafford's financial interest in Facedrive, he has an incentive to diminish and disparage critical commentary about Facedrive, published by market participants or other observers, which questions the intrinsic value of the company. On July 23, 2020, Hindenburg Research published critical research findings about Facedrive. Later that evening, the first Unlawful Statements about the Plaintiffs were published on Stockhouse.

8. Part of Hindenburg Research's critical findings about Facedrive related to a firm named Medtronics Online Solutions Ltd. ("**Medtronics**"). Facedrive, a ride-share start-up, publicly claimed that it had hired Medtronics for the purpose of broadening its ridership. Hindenburg Research's critical findings included that Medtronics was controlled by Stafford; that Medtronics was in fact a shell company that obfuscated its true purpose; and that Stafford, via Medtronics, had actually been hired to promote Facedrive's stock, not broaden ridership. Pursuant to a consulting services agreement, Facedrive was to pay Medtronics 800,000 in shares for the alleged services through a monthly fee (worth

roughly \$8 million at the time the agreement was press released by Facedrive; see also **Appendix “E”**, paragraph 45 below, where Robert indicated that Stafford was paid \$8 million to promote Facedrive). On September 9, 2020, Facedrive terminated the consulting services agreement and was of the opinion that the obligations under the agreement had been fulfilled. On November 27, 2020, the company disclosed a signed settlement agreement deeming its obligations fulfilled as of October 19, 2020. This all occurred a few months after the release of Hindenburg Research’s report regarding Facedrive, when a disagreement ended the relationship between Facedrive and Medtronics, although Medtronics still received all of its shares under the agreement. Had the consulting engagement continued, Stafford may have stood to receive more shares in Facedrive, increasing his compensation.

9. Stafford was also hired to promote, and artificially inflate the volume and/or price of, RECO’s shares. Since January 2020, Stafford and/or his companies have published over twenty sensationalist articles promoting RECO on www.OilPrice.com (a full list is set out in Section E of this Appendix), with titles including “Is This The Most Exciting Oil Stock For 2021?” and “Recon Africa: The Truth About The World’s Most Exciting Oil Play”. The disclosure on these articles indicates that Stafford was paid US\$280,000 for a series of four articles in January 2021. All of the articles consistently disclosed that Stafford and/or his companies own shares in RECO and accordingly have a substantial incentive to see the share price perform well.

10. Stafford’s financial interest in RECO once again motivated him to spread Unlawful Statements about the Plaintiffs through the Conspiracy. On June 20, 2021, The Globe and Mail published a critical article about RECO. On June 24, 2021, Viceroy Research,

another forensic research firm, expanded on The Globe and Mail's reporting and posted further critical findings about RECO. The critical findings included allegations that RECO had engaged in stock promotion and had other fundamental issues. The Second Defamatory Manifesto was published on June 28, 2021, a few days after Viceroy Research released its first report regarding RECO.

11. Given Stafford's significant financial interest and exposure to Facedrive and RECO, he publicly wrongfully used the Plaintiffs as scapegoats for their share prices declining, and in particular he blamed the Plaintiffs for the critical research findings about Facedrive and RECO. In fact, the share prices of overvalued companies decline not because of the Plaintiffs' influence, but rather because of market fundamentals, including poor performance, failures to meet the business plan, shareholder infighting, and/or corporate governance issues. Consistent with Stafford's incentives, the Unlawful Statements allege, among other things, that the Plaintiffs commissioned and paid for critical analyst and/or news reports about Facedrive and RECO based on fabricated information – both stocks that Stafford has a significant interest in inflating the value of and/or was hired to promote.

C. Stafford's Possible Location

12. Stafford's company, A Media Solutions Limited is connected with the address 4TA Priv Piedra Del Comal 21, Casa 2 col. Valle De Tepepan Tlalpan Distrito Federal Mexico, 14 646, which is near Mexico City. Stafford appears to have connections to numerous jurisdictions and it is unknown to the Plaintiffs whether Stafford's residential address is in Mexico, England, the Bahamas, or elsewhere. Some of the Unlawful Statements described in the statement of claim were published from the area surrounding Mexico City

(many from the city of Toluca) and multiple employees of www.OilPrice.com appear to be based in Mexico City or the surrounding areas.

D. List of www.OilPrice.com articles regarding Facedrive

- 1- Mar 19, 2020- The Most Exciting Green Startups To Watch In 2020
- 2- April 14, 2020- Coronavirus And The Coming Financial Revolution
- 3- May 5, 2020- The \$30 Trillion Trend That's Bigger Than The Entire U.S. Stock Market
- 4- May 28, 2020- Buffett, Bezos And Blackrock Are Betting Big On This \$30 Trillion Mega-Trend
- 5- June 8, 2020- Tech Giants Battle It Out In Billion Dollar Food Delivery War
- 6- June 15, 2020- World's Largest Hedge Fund Goes All In On This \$30 Trillion Mega-Trend
- 7- July 22, 2020- How COVID Transformed The \$70 Trillion Stock Market
- 8- July 23, 2020- Google, Apple And Amazon Are Leading A \$30 Trillion Assault On Wall Street
- 9- August 5, 2020- 1 Million Downloads In 5 Weeks – The Tech Company Fighting COVID In Canada
- 10- August 17, 2020- Bezos And Blackrock Are Pouring Billions Into This \$30.7 Trillion Trend
- 11- October 28, 2020- Blackrock, Bezos And Musk Charging Ahead in this \$30 Trillion Mega-Trend
- 12- November 4, 2020- The \$110 Trillion Trend That Bezos, Buffet And Musk Are Betting On
- 13- November 4, 2020- The Biggest Ever Transfer Of Wealth Is Happening Right Now
- 14- November 9, 2020- The Death Of Car Ownership: How Tech Is Killing The \$3 Trillion Auto Industry
- 15- November 11, 2020- The 6 Hottest Energy Tech Stocks For 2021
- 16- November 17, 2020- Blackrock and Fidelity Are Betting Big On This \$130 Trillion Mega-Trendy
- 17- November 20, 2020- The 3 Hottest Electric Vehicle Stocks Of The Year
- 18- November 24, 2020- The Investment Trend That Could Send Tesla To \$2 Trillion
- 19- November 26, 2020- Here's Why Electric Vehicle Stocks Have Exploded This Year

- 20- December 3, 2020- The Real Reason Why Tesla Is Heading Towards A Trillion-Dollar Valuation
- 21- December 6, 2020- The 3 Hottest Electric Car Stocks For 2021
- 22- December 8, 2020- How To Profit From The Death Of Car Ownership
- 23- December 9, 2020- The Electric Car Boom Is About To Get Even Hotter
- 24- December 13, 2020- Do Not Buy An Electric Car For Christmas Until You Have Read This
- 25- December 15, 2020- How An Obscure 400 Year Old Law Sparked A \$5 Trillion Transportation Revolution
- 26- December 16, 2020- 2 Electric Car Stocks To Watch In 2021
- 27- December 17, 2020- Tesla's 1,000% Stock Price Explosion Isn't About Electric Cars
- 28- December 22, 2020- How Electric Vehicle Hype Created A Brand New Trillion Dollar Market
- 29- December 22, 2020- Why DoorDash Was The Hottest IPO Of The Year
- 30- December 28, 2020- 3 Ways to Play the \$30 Trillion ESG Boom in 2021
- 31- December 28, 2020- The Great Reset: BlackRock Is Fueling A \$120 Trillion Transformation On Wall St.
- 32- December 29, 2020- The Real Reason Big Tech Dominated The Market In 2020
- 33- January 4, 2021- How 400 Year Old Blood Taxis Created A \$5.7 Trillion Industry
- 34- January 12, 2021- BlackRock Is Leading A \$120 Trillion Investment Boom That Is Upending Wall St
- 35- 06 January 2021- BlackRock Is Leading A \$120 Trillion Investment Boom That Is Upending Wall St.
- 36- 08 January 2021-3 Electric Vehicle Stocks That Could Boom In 2021
- 37- 13 January 2021-Biden's Boom: The \$30 Trillion ESG Sector Is Set To Explode In 2021
- 38- 18 January 2021-Is This The Most Exciting ESG Play Of 2021?
- 39- 20 January 2021-The Biden Boom Is Coming And These Stocks Could Soar

- 40- 22 January 2021-Biden's Green Energy Boom Could Send These Electric Vehicle Stocks Soaring
- 41- 28 January 2021-The Real Reason Tesla's Stock Exploded In 2020
- 42- 29 January 2021-Biden's Green Energy Boom Could Send The Electric Car Sector Into Overdrive
- 43- 03 February 2021-These Stocks Could Soar As The U.S.-China Electric Vehicle War Heats Up
- 44- 05 February 2021-Green Tech Could Create The First Trillionaire
- 45- 09 February 2021-2 Under The Radar Electric Vehicle Stocks That Could Soar In 2021
- 46- 11 February 2021-Biden's Clean Energy Revolution Could Send These Stocks Soaring
- 47- 15 February 2021-The Single Biggest Threat To The Electric Vehicle Boom
- 48- 17 February 2021-Biden's \$2 Trillion Green Plan Could Send This Stock Soaring
- 49- 23 February 2021-Biden Is About To Send The Electric Vehicle Revolution Into Overdrive
- 50- 26 February 2021-The Real Reason Elon Musk Could Become The World's First Trillionaire
- 51- 03 March 2021-The \$1 Trillion Electric Vehicle Boom Is Just Getting Started
- 52- 05 March 2021-The Single Biggest Threat To The Electric Vehicle Revolution
- 53- 15 March 2021-Two Tech Stocks To Watch As Biden Pours Trillions Into The Green Economy
- 54- 04 April 2021-The Future is Electric: Why EV Stocks Could Continue To Soar In 2021
- 55- 14 April 2021-Could This Be One Of The Best Ways To Play The Electric Vehicle Boom?
- 56- 16 April 2021-How To Play The \$2.6 Trillion Clean Energy Investment Boom
- 57- 11 May 2021-3 Stocks That Could Win Big From Biden's \$2 Trillion Infrastructure Plan
- 58- 13 May 2021-Biden's \$2.5 Trillion Infrastructure Plan Could Send These EV Stocks Soaring

- 59- 14 May 2021-Is This One Of The Best Ways To Play The Electric Vehicle Boom?
- 60- 17 May 2021-2 Under The Radar EV Stocks Set To Explode This Summer
- 61- 19 May 2021-One Company To Watch As Electric Vehicle Stocks Get Ready To Fly This Summer
- 62- 24 May 2021-America's Gas Crisis Could Send These EV Stocks Even Higher
- 63- 27 May 2021-Could This Be The No.1 EV Stock Of 2021?
- 64- 01 June 2021-Why EV Stocks Are Poised To Explode This Summer
- 65- 09 June 2021-These EV Stocks Could Explode Higher This Summer
- 66- 11 June 2021-America's \$2 Trillion Infrastructure Boom Could Send ESG Stocks Soaring
- 67- 20 June 2021-The Death Of Car Ownership: This \$30 Trillion Trend Could Kill The Auto Industry
- 68- 24 June 2021-The 3 Hottest Electric Vehicle Stocks For 2021
- 69- 28 June 2021-Could This Be One Of The Best Ways To Play The EV Boom This Summer?
- 70- 06 July 2021-Is This The Hottest ESG Stock Of 2021?
- 71- 09 July 2021-Biden's \$2.5 Trillion Plan Could Send These 3 EV Stocks Soaring
- 72- 14 July 2021-The Future Of Transportation: EV Stocks Could Fly This Summer
- 73- 16 July 2021-One Man Just Sent The \$30 Trillion ESG Revolution Into Overdrive

E. List of www.OilPrice.com articles regarding RECO

1. 5 Things You Need To Know About The World's Hottest Oil Play - 16 August, 2021
2. Update On The World's Most Exciting Oil Play: Interview With Scot Evans - 09 August 2021
3. Recon Africa De-Risks The World's Most Exciting Oil Find-05 August 2021
4. Is The World's Hottest Oil Play About To Surprise Markets Again?-02 August 2021
5. Why Short Sellers Are Desperately Trying (And Failing) To Sink Recon Africa-25 July 2021
6. Could This Be The Most Promising Oil Play Of The Decade?-20 July 2021
7. The Best 2 Stocks To Hold As Oil Prices Explode-15 July 2021
8. The Small Exploration Company That Shocked The Oil Industry-08 July 2021
9. Recon Africa: The Truth About The World's Most Exciting Oil Play-29 June 2021
10. Why Namibia Could Become The Biggest Oil Story of the Decade-25 June 2021
11. Is This The Most Exciting Oil Play Of The Last 20 Years?-10 June 2021
12. Is There A Huge Undisclosed Short In Oil Explorer Reconnaissance Energy Africa?-27 May 2021
13. The Best Is Yet To Come For The World's Hottest Oil Play-19 April 2021
14. Two Oil Stocks To Watch In 2021-29 January 2021
15. Could This Be The Best Way To Play The Oil Rebound?-21 January 2021
16. Is This The Hottest Oil Play Of The Year?-14 January 2021
17. The Most Important Oil Find Of The Next Decade Could Be Here-13 January 2021
18. Is This The Most Exciting Oil Play Of The Decade?-08 January 2021
19. How To Play The Oil Price Rebound In 2021-05 January 2021
20. Could This Be The Top Oil Play For 2021?-21 December 2020
21. 2 Ways To Win Big On The Oil Price Rebound-16 December 2020
22. Is This The Most Exciting Oil Stock For 2021?-18 November 2020

23. The World's Last Major Onshore Oil Play?-06 October 2020
24. Two Ways To Win Big On The Oil Price Rebound-23 September 2020
25. The Biggest Oil Discovery Of The Year Could Happen Here-24 August 2020
26. 3 Ways To Play The Coming Oil Boom-18 August 2020
27. Supermajors Are Flocking To This Booming Oil Frontier-30 June 2020

APPENDIX “D” – Unlawful Stockhouse Statements

A. The July 23, 2020 Stockhouse Post

13. On July 23, 2020, Hindenburg Research published a critical report about Facedrive, a company whose stock Stafford was hired to promote.

14. Later that evening, Stafford and the other Defendants conspired to anonymously publish a post titled “The Real Story on Moez Kassam and Anson Funds – Part 1” on Stockhouse on July 23, 2020, under the pseudonym “JusinTime”:



15. The July 23 Stockhouse Post called Kassam a “criminal” and included statements accusing him of engaging in illegal, unethical, and “corrupt” business practices as well as egregious personal attacks, which were intended to damage his reputation and turn investors away from him. The accusations are false and defamatory.

16. The July 23 Stockhouse Post accused Kassam of being “corrupt and criminal” and asserted that his practices included “treading on people, lying and using every trick in the book to bring companies down that he bet against” (emphasis added below):

So here is the beginning part of the tale about the corrupt and criminal CIO at Anson funds?
A few short years ago Moez Kassam was a high flying star in the hedge fund space. He had \$1 billion under management (now down to \$250 million and falling) and was the praise of the financial community. But what people don't know is that his media praise was paid for (like when Toronto Life covered his wedding – paid for and made to look like an editorial - shame). But even worse he made his money the dirty way, treading on people, lying and using every trick in the book to bring companies down that he bet against. Whatever it took, whoever he ruined financially or reputation wise he would do it to turn a profit.

17. In particular, the July 23 Stockhouse Post discussed Anson's investment in the cannabis company Tilray Inc. ("**Tilray**"). The post falsely asserted that, during this period, Anson had "a large naked short position" which posed a "significant credit risk" to its creditors, and that Anson committed "numerous securit[ies] violations [in] ever f[l]avour imaginable" in order to protect its solvency.

18. The July 23 Stockhouse Post also falsely stated that Anson was "again caught naked" in relation to Facedrive, falsely implying that Anson's conduct was abusive or illegal and asking IIROC if it would be investigating "how Moez creates paper". Anson does not engage in naked short selling.

19. The July 23 Stockhouse Post stated that the Plaintiffs were "bad actors" who are "getting away with" "huge regulatory infringements", and that there were "zero repercussions for their illegal behaviour."

20. The July 23 Stockhouse Post claimed that further allegations of "corruption, lies and foul play" against the Plaintiffs were forthcoming, and concluded with, "Stay tuned especially IIROC, juicy bits coming for you folks."

21. Jacob, who maintains a Twitter account through an alter-ego named "John Murphy" with the username @JohnMur67039142, tweeted a link to the Stockhouse July Post ***on the day it was published***:



The timing demonstrates insider knowledge that the July 23 Stockhouse Post was being published.

22. Shortly after the publication of the July 23 Stockhouse Post, “John Murphy” issued tweets alleging that the Plaintiffs had a short position in Facedrive and predicting that “much more will come out on this trade”. For example:



23. “John Murphy” included the Twitter accounts of The Globe and Mail and its reporter David Milstead, as well as BNN Bloomberg, in this tweet in order to draw these allegations to the media’s attention.

B. The August 14, 2020 Stockhouse Post

24. The Defendants conspired to publish a further defamatory and anonymous post on Stockhouse on August 14, 2020 titled “Moez Kassam and Anson Funds – Short \$500 M and Lose It All” under the pseudonym “evtrader”:



25. This post was published using an IP address originating in Mexico City, where multiple www.OilPrice.com employees are located. It made similar allegations to the July 23 Stockhouse Post.

26. The August 14 Stockhouse Post continued the egregious and baseless personal attacks against Kassam, referring to him disparagingly as an “awful little grot” and falsely stating that the Plaintiffs “lost \$500 million on a Tilray short”.

27. The August 14 Stockhouse Post also stated that “regulatory fire...will be coming [Kassam’s] way soon.” This was one of several attempts to draw regulatory attention to Anson, and falsely imply that the Plaintiffs were engaged in behavior that violated securities regulations.

28. Also on August 14, 2020, “John Murphy” retweeted the false claim that Anson was behind the report produced by Hindenburg Research (“**Aphria Hindenburg Report**”) regarding Aphria, a cannabis company, and predicted that the “story will be all over the streets within months”. This tweet included a photo of Kassam that later appeared in the

Defamatory Manifesto, and also included the Twitter account of BNN Bloomberg to draw the allegations to its attention. The tweet read as follows:



29. The same day, “John Murphy” tweeted additional allegations that Kassam paid for critical reports regarding Facedrive, Aphria, Tilray and other stocks:

\$FD #moezkassam paid for negative promotions on \$FD [Facedrive Inc.] \$apha [Aphria] \$tlry [Tilray] and many more. Was this disclosed by publisher? @AnsonGroupFunds @HindenburgRes @BNN Bloomberg @BettingBruiser \$tlry \$apha \$shortsellers @IIROCinfo

C. The August 17, 2020 Stockhouse Post

30. The Defendants conspired to continue their scheme to harm the Plaintiffs by anonymously publishing a post on Stockhouse on August 17, 2020 titled “The Real Story on what happened with Moez Kassam and Aphria”, under the pseudonym “Bundyj”. This

post was published using an IP address originating in Toluca, a suburb of Mexico City, where www.OilPrice.com has multiple employees:



31. The August 17 Stockhouse Post alleged that Kassam is “a **corporate sociopath** of the worst kind...He talks the talk and **worms his way into friendships that he fully plans to betray** for a dollar at the first opportunity.”

32. The August 17 Stockhouse Post alleged that Anson had invested in Aphria, but that following Anson’s “failed short campaign against Tilray”, the Plaintiffs “became desperate” and “**decided to betray [Kassam’s] friends and colleagues at Aphria.**”

33. The August 17 Stockhouse Post falsely stated that the Plaintiffs commissioned the Aphria Hindenburg Report to publish negative material regarding Aphria, and that the Plaintiffs provided Anderson with “sensitive, insider information that [Kassam] obtained from his friendships with Aphria management and founders”.

34. The August 17 Stockhouse Post also falsely claimed that, shortly before the Aphria Hindenburg Report was released, the Plaintiffs took a short position in Aphria so that they could profit from the diminution of its stock price. Aphria’s stock fell following the release of the report, and the post claimed that, “to the outside world Kassam feigned shock...to avoid suspicion even though he had orchestrated the entire scheme and illegally fed Nate insider information.”

35. The August 17 Stockhouse Post implied Anson's conduct violated securities regulations by encouraging regulators to investigate the allegations it contained. It concluded by encouraging readers to "[c]opy and share as I'm sure Moez will try to have this post removed."

36. Shortly after the August 17 Stockhouse Post was published, Anson received an anonymous telephone call at its offices threatening harm to Anson and Kassam.

37. On August 21, 2020, Robert texted Spektor about Puri, commenting: "When I see Sunny...I'm punching his ticket...I've chased sunny now twice now...Ran like a bitch". In the same conversation, he implied that he could have physical harm done to Kassam: "I'm well connected also ... ***if I wanted someone to visit Moez I could [have] had it done already*** but just moved past it and it's his loss now".

D. The August 28, 2020 Stockhouse Post

38. The Defendants conspired to anonymously publish a post on Stockhouse on August 28, 2020 titled "Moez Kassam and Anson at it again – you guys got off lightly", under the pseudonym "stocknsyrup". This post was published using an IP address originating in Mexico City, where www.OilPrice.com has multiple employees (and in fact, the IP address that published this post is the same as the one that published the August 14 Stockhouse Post):

**Moez Kassam and Anson at it again – you guys got off lightly
(/companies/bullboard/v.fd/facedrive-inc?postid=31470222)**



stocknsyrup (/members/stocknsyrup) (1) | August 28, 2020 12:43 pm

39. The August 28 Stockhouse Post alleged that Anson invested in Zenabis and appointed a “**stooge**”, Adam Spears, to Zenabis’ board. Among other things, it falsely and maliciously asserted that Anson used Spears to “convince...Zenabis to do all sorts of things that were hugely detrimental to the company and geared towards its destruction”.

40. The August 28 Stockhouse Post falsely stated that Spears was “feeding Kassam insider information so Kassam could better time the short sells and make even more money. YES, THIS IS ILLEGAL!”.

41. The August 28 Stockhouse Post asserted that the “coup de grace” for Zenabis was Kassam and Spears convincing it to pursue an initial public offering at an overvalued valuation so that, due to Anson’s short position, Kassam would have “a massive win” when Zenabis’ share price fell. It claimed that the Plaintiffs “made a fortune on this” scheme. The post falsely asserted that the Plaintiffs’ conduct “**completely destroyed Zenabis and its shareholders, and it was illegal every step of the way**”, and encouraged regulators to investigate.

APPENDIX “E” - The Defamatory Manifesto

A. Planning the Defamatory Manifesto

42. During meetings and/or conversations to plan the Defamatory Manifesto, Rudensky told Stafford and Robert the following, among other things, establishing that he was involved with the Defamatory Manifesto:

[Rudensky, Transcript #3]: ...But I've been on the street for 15 years and Moez seems like a guy who would have dinner with you and shake your hand and then screw you over and I don't get how he survives...

[...]

[Rudensky, Transcript #3]: ...I was a broker and G&P [i.e. Richardson GMP] for over 10 years [Rudensky worked at Richardson GMP from November 2009 until September 2015 when he left, as described in the statement of claim at paragraphs 17-18]...

[...]

[Rudensky, Transcript #3]: ...In 2018? I left in 2015 and he [Adam Spears] had come in and said his goodbyes a year earlier [Rudensky left Richardson GMP in 2015] ...

[...]

[Rudensky, Transcript #3]: ...Nothing else from me right now. I think we are on the same page, this is reinforcing some of the stuff I've heard.

43. During other meetings and/or conversations to plan the Defamatory Manifesto, Robert and Stafford had, among other things, the following discussions as Stafford asked Robert to draft false and defamatory allegations against the Plaintiffs:

[Stafford, Transcript #4]: OK – so do you have any paper or anything? Everything you've given me is great for a story but it won't take [Kassam] down. So I need something...

[...]

[Stafford, Transcript #4]: ...Interesting, I like that, it's interesting. You know this better than me? Can you write out that whole process start to finish?

[Robert replies, Transcript #4]: Sure – I'll do that example. I can do it on Sunday but that is just one case in the US. ...

[...]

[Stafford, Transcript #4]: ...Ok – can you write something out....

44. During other meetings and/or conversations to plan the Defamatory Manifesto, including several of the meetings described herein, Stafford, Rudensky and/or Robert made, among others, the following statements as they sought to conspire against the Plaintiffs:

[Robert, Transcript #1]: ...The regulators are on to [Kassam] and I know the dirt but you'd have to offer something substantial for me to start digging into Moez. I hate the guy, but I'd have to go out of my way....

[...]

[Robert, Transcript #1]: ...We can hurt him [Kassam] with the regulators and definitely find more info on his funds and who he works with? I ran into Sunny Puri twice and nearly punched him out...

[...]

[Robert, Transcript #2]: ...I'll go through all of this with your investigator...

[...]

[Stafford, Transcript #3]: ...What if we were to put pressure on the banks and brokerages? Credit compliance etc. Then they would take a closer look at their [Anson's] operations...

[...]

[Stafford, Transcript #3]: ...If you were to do surveillance on him [Kassam], where would you look?...

[...]

[Stafford, Transcript #3]: ...We need to make him [Kassam] toxic to force the regulators...

[...]

[Rudensky, Transcript #3]: ...What we need to do is up the pressure on the brokers...

[...]

[Robert, Transcript #3]: ...I'm going to keep talking, but with COVID it's hard to bump into people. But the way we hurt this guy [Kassam] is by doing a report and getting the regulators to look at it...

45. During other meetings and/or conversations to plan the Defamatory Manifesto, including several of the meetings described herein, Robert implied that Stafford was paid by Facedrive and that Stafford had an animus against the Plaintiffs:

[Robert, Transcript #1]: ...So Moez was panicking and bringing up your name [Stafford] and oilprice and the fact you got \$8 million to promote [Facedrive]. Which is a number I heard a long time ago...

[...]

[Robert, Transcript #2]: ...You're [Stafford] not the first person he's [Moez] pissed off...

[...]

[Robert, Transcript #3]: ...You have that with Facedrive, it hit 500 million and [Kassam] shorted it and you guys [Stafford and www.OilPrice.com] ran it to 1-2 billion...

46. During other meetings and/or conversations to plan the Defamatory Manifesto, including several of the meetings described herein, Robert and Stafford made, among other things, the following statements about Rudensky's employer Andy DeFrancesco:

[Stafford, Transcript #2]: ...Has [Kassam] screwed other people over apart from Andy?...

[...]

[Stafford, Transcript #3]: ...Is there anything we can do to help Andy or is he just screwed?...

[...]

[Robert, Transcript #3]: ...Everybody got mad and nobody wanted to touch Andy and it was all Moez...

47. During other meetings and/or conversations to plan the Defamatory Manifesto, including several of the meetings described herein, Robert claimed to have involvement behind critical research findings that were published about publicly traded companies:

[Robert, Transcript #1]: So here's my conundrum here. I do hate Moez but I am friends with Nate [Hindenburg Research] and I gave feedback on his [Facedrive] report and helped with it. I didn't know you at this time or who was on the other side of this trade...And I've helped Nate [Nathan Anderson of Hindenburg Research] on these reports before. So Andy called me last night and I couldn't say much because I didn't want to burn my relationship with Nate either...

[...]

[Robert, Transcript #1]: ...We [referring to Robert and Nathan Anderson of Hindenburg Research] did a short called Aphria with Andy...

B. Summary of the Defamatory Manifesto

48. From its first paragraph, the Defamatory Manifesto accuses the Plaintiffs of engaging in criminal and unethical conduct (emphasis added):

Never has there been a bigger scourge of the Canadian capital markets. Moez Kassam and his Anson Funds have systematically engaged in capital market crimes, including insider trading and fraud, to rob North American shareholders of countless millions. In his attempt to destroy small-cap Canadian companies through nefarious means, a string of feeder funds and untraceable payments to elude regulators, Moez Kassam has betrayed even his closest friends. Now, the other shoe is about to drop as Kassam's funds run out and a string of failed attempts at illegal destruction leave this naked short seller truly naked.

49. The Defamatory Manifesto labels Kassam the “Toad of Bay Street”, with a large photograph of a toad, and advises readers to “steer clear” from Kassam’s ***“illegal activities.”***

50. The Defamatory Manifesto makes clear that its purpose is to paint Kassam as “the symbol of everything that is wrong with capital markets” and that with the “help” of “Kassam’s acquaintances [who] have flipped amid all the betrayal,” a “team of investigators is following all the threads of the ***questionable and illegal activities Kassam has pursued in an attempt to make money by destroying small companies and the lives of anyone who happened to get in his way:*** even those who helped him and ended up being disposable.”

51. The Defamatory Manifesto falsely implies that the Plaintiffs have violated securities regulations. It improperly and maliciously encourages regulators, such as the OSC, SEC and IIROC, to investigate the Plaintiffs and implores them to “Pay Close Attention” to ***“high-functioning sociopath”*** Kassam. It claims that Kassam is “pinging [the] regulatory radar quite loudly” and that, in addition to Canadian regulatory scrutiny, the Plaintiffs’

“[d]irty deals in the U.S. are going to haunt [Kassam] as well—and the SEC has razor-sharp teeth.”

52. The Defamatory Manifesto gives the false impression that the Plaintiffs were already under regulatory investigation. Later modified versions of the Defamatory Manifesto state at the outset: “IMPORTANT UPDATE: **OSC and IIROC are now aware of Anson’s illegal market activities** and are asking the public for information. The regulators need your help. If you have information for them or have been hurt because of their actions please get in touch... Do not be silent – help them clean up the capital markets”. This part of the Defamatory Manifesto includes a link to an OSC media release that has no known connection to Anson, in an attempt to lend further credibility to the false notion that the Plaintiffs are under investigation.

53. The Defamatory Manifesto implies falsely that the Plaintiffs engaged in “naked short selling” by stating that they were the “primary inspiration” of a forthcoming bill to prohibit “naked short selling in Canada.”

54. The Defamatory Manifesto calls the Plaintiffs’ fully legal short-selling strategy “**illegal**” and claims that Kassam has “**lost friends...almost all of whom he betrayed in underhanded and illegal short-selling schemes**, including the best man at his wedding whom he threw under a speeding short-selling bus”.

55. While this allegation is false, Robert is one of the few individuals who has information about the relationship between Kassam and his best man, Allen Spektor, who introduced Kassam to Robert. During meetings and/or conversations to plan the

Defamatory Manifesto, Robert told Stafford and Rudensky the following, among other things:

[Robert, transcript #3]: [Kassam] is a piece of shit. He befriends people, uses people. I just spoke to the best man [Allen Spektor] at his wedding and they don't talk about shorting anymore because he just feeds everyone shit. This is his best friend. They don't talk about short selling because it ruins the friendship...

[...]

[Robert, transcript #3]: He's a big guy, he [Allen Spektor] was his best man. And he [Spektor] introduced me to Moez a long time ago and promised me the world if I helped this guy, and none of them came true. This Alan [Spektor] guy has recommended so many people that Moez fucked over that he doesn't involve himself in the circle anymore. I gave him a hard time.

56. The Defamatory Manifesto claims that “Moez Kassam’s MO” and the Plaintiffs’ general investment strategy is to invest in small companies in need of cash to “buy influence”; purposefully place the company “into a vulnerable position” in order to drive down its share price; and then short-sell the company’s shares “by a far greater amount” than their initial investment. It falsely asserts that “[p]rivate placement money coming from Moez Kassam is toxic money that comes with self-destructing strings attached.”

57. Under the heading “**How Moez Kassam Cheated Zenabis**”, the Defamatory Manifesto falsely accuses Kassam of engaging in a “game” in which he took a “visible long position” in Zenabis and a “much larger (10x) secret short position” to cause Zenabis’ share price to go down. It falsely states that Kassam effectuated his scheme by placing “a figurehead as the director of [the] company” – Adam Spears – and convincing him to go public at “the highest possible valuation” to “set up a massive downside potential for Kassam to make a killing shorting” its shares. The Defamatory Manifesto also alleges

falsely that Spears “fed” Kassam material non-public information that the Plaintiffs then leaked to the public, and which the Plaintiffs also used to time short sales advantageously. The Defamatory Manifesto claims that the Plaintiffs replaced Zenabis’ CEO after he discovered the “scheme”, and installed a new CEO whom they convinced “to dig his own grave” because they “were in control” of Zenabis “through their **stooge, Adam Spears**”. The Defamatory Manifesto asserts that the Plaintiffs’ “dirty short selling strategies” had “completely destroyed Zenabis, taking it from a \$950-million market cap company all the way down to around \$50 million over dinner and drinks.”

58. These are false allegations that Robert had previously made using the “Betting Bruiser” Twitter account, prior to the Defamatory Manifesto being published. These allegations were also included in the Unlawful Stockhouse Statements.

59. The Defamatory Manifesto continues with respect to Aphria. It falsely accuses Kassam of being “the mastermind” behind the Aphria Hindenburg Report by using Puri – who it says “makes bottom feeders look appealing” and did all the “dirty legwork”– to “illegally feed” its author Nate Anderson “sensitive, insider information that he obtained from his friendships with Aphria management and founders – sprinkled with exaggerated lies”. The Defamatory Manifesto asserts that the Plaintiffs were “a large holder of Aphria stock” and short sold shares immediately before release of the Aphria Hindenburg Report, which “irreparably damaged” and “crashed Aphria stock”. The Defamatory Manifesto claims that Kassam “**betrayed**” his “friends” and then “feigned shock...to avoid suspicion even though he had **orchestrated the entire scheme and illegally fed Nate [Anderson of Hindenburg Research] insider information.**”

60. The Unlawful Stockhouse Statements contained the same allegations regarding the Plaintiffs and Aphria, as did the “John Murphy” tweets from before the Defamatory Manifesto was published.

61. The Defamatory Manifesto falsely alleges that the Plaintiffs engaged in a similar scheme with Genius Brands International, Inc. (“**Genius**”), a children’s entertainment company. It falsely states that Plaintiffs engineered a “pump and dump” scheme whereby they raised Genius’ share price by commissioning favourable reports from “pumpers” on social media, and then took “significant short positions” immediately prior to the release of a negative report that they commissioned Nate Anderson of Hindenburg Research to write. The Defamatory Manifesto also falsely claims that Kassam had provided vetted “insider” information to Anderson to assist with writing that report. The Defamatory Manifesto’s allegations regarding Genius maliciously conclude by implying the Plaintiffs violated securities regulations: “The Toad of Bay Street—dipping his webbed feet precariously into SEC waters—rode [Genius] all the way up and then shorted it all the way down—disgusting.”

62. The Defamatory Manifesto falsely accuses the Plaintiffs of engaging in a similar illegal scheme with Facedrive, a company Stafford was paid to promote and of which he owned a significant number of shares. It falsely states that Plaintiffs took “a huge naked short” position in Facedrive, “panicked,” and in order to drive down its share price, commissioned Anderson of Hindenburg Research to publish a negative report regarding Facedrive. The Defamatory Manifesto claims, falsely, that Kassam told others about the report “days before it went out”, which it characterized as “insider trading”. The Defamatory Manifesto claims that the report “failed to generate the negative action

[Kassam] needed to avoid losing what remains of his fund” and that he “lied to the banks” regarding his Facedrive investment. It warns that Facedrive should “be prepared for another assault out of desperation” because the Plaintiffs are “desperately trying to drive this stock lower”. It states that Plaintiffs would publish a further negative report from researcher “The Friendly Bear”, which the Defamatory Manifesto falsely states was a pseudonym for Kassam and Puri. It also alleges that the Plaintiffs’ banks were helping them with this “illegal” scheme. The Defamatory Manifesto alleges that Anson and Kassam were behind “The Friendly Bear” research report regarding Facedrive – an allegation that is clearly false since no such report exists.

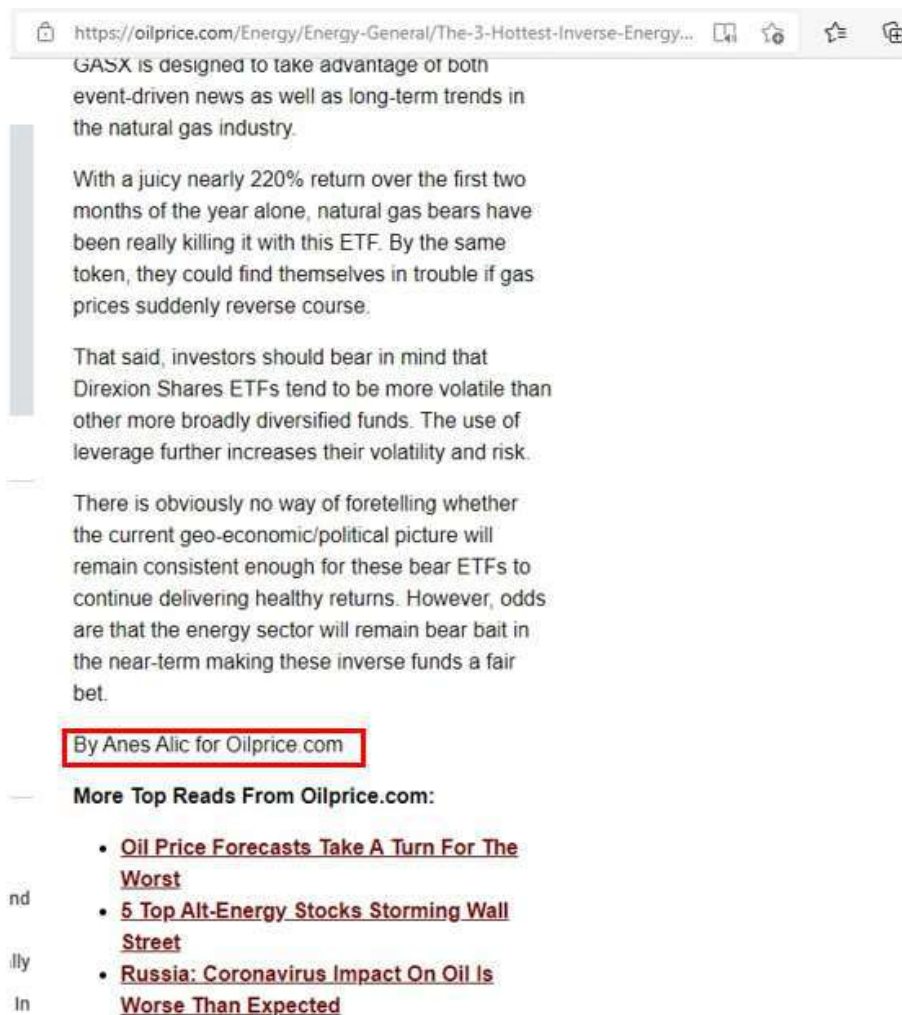
63. As referenced herein, “John Murphy” had previously made similar false assertions about the Plaintiffs and Facedrive. “Betting Bruiser” had also previously tweeted the allegation that the Plaintiffs controlled the Friendly Bear, before the Defamatory Manifesto was published.

64. The Defamatory Manifesto falsely alleges that Tilray had “been the victim of an Anson Funds scheme (which failed)”, and that Anson’s “disastrous attempt to short much larger Tilray” caused “a liquidity crisis” for Anson, which lost hundreds of millions of dollars “in the scheme”. The Defamatory Manifesto further alleges that, having “lost around \$80 million on this dodgy short strategy”, Kassam “nearly lost everything” and had to “grovel” to raise capital for Anson.

65. The Defamatory Manifesto falsely alleges that Anson underpays or “stiffs” people. Robert has made similar allegations that he was not compensated for past due diligence he shared with Anson using the “Betting Bruiser” Twitter account.

C. The Defendants' Attempt to Conceal their Identities and Disseminate the Defamatory Manifesto

66. The Defendants or their proxies communicated with the Bosnian developers using anonymous email addresses to conceal their identities, including from the developers themselves. The email addresses used by the Defendants were editormarketinvestigations@protonmail.ch and anesalic@protonmail.com. "Anes Alic", the name used in one of these email addresses, is a "journalist" for Stafford's website www.OilPrice.com, and the emails sent by anesalic@protonmail.com to the developers were sent either by Stafford or at his behest:



67. The Defendants provided the developers with the text of the Defamatory Manifesto, and the developers created the websites on which it was posted using WordPress. The Defendants paid the developers US\$100 for this work. The Defendants instructed the developers to delete all of their email correspondence following the completion of this work in an attempt to conceal their identities (although the developers did not, in fact, delete all such emails).

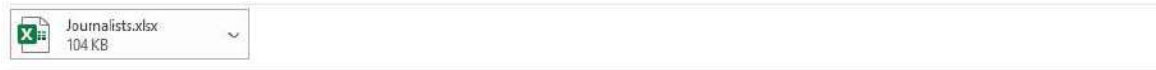
68. Stafford and the other Defendants compiled a spreadsheet containing the names and email addresses of 2,854 journalists, news editors, and others in the business community to whom they planned to disseminate the Defamatory Manifesto. Stafford had these names and contact information in his purported capacity as a “journalist”. He and the other Defendants – seeking to imbue the Defamatory Manifesto with a false sense of credibility – intended that these journalists and news editors would re-publish the allegations against the Plaintiffs in their respective news outlets. The spreadsheet’s metadata indicates that the spreadsheet’s author was “James Stafford”, and that the spreadsheet was created on September 30, 2020 and last edited October 1, 2020 — just days after the Defamatory Manifesto was first published:



69. The first four entries on the spreadsheet are pictured below. The first entry is for “James”, with the email “admin@oilprice.com”. Stafford operates the stock promotion website www.OilPrice.com. The second entry is for “Jim”, with the email address “james@floatingmix.com”, another email address associated with Stafford (and the domain “floatingmix.com” is registered to Advanced Media Solutions, the parent of www.OilPrice.com). The third and fourth entries are for “Jimbo” and “JS” at “capitalmarketsinvestigation@protonmail.com” and “info@stockmanipulators.com”. Both email addresses were used as “tiplines” for different versions of the Defamatory Manifesto:

| | A | B |
|---|-------|--|
| 1 | James | admin@oilprice.com |
| 2 | Jim | james@floatingmix.com |
| 3 | Jimbo | capitalmarketsinvestigation@protonmail.com |
| 4 | JS | info@stockmanipulators.com |

70. Stafford and/or the other Defendants, using the email address “anesalic@protonmail.com”, sent this spreadsheet to the developers hired to assist with disseminating the Defamatory Manifesto:



Sent from ProtonMail mobile

----- Original Message -----

On 4. okt 2020. 23:17, anesalic <anesalic@protonmail.com> wrote:

Sent with [ProtonMail](#) Secure Email.

----- Original Message -----

On Sunday, October 4, 2020 10:44 AM, editormarketinvestigations <editormarketinvestigations@protonmail.ch> wrote:

Sent with [ProtonMail](#) Secure Email.

71. One version of the Defamatory Manifesto used the email address cokiga@protonmail.com as the “tipline”:



72. One of the “journalists” at www.OilPrice.com is named “Cokiga” Damke:



D. The Unsolicited Emails

73. The Unsolicited Emails sharing the Defamatory Manifesto contained further Unlawful Statements against the Plaintiffs. One version of the email included the following (emphasis added):

This is a huge developing story on insider trading, market manipulation and fraud within America and Canada's capital markets that I thought you might be interested in.

Anson Funds and Moez Kassam have been destroying companies through illegal means and their partners are some of the largest banks in the world.

The below investigative report looks at which banks are involved and how the fraud has taken place. A lot of very powerful people are going to find themselves under fire....

From what I have been led to believe Anson Funds have sponsored a huge DDOS attack against the various sites that hosted the article and they have all gone down now.

The report obviously has these crooks very concerned and they are desperate no one reads the report. So we can now add cyber crimes to Anson's list of wrongs as well.

74. Another version of the Unsolicited Emails stated the following:

We have a new tip for you that involves the almost unbelievable activities of a hedge fund based in the U.S. and Canada that has broken countless laws and because of their actions have taken billions from ordinary investors and destroyed a huge number of companies.

Please take a moment to read this piece: [link to "MarketCrimes.to".]

You might have heard rumours about it – but it has been going up and down due to huge DDOS attacks from the hedge fund in question who do not want this information getting out.

A second part will be coming soon but this really is a story that needs to see the light of day and I'm hoping you can share this piece with as many people as possible.

75. These Unsolicited Emails were designed and intended to further harm the Plaintiffs and damage their reputation in the financial industry.

E. Further Attempts to Disseminate the Defamatory Manifesto on Twitter

76. On September 28, 2020 – the day after the Defamatory Manifesto was first published – Robert texted Spektor (the contact who introduced him to Anson) the following in reference to the Defamatory Manifesto (emphasis added):

I knew it was coming...

I know who wrote...

Moez likely going [to] sue

77. On September 29, 2020, “Betting Bruiser” tweeted a link to the Defamatory Manifesto, commenting:



78. On September 29, 2020, shortly after Anson was able to have the Defamatory Manifesto taken down from www.MoezKassam.com, Jacob quickly tweeted a new link to the Defamatory Manifesto on a different website, www.StockManipulators.com – again showing the Doxtators’ involvement in the Defamatory Manifesto. He again included the Twitter accounts of the Globe and Mail, and reporter David Milstead, in his tweet:



79. On September 29, 2020 “John Murphy” also tweeted:

big difference from shorting a fraud and paying for a short report calling a company a fraud to try and fix your trade. bad companies need to be taken down. big difference between the two. anson does both! [sic]

80. On September 30, 2020, Robert referenced the Defamatory Manifesto in a “Betting Bruiser” tweet to advance his allegation that he was unpaid for certain due diligence:

Something that was wrong about the Anson and Moez article circulating was the allegation that Moez/Anson compensates people to write reports. They just use people and don’t pay anyone but themselves. \$ZENA \$APHA #PotStocks

81. On September 30, 2020, in response to an Anson press release denouncing the Unlawful Statements, “John Murphy” commented:

Anson and Moez put out this response. it fails to address the allegations outlined. when they question a company they ask for a line by line response. we are waiting @MunchingMoez ansonfunds.com/wp-content/upl... @QTRResearch @BettingBruiser @LamboJohnny @weedstreet420 @davidmilstead

82. During this time, “John Murphy” re-tweeted several tweets publishing links to the Defamatory Manifesto. He also re-tweeted several of Robert’s tweets about the Plaintiffs, as well as those of other Twitter users sharing and discussing the Defamatory Manifesto,

reflecting the Defendants' concerted and coordinated effort to defame the Plaintiffs. He also repeated false allegations of a DDOS attack by Anson, in replying to a tweet by "Betting Bruiser" that contained a link to the Defamatory Manifesto with the following false allegation:

sounds like #moez attacked the site where the @AnsonGroupFunds report was profiled. a very expensive DDOS attack to prevent the public from seeing the piece. Investors in the fund probably have plenty of questions for @MunchingMoez @davidmilstead \$apha \$fd \$gfl \$shrm many more

F. "Betting Bruiser" Tweets

83. The tweets published by "Betting Bruiser" shortly after the Whatsapp exchange between Kassam and Robert included the following:

- (a) "One thing that was left out of the \$ZENA [Zenabis] and Anson Funds report was [the] fact that Anson's funds legal counsel (Laura Salvatori) husband (Muneeb Yusuf) via Brownstone Advisors facilitated the toxic financing deal between \$ZENA & \$TLRY [Tilray] ... conflict of interest much? #Potstocks";
- (b) "Hi Laura [Salvatori, Anson's legal counsel] [Hand waving emoji] ... cause I know you follow every tweet I speak about Anson ... I thought I'd give you a shoutout! \$ZENA \$TLRY #PotStocks";
- (c) "If you r an Anson Funds investor ... be prepared to have your funds locked up b/c there is a lot [of] information floating out there that paints a picture of scams to benefit none other then [sic] Moez Kassam. \$ZENA story is just one of hundreds were its [sic] alleged he broke the law. #PotStocks";

- (d) “Maybe I should speak to regulators about Anson Funds and collect the reward in 50 years Or should I just leak snippets of recorded conversations with Moez Kassam? Thoughts? #PotStocks”; and
- (e) “I think I’m going [to] release some of the recordings about Moez Kassam ... just interested how much money Anson pays Ben Axler from @sprucepointcap ... you care to comment Ben?”

84. The tweet described immediately above was accompanied by a purported transcript of a recent conversation between Kassam and Robert. In fact, the conversation that was transcribed occurred several years ago and the tweet was misleading. This was another attempt by Robert to deceive his Twitter followers and defame the Plaintiffs.

85. On October 9, 2020 — the Friday before Thanksgiving weekend — “Betting Bruiser” wished death on Kassam:



86. On October 29, 2020, shortly after the Defamatory Manifesto was republished on www.MarketCrimes.to, “John Murphy” tweeted a link to the new website, and included in the tweet the Twitter accounts of BNN Bloomberg and Jeff Kehoe, the Director of

Enforcement for the OSC, to bring the Defamatory Manifesto to their attention and attempt to cause the maximum harm to the Plaintiffs.

87. On October 30, 2020, “Betting Bruiser” posted further Unlawful Statements regarding Anson and Kassam:

- (a) he posted a recording of part of a recent conversation between Robert and Kassam regarding the Conspiracy, with the following comment: “This is Moez Kassam from Anson Funds in the flesh running scared from recent reports about his tactics. Worth a listen. This guy is the scum of the earth”; and
- (b) “He doesn’t have anyone but the scum Sunny Puri, the Globe & Mail and other short sellers doing his dirty work for him. Including paying @sprucepointcap @CitronResearch @FriendlyBearSA and others ... why did you block me Ben Adler ... is it the fact your Moez Kassam lapdog?”

88. On October 31, 2020, “Betting Bruiser” posted a tweet encouraging vandalism of Kassam’s house:



G. Messages Publicizing the Defamatory Manifesto

89. The Defendants and/or their proxies shared links to the Defamatory Manifesto on Yahoo Finance with the comments including the following:

- (a) a user named “America” commented, “Will the Canadian regulators do something? I cannot believe someone has been able to get away with this for so long”;

- (b) a user named “Antti” commented, “Canadian hedge fund under fire for illegal practices[.] Looks like Anson have managed to take those sites down – they don’t want the world to know about their crimes”;
- (c) a user named “Alissa” published several messages sharing the Defamatory Manifesto, commenting, “This is everything that’s wrong with the stock market... Looks like a big scandal might be unfolding”, “Have anyone else seen this??? Bomb report on Moez Kassam and Anson Funds. About time ... Clean up what’s truly dirty and rotten to the core” and “Interesting investigative piece looking at a short selling group that have scammed investors out of billions. It’s a must read”; and
- (d) a user named “Daniela” commented, “Seems like a scandal might be starting in the Canadian markets[.] Take a look at this article I found on another community about this hedge fund guy that has been running amok in the Canadian markets – crazy...”.

90. Posts published on Stockhouse in September and October 2020 included the following:

- (a) on September 29, 2020, a user named “KhalidZ” shared a link to the Defamatory Manifesto with comments almost identical to those of “Daniela”, described above: “A scandal might be starting to unfold in the Canadian market[.] Take a look at this article I found on another community about this hedge fund guy that has been running amok in the Canadian markets –

crazy...”. This post published using the VPN “Digital Ocean”, a provider of personal VPN services; and

- (b) on October 1, 2020, a user named “HannaJensen” shared a link to the Defamatory Manifesto with comments identical to those published by “Alissa”, described above: “Interesting investigative piece looking at short selling group that have scammed investors out of billions”.

91. The Defendants or their proxies published Further Unlawful Stockhouse Statements in fall 2020, with headline tags including the following:

- (a) “Time’s Up”;
- (b) “Expose on Moez Kassam”;
- (c) “Tale of Corruption”;
- (d) “These short sellers soured the entire cannabis market”;
- (e) “Check out this piece on short selling bandits in Canada”; and
- (f) “A big scandal might be unfolding in Canadian markets.”

92. Many of these posts included links to the Defamatory Manifesto, and many of the Further Unlawful Stockhouse Statements posted in fall 2020 were published using the Digital Ocean VPN.

H. The Stafford Unlawful Stockhouse Statements

93. The Stafford Unlawful Stockhouse Statements, all published under the username “toffraffles”, were as follows. Many of them referred to Facedrive, one of the companies that Stafford was hired to promote and of which he owned a significant number of shares, as set out herein:

| Date | Subject | Post |
|-------------------|---|--|
| November 18, 2020 | Edward is Upset Because Moez Kassam is Losing Money on FD | Poor Edwardoboo – he gets paid per post from Anson Funds and now his paymaster is losing money hand over fist with his Facedrive short. You referenced the Hindenberg report. This as everyone online knows was a paid for hit piece by Anson. Why don't you look at the report on Moez Kassam and Anson Funds that is going around the internet. Find out just who you are working for. Pure scum. Here's the link just in case you haven't read it: [link to Defamatory Manifesto] |
| November 19, 2020 | RE: Watch the basher rhetoric increase.... | Edwardoboo will be coming in hard with the bashing. Probably just got off the phone with Sunny and Moez. They will be upping his salary to \$15 per post if he can create multiple bashing profiles. No sweeter taste than short sellers tears. |
| November 19, 2020 | RE:RE:RE: Watch the basher rhetoric increase.... | Here he is – Edward's back – yay. More half witted twaddle from the man who couldn't even get a job in a convenience store and instead has to try and pull down companies for the pennies Moez and Anson tosses him. This company is going places my old mucker. Does Microsoft partner with anyone on the street? No – they know what's happening here and so does the market. Your boss is on the wrong side of this one and is going to lose BIG |

| Date | Subject | Post |
|-------------------|--|--|
| February 25, 2021 | What an investigation into Facedrive and Shorts would find | <p>Good post on Yahoo Finance – must read for all Facedrive investors: [link]</p> <p>As someone who has been in since the \$10 range I love the shorts here saying they hope for an investigation. What they do not want is an investigation and neither do their partners in crime, TD Bank, CIBC, RBC. They have been facilitating Anson Funds illegal behaviour with spoofing, downticking and wash trading. They have been miss-marking tickets and hiding the true extent of the naked short position Anson Funds has in Facedrive.</p> <p>They have ruined the market through their illegal actions and any investigation WILL expose this. The banks will sweep this under the rug, cut Anson Funds off and try to get the regulators to move on to mask their continuous illegal behavior.</p> <p>Should the stock be here on fundamentals? No of course not – but Anson and the banks have broken the market and this is why we are seeing the big jumps in share price and I imagine we will see even bigger ones in future when they are forced to cover the bulk of their naked short.</p> <p>This will end very badly for the shorts and I for one welcome an investigation into this whole drama. the banks who will be exposed as Anson Funds are just a grubby little predator who spotted an opportunity and got caught. Now they can't get out of it and when the real buy ins happen this could be a textbook case for making naked short selling in Canada illegal with severe penalties</p> |

| Date | Subject | Post |
|-------------------|--|---|
| February 25, 2021 | RE:RE:What an investigation into Facedrive and Shorts would find | you have probably it the right way and gotten the borrow. Anson absolutely have not. TD alone are north of 2 million shares naked short and RCB, TD Bank and others aren't far behind. If you play the game fairly like you have then that's all good – but these guys don't plair [sic] fairly which is the real problem. The real naked short is rumoured to be around 8 million shares which is utterly insane and proves the market or regulatory regime in Canada is utterly broken. I can see this being in textbooks in the future for what can happen when hedge funds are allowed to go naked short and it all goes horribly wrong. Another poster on here said that Anson are waiting for a huge lockup to come free trading in March and that insiders will be dumping their stock. What happens if insiders don't dump and instead hold their shares? Anson have been promising the banks they will. We will see but if Anson are wrong this could explode as the banks will not put up with their lies and stalling any longer as the numbers no longer make sense and force them to cover |
| February 25, 2021 | RE:RE:RE:RE:RE: What an investigation into Facedrive and Shorts would find | you are cleay [sic] a paid Anson Funds stooge. Moez only courts press and comes out when he is desperate and he is VERY desperate. Anson had a diabolical January and i have heard Frbruary [sic] is atrocious as well. He needs funds so Bloomberg put out that puff piece. They are going down |
| March 10, 2021 | RE:RE:RE:RE:RE: Medtronics locking up Facedrive stock for another year | Very little short interest. Don't try and play us for mugs. Everyone on the street knows about the HUGE naked short Anson Funds and their syndicate have against Facedrive. It's the talk of Baystreet [sic]. This trade is going to go very badly for the naked shorts. |

ANSON ADVISORS INC., ANSON FUNDS MANAGEMENT -and-
LP, ANSON INVESTMENTS MASTER FUND LP AND
MOEZ KASSAM
Plaintiffs

ROBERT LEE DOXTATOR, JACOB DOXTATOR,
JOHN DOE 1, JOHN DOE 2, JOHN DOE 3, JOHN DOE 4
AND OTHER PERSONS UNKNOWN
Defendants
Court File No. CV-20-00653410-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

FRESH AS AMENDED STATEMENT OF CLAIM

DAVIES WARD PHILLIPS & VINEBERG LLP

155 Wellington Street West
Toronto ON M5V 3J7

Matthew Milne-Smith (LSO# 44266P)

Email: mmilne-smith@dwvpv.com

Tel: 416.863.5595

Andrew Carlson (LSO# 58850N)

Email: acarlson@dwvpv.com

Tel: 416.367.7437

Maura O'Sullivan (LSO# 77098R)

Email: mosullivan@dwvpv.com

Tel: 416.367.7481

Lawyers for the Plaintiffs (Defendants to the Counterclaim),
Anson Advisors Inc., Anson Funds Management LP, Anson
Investments Master Fund LP and Moez Kassam

**THIS IS EXHIBIT "5" REFERRED
TO IN THE AFFIDAVIT OF ANDREW RUDENSKY
SWORN BEFORE ME THIS
25TH DAY OF FEBRUARY, 2024.**



Connor Allison

AMENI
MODIF Electronically filed / Déposé par voie électronique : 02-Feb-2024
① RU Toronto Superior Court of Justice / Cour supérieure de justice
① THE ORDER OF _____
L'ORDONNANCE DU _____
DATED/FAIT LE _____
REGISTRAR GREFFIER
SUPERIOR COURT OF JUSTICE COUR SUPÉRIEURE DE JUSTICE

Court File No. CV-20-00653410-00CL

REGISTRAR GREFFIER
SUPERIOR COURT OF JUSTICE COUR SUPÉRIEURE DE JUSTICE

Digitally signed by Amaresh Bhaskaran
Date: 2024.02.09 12:10:49 -05'00'

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

B E T W E E N:

**ANSON ADVISORS INC., ANSON FUNDS MANAGEMENT LP,
ANSON INVESTMENTS MASTER FUND LP and MOEZ KASSAM**

Plaintiffs

- and -

**JAMES STAFFORD, ANDREW RUDENSKY, ROBERT LEE DOXTATOR,
JACOB DOXTATOR, JOHN DOE 1, JOHN DOE 2, JOHN DOE 3,
JOHN DOE 4 and OTHER PERSONS UNKNOWN**

Defendants

AND BETWEEN:

ROBERT LEE DOXTATOR

Plaintiff by Counterclaim

- and -

**ANSON ADVISORS INC., ANSON FUNDS MANAGEMENT LP,
ANSON INVESTMENTS MASTER FUND LP, MOEZ KASSAM and
ALLEN SPEKTOR ~~and ANDREW RUDENSKY~~**

Defendants by Counterclaim

AMENDED STATEMENT OF DEFENCE OF ANDREW RUDENSKY

1. The Defendant, Andrew Rudensky (“**Rudensky**”), admits none of the allegations contained in the Fresh as Amended Statement of Claim (the “**Claim**”).

2. Rudensky either has no knowledge of or denies all other allegations in the Claim, except to the extent expressly admitted herein. Rudensky specifically denies that any of the Plaintiffs are entitled to any of the relief sought in paragraph 1 of the Claim.

Andrew Rudensky

3. Rudensky resides in Naples, Florida, USA.

4. Rudensky is a stock trader. Between approximately 2017 and January 2020, Rudensky traded stocks out of the office of the Delavaco Group headed by Andy DeFrancesco. Rudensky was not a partner or an employee in the Delavaco Group.

5. Rudensky has no relationship with the Defendants, Robert Doxtator and Jacob Doxtator.

6. Rudensky met the Defendant, James Stafford in 2018.

7. Rudensky denies having an *animus* against the Plaintiffs, Anson Advisors Inc., Anson Funds Management LP and Anson Investments Master Fund LP (together “**Anson**”) or their principal, the Plaintiff, Moez Kassam (“**Kassam**”) and/or blaming the Plaintiffs for the critical research findings of Hindenburg Research regarding Aphria Inc. Rudensky made money on trades of Aphria Inc. securities and did not suffer any meaningful losses as a result of any negative articles published about the company or about Andy DeFrancesco.

No Conspiracy

8. Rudensky denies having any involvement in the making and publication of the Unlawful Statements as defined in the Claim.

9. Rudensky denies entering into an agreement with any of the other Defendants to make and publicize the Unlawful Statements against the Plaintiffs with the predominant purpose of injuring them by damaging their business and reputation.

10. Rudensky further denies carrying out an alleged conspiracy with the other Defendants by any unlawful means with the knowledge that the Unlawful Statements would harm the Plaintiffs.

No False Light

11. Rudensky denies giving publicity to false allegations against the Plaintiffs that placed them in a false light. As set out above, Rudensky was not involved in making and publishing the Unlawful Statements.

12. In the alternative, there is no falsity in the Unlawful Statements for Rudensky to have knowledge of, or to have reckless disregard for. The Unlawful Statements are substantially true.

No Intentional Interference with Economic Relations

13. Rudensky denies making, assisting with, contributing to and/or publicizing any false, malicious, defamatory, or unlawful public statements about the Plaintiffs, Kassam

or other Anson personnel with the intent to harm the Plaintiffs' business and to damage their reputation.

14. In any event, there was no deception of third parties by the subject matter of the Unlawful Statements. Any harm to the Plaintiffs' reputation or business allegedly experienced is a direct result of the Plaintiffs' own conduct, including being the subjects of criminal and/or securities regulatory investigations, proceedings and orders in the United States.

No Appropriation of Personality

15. Rudensky denies purchasing the domain name www.MoezKassam.com or using it to publicize the Unlawful Statements. Rudensky also denies acquiring the email address info@moezkassam.com in furtherance of the alleged conspiracy.

16. In any event, Kassam is not a celebrity, and the acquisition of neither the domain name www.MoezKassam.com nor the email info@moezkassam.com constitutes an exploitation or appropriation of a proprietary right of Kassam to market his personality for commercial gain.

No Internet Harassment

17. Rudensky denies writing, publishing, disseminating, and publicizing any of the Unlawful Statements and further denies engaging in any "defamation campaign" against the Plaintiffs.

18. In any event, the writing, dissemination, and publication of the Unlawful Statements does not constitute “extreme conduct that is beyond all bounds of decency or tolerance,” and has not caused harm to the Plaintiffs.

No Defamation

19. Rudensky denies making the Unlawful Statements, including any and all alleged defamatory statements contained in the Claim.

20. In any event, the subject matter of the Unlawful Statements concerns the fairness and integrity of the capital markets, and the damage that is caused to companies and shareholders by the short-selling tactics allegedly employed by the Plaintiffs. This is a matter of public interest.

21. Furthermore, all of the alleged defamatory statements in the Unlawful Statements are either opinions or comments which are generally incapable of proof, or statements of fact that are substantially true. None of these constitute defamation.

This Action is an Abuse of Process, and a Proceeding That Limits Freedom of Expression on Matters of Public Interest

22. As set out above, Rudensky denies publicizing any defamatory statements. However, even if he had participated in making the Unlawful Statements alleged in the Claim, such matters are matters of public interest entitling the Defendants to bring a motion under s 137.1(2) of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended, to dismiss this claim. Rudensky reserves the right to do so at any time in this proceeding.

23. This proceeding was commenced in bad faith for the purpose of discouraging individuals from expressing themselves on matters of public interest related to the Plaintiffs' business practices and the corresponding fallout in the capital markets. If allowed to proceed, it will stifle broad participation in debates on these matters of public interest and defeat the objectives of s. 137.1 of the *Courts of Justice Act*.

General Defences

24. Rudensky denies that the Plaintiffs have suffered any damages and puts the Plaintiffs to the strict proof thereof.

25. In the alternative, if the Plaintiffs have suffered damages, which is not admitted but is expressly denied, such damages were too remote and unforeseeable and therefore not recoverable at law.

26. In addition, or in the further alternative, the Plaintiffs caused or contributed to some or all of any damages they may have suffered by engaging in the conduct outlined in some or all of the Unlawful Statements set out in the Claim. The Plaintiffs were contributorily negligent and Rudensky pleads and relies upon the relevant provisions of the *Negligence Act*, R.S.O. 1990, c. N.1, as amended.

27. In addition, the Plaintiffs have failed to take reasonable steps to mitigate any damages they may have suffered, including, but not limited to, seeking court orders requiring the ISP providers that host the relevant websites containing the alleged Unlawful Statements to remove them from the internet, and other steps.

28. The claim against Rudensky is scandalous, frivolous, vexatious, and an abuse of the process of this court. It is rife with improper pleadings, including the pleading of evidence, and was drafted for a different audience than this court.

29. Rudensky denies that the evidence pleaded in the Claim demonstrates his alleged involvement in the development and dissemination of the Unlawful Statements. Rudensky contests the authenticity of the alleged "Transcript #3" referred to in Appendix "E" of the Claim, which does not refer to him or any other speakers by name, and in which alleged conversation he has no recollection of participating. Rudensky further states that the Defendant, Robert Doxtator, has admitted under oath that he falsely accused Rudensky of participating in or contributing to the Defamatory Manifesto (as defined in the Claim) in his Whatsapp chat with Kassam on October 1, 2020, referenced in paragraph 98 of the Claim.

30. The Plaintiffs' conduct in naming Rudensky in this action, in harassing his family with improper efforts to serve him, in improperly noting him in default and in obtaining default judgment against him are part of a calculated, high-handed and malicious effort to intimidate Rudensky. The Plaintiffs are pursuing Rudensky in the hopes of obtaining information or cooperation from him that may assist the Plaintiffs in pursuing the other Defendants and Andy DeFrancesco, the latter whom the Plaintiffs believe is involved in the conduct described in the Claim. However, Rudensky was not involved in the dissemination of the allegedly defamatory publications set out in the Claim.

31. Kassam specifically called Rudensky prior to adding him as a defendant in the action and told Rudensky that he was not the target of this lawsuit, and that Kassam

would leave Rudensky out of it if Rudensky assisted him in pursuing the other Defendants and Andy DeFrancesco. Kassam further threatened to name Rudensky in a Globe & Mail article if he did not comply with his demands for assistance.

32. The Plaintiffs' claims are statute-barred. Rudensky pleads and relies on the *Limitations Act, 2002*, S.O. 2002, c. 24, Sched. B, as amended, and the *Libel and Slander Act*, R.S.O. 1990, c. L.12, as amended.

33. Rudensky requests that the action be dismissed against him in its entirety, and that he be awarded full or substantial indemnity costs of the action and/or costs as provided for under s. 137.1 of the *Courts of Justice Act*.

January 29, 2024

BLANEY MCMURTRY LLP

Barristers and Solicitors

2 Queen Street East, Suite 1500

Toronto ON M5C 3G5

John Polyzogopoulos (LSO #43150V)

Tel: (416) 593-2953

jpolyzogopoulos@blaney.com

Connor Allison (LSO #79878R)

Tel: (647) 776-7306

callison@blaney.com

Lawyers for the Defendant, Andrew
Rudensky

TO: DAVIES WARD PHILLIPS & VINEBERG LLP

Barristers and Solicitors
155 Wellington Street West
Toronto, ON M5V 3J7

Matthew Milne-Smith (LSO #44266P)

Tel: (416) 863-5595

mmilne-smith@dwpv.com

Andrew Carlson (LSO #58850N)

Tel: (416) 367-7437

acarlson@dwpv.com

Maura O'Sullivan (LSO #77098R)

Tel: (416) 367-7481

mosullivan@dwpv.com

-and-

BENNETT JONES LLP

Barristers and Solicitors
37th Floor – 155 Wellington Street West
Toronto, ON M5V 3J7

Robert W. Staley (LSO #27115J)

Tel: (416) 863-1200

staleyr@bennettjones.com

Douglas A. Fenton (LSO #75001I)

Tel: (416) 863-1200

fentond@bennettjones.com

Dylan H. Yegendorf (LSO #85016M)

Tel: (416) 863-1200

yegendorfd@bennettjones.com

Lawyers for the Plaintiffs/Defendants by Counterclaim

AND

TO: KIM SPENCER McPHEE
Barristers and Solicitors
Suite 1203 – 1200 Bay Street
Toronto, ON M5P 2A5

Won J. Kim
Tel: (416) 349-6570
wjk@complexlaw.ca

Megan B. McPhee
Tel: (416) 349-6574
mbm@complexlaw.ca

Lawyers for the Defendants, James Stafford and
Jacob Doxtator

AND

TO: ROBERT LEE DOXTATOR
238 Ridge Rd.
Tyendinaga Mohawk Territory
Ontario, Canada K0K 1X0
harvestmoonresearch@gmail.com

Defendant/Plaintiff by Counterclaim

Court File No. CV-20-00653410-00C
JAMES STAFFORD ET AL
Defendant

ANSON ADVISORS INC. ET AL
Plaintiffs
and

| | | |
|--|--|---|
| <p>ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST</p> <p>Proceeding commenced at Toronto</p> | <p><u>AMENDED</u> STATEMENT OF DEFENCE OF ANDREW RUDENSKY</p> | <p>BLANEY MCMURTRY LLP Lawyers 2 Queen Street East, Suite 1500 Toronto ON M5C 3G5</p> <p>John Polyzogopoulos (LSO #43150V) Tel: (416) 593-2953 jpolyzogopoulos@blaney.com</p> <p>Connor Allison (LSO #79878R) Tel: (647) 776-7306 callison@blaney.com</p> <p>Lawyers for the defendant, Andrew Rudensky</p> |
|--|--|---|

**THIS IS EXHIBIT "6" REFERRED
TO IN THE AFFIDAVIT OF ANDREW RUDENSKY
SWORN BEFORE ME THIS
25TH DAY OF FEBRUARY, 2024.**



Connor Allison

Court File No. CV-20-00653410-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

**ANSON ADVISORS INC., ANSON FUNDS MANAGEMENT LP,
ANSON INVESTMENTS MASTER FUND LP and MOEZ KASSAM**

Plaintiffs

- and -

**JAMES STAFFORD, ANDREW RUDENSKY, ROBERT LEE DOXTATOR,
JACOB DOXTATOR, JOHN DOE 1, JOHN DOE 2, JOHN DOE 3,
JOHN DOE 4 and OTHER PERSONS UNKNOWN**

Defendants

AND BETWEEN:

ROBERT LEE DOXTATOR

Plaintiff by Counterclaim

- and -

**ANSON ADVISORS INC., ANSON FUNDS MANAGEMENT LP,
ANSON INVESTMENTS MASTER FUND LP, MOEZ KASSAM
and ALLEN SPEKTOR**

Defendants by Counterclaim

AFFIDAVIT OF DOCUMENTS

I, **ANDREW RUDENSKY**, of the City of Naples, Florida, in the United States of America, **MAKE OATH AND SAY AS FOLLOWS:**

1. I have conducted a diligent search of my records and made appropriate enquiries of others to inform myself in order to make this Affidavit. This Affidavit discloses, to the full

extent of my knowledge, information and belief, all documents relevant to any matter in issue in this action that are or have been in my possession, control or power.

2. I have listed in Schedule "A" those documents that are in my possession, control or power and that I do not object to producing for inspection.

3. I have listed in Schedule "B" those documents that are or were in my possession, control or power and that I object to producing because I claim they are privileged, and I have stated in Schedule "C" the grounds for each such claim.

4. I have listed in Schedule "C" those documents that are in my possession, control or power that I do not object to producing for inspection but that are settlement privileged.


5. I have listed in Schedule "D" those documents that were formerly in my possession, control or power but are no longer in my possession, control or power, and I have stated in Schedule "D" when and how I lost possession or control of or power over them and their present location.

6. I have never had in my possession, control or power any document relevant to any matter in issue in this action other than those listed in Schedules "A", "B", "C" and "D".

SWORN by Andrew Rudensky of the City of Naples, in the State of Florida, USA, before me at the City of Toronto, in the Province of Ontario, on February 25, 2024, in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits
Connor Allison (LSO #79878R)


ANDREW RUDENSKY

LAWYER'S CERTIFICATE

I CERTIFY that I have explained to the deponent,

- (a) the necessity of making full disclosure of all documents relevant to any matter in issue in the action;
- (b) what kinds of documents are likely to be relevant to the allegations made in the Pleadings; and
- (c) if the action is brought under the simplified procedure, the necessity of providing the list required under rule 76.03.

February 25 , 2024



John Polyzogopoulos

SCHEDULE "A"

Documents in my possession, control or power that I do not object to producing for inspection.

| NO. | DATE | DOCUMENT |
|------------|-------------|---|
| 1. | Oct-19-2023 | Order of the Securities and Exchange Commission |
| 2. | Feb-01-2024 | Aphria Trade Summary |
| 3. | Feb-01-2024 | Transaction Report for Aphria |

- 5 -

SCHEDULE "B"

Documents that are or were in my possession, control or power that I object to producing on the grounds of privilege. N/A

SCHEDULE "C"

Documents that are or were in my possession, control or power that I do not object to producing for inspection but which are settlement privileged. N/A

- 7 -

SCHEDULE "D"

Documents that were formerly in my possession, control or power but are no longer in my possession, control or power.

N/A

TAB 1

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 98775 / October 19, 2023

ADMINISTRATIVE PROCEEDING
File No. 3-21783

In the Matter of

ANSON ADVISORS INC.

Respondent.

**ORDER INSTITUTING CEASE-AND-
DESIST PROCEEDINGS PURSUANT TO
SECTION 21C OF THE SECURITIES
EXCHANGE ACT OF 1934, MAKING
FINDINGS, AND IMPOSING A CEASE-
AND-DESIST ORDER**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate that cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 21C of the Securities Exchange Act of 1934 (“Exchange Act”) against Anson Advisors Inc. (“AAI” or “Respondent”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over it and the subject matter of these proceedings, which are admitted, Respondent consents to the entry of this Order Instituting Cease-and-Desist Proceedings Pursuant to Section 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing a Cease-and-Desist Order (“Order”), as set forth below.

III.

On the basis of this Order and Respondent’s Offer, the Commission finds¹ that:

¹ The findings herein are made pursuant to Respondent’s Offer of Settlement and are not binding on any other person or entity in this or any other proceeding.

Summary

1. These proceedings concern AAI's violations of Rule 105 of Regulation M [17 C.F.R. § 242.105] ("Rule 105") through transactions on behalf of certain of its private fund clients (each, an "Anson Fund" and collectively, the "Anson Funds") occurring in December 2019, June 2020, and April 2021.¹ In total, AAI's conduct resulted in profits by the Anson Funds of \$2,469,109.11.

Respondent

2. AAI is a corporation organized under the laws of Ontario, Canada, located in Ontario, Canada, and registered with the Ontario Securities Commission. AAI is an investment adviser and co-advises the Anson Funds, among other private fund clients. AAI has reported to the Commission as an exempt reporting adviser since 2013.

Facts

3. Rule 105 makes it unlawful for a person to purchase equity securities from an underwriter, broker or dealer participating in a covered public offering if that person sold short the security that is the subject of the offering during the restricted period as defined in the rule, absent meeting the conditions of an exception. 17 C.F.R. § 242.105(a); see Short Selling in Connection with a Public Offering, Rel. No. 34-56206, 72 Fed. Reg. 45094 (Aug. 10, 2007) (effective Oct. 9, 2007). The Rule 105 "restricted period" is the shorter of the period: (1) beginning five business days before the pricing of the offered securities and ending with such pricing; or (2) beginning with the initial filing of a registration statement or notification on Exchange Act Form 1-A or 1-E and ending with the pricing. 17 C.F.R. § 242.105(a)(1) and (a)(2).

4. The Commission adopted Rule 105 "to foster secondary and follow-on offering prices that are determined by independent market dynamics and not by potentially manipulative activity." 72 Fed. Reg. 45094. Rule 105 is prophylactic and prohibits the conduct irrespective of the short seller's intent. Id.

5. Rule 105 provides an exception for a "bona fide purchase" so that persons can purchase offered securities even if they sell short during the Rule 105 restricted period if they make a purchase equivalent in quantity to the amount of the restricted period short sale(s) prior to pricing. See 72 Fed. Reg. 45094, 45097. The bona fide purchase exception ("BFP Exception") allows a person who has shorted the securities that are the subject of the offering during the Rule 105 restricted period to participate in the offering if the person makes a bona fide purchase(s) of the security that is the subject of the offering that is at least equivalent in quantity to the entire amount of the Rule 105 restricted period short sale(s), effected during regular trading hours, reported to an "effective transaction reporting plan" (as defined in Rule 600(b)(30) of Regulation NMS), and effected after the last Rule 105 restricted period short sale, and no later than the business day prior to the day of pricing. 17 C.F.R. § 242.105(b)(1)(i). In addition, to rely on the BFP Exception, such person must not have effected a short sale, that is reported to an effective transaction reporting plan, within the 30 minutes prior to the close of regular trading hours (as

defined in Rule 600(b)(77) of Regulation NMS) on the business day prior to the day of pricing. See 17 C.F.R. § 242.105(b)(1)(ii). As set forth in Rule 100 of Regulation M, 17 CFR § 242.100, the term “business day” refers to a 24-hour period determined with reference to the principal market for the securities to be distributed, and that includes a complete trading session for that market. The conditions of the BFP Exception—that (i) the person effect the bona fide purchase during regular trading hours and (ii) that the bona fide purchase be reported pursuant to an effective transaction reporting plan—are designed to ensure transparency of the activity to the market so that the effects of the purchase can be reflected in the security’s market price prior to the pricing of the offering. See 72 Fed. Reg. 45094, 45097.

6. On June 23, 2020, American Airlines Group Inc. (“American Airlines”) conducted a follow-on equity offering (“American Airlines Offering”). The restricted period in connection with the American Airlines Offering was from June 16–22, 2020 (“American Airlines Restricted Period”).

7. During the American Airlines Restricted Period, AAI directed short sales of 750,000 shares of American Airlines common stock for three of the Anson Funds, resulting in net proceeds of \$11,998,766.75, after brokerage fees and commissions, and at an average price per share of \$15.9984 (“American Airlines Short Sales”).

8. In the afternoon of Monday, June 22, 2020, after reviewing its trading history and based on an incorrect understanding of the BFP Exception, AAI directed the purchase of 750,000 shares of American Airlines common stock for the three Anson Funds. To meet the conditions of the BFP Exception for the American Airlines Short Sales and American Airlines Offering purchases, AAI would have had to purchase shares no later than Friday, June 19, 2020.

9. On June 23, 2020, based on the same incorrect understanding of the BFP Exception, AAI directed the purchase on behalf of four of the Anson Funds of 2,250,000 shares in the American Airlines Offering, at \$13.50 per share, and at a total cost of \$30,375,000. Because AAI had directed short sales in the same security during the American Airlines Restricted Period, the purchase of these shares violated Rule 105.

10. The difference between the price at which the Anson Funds sold short shares of American Airlines common stock during the restricted period and the price at which the Anson Funds purchased those shares in the American Airlines Offering was \$1,812,545.35. The Anson Funds also improperly received a benefit of \$596,356.63 by purchasing the incremental 1,551,000 American Airlines Offering shares at a discount from American Airlines’ market price. Thus, the Anson Funds received total profits of \$2,408,901.98 by participating in the American Airlines Offering.

11. In December 2019 and April 2021, AAI engaged in trading in two other securities on behalf of certain Anson Funds that violated Rule 105, based on the same misapplication of the BFP Exception. The Anson Funds profited by approximately \$60,207.13 from these two transactions.

12. AAI's violations of Rule 105 resulted in profits to the Anson Funds of \$2,469,109.11. AAI has represented to the Commission staff that it is currently in possession of the amounts subject to disgorgement.

13. AAI has since undertaken certain remedial steps, including updating and revising its Rule 105 policies and procedures to prevent future Rule 105 violations, including those related to the BFP Exception.

Violations

14. As a result of the conduct described above, AAI violated Rule 105 of Regulation M under the Exchange Act.

Disgorgement and Civil Penalties

15. The disgorgement and prejudgment interest ordered in paragraph IV.B is consistent with equitable principles, does not exceed the net profits from Respondent's violations, and returning the money to Respondent would be inconsistent with equitable principles. Therefore, in these circumstances, distributing disgorged funds to the U.S. Treasury is the most equitable alternative. The disgorgement and prejudgment interest ordered in paragraph IV.B shall be transferred to the general fund of the U.S. Treasury, subject to Section 21F(g)(3) of the Exchange Act.

IV.

In view of the foregoing, the Commission deems it appropriate to impose the sanctions agreed to in Respondent AAI's Offer.

Accordingly, it is hereby ORDERED that:

- A. Pursuant to Section 21C of the Exchange Act, Respondent AAI cease and desist from committing or causing any violations and any future violations of Rule 105 of Regulation M under the Exchange Act.
- B. Respondent AAI shall, within 10 days of the entry of this Order, pay disgorgement of \$2,469,109.11 and prejudgment interest of \$261,285.30 and a civil money penalty of \$600,000.00 to the Securities and Exchange Commission for transfer to the general fund of the United States Treasury, subject to Exchange Act Section 21F(g)(3). If timely payment of disgorgement and prejudgment interest is not made, additional interest shall accrue pursuant to SEC Rule of Practice 600. If timely payment of the civil money penalty is not made, additional interest shall accrue pursuant to 31 U.S.C. § 3717. Payment must be made in one of the following ways:

- (1) Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;
- (2) Respondent may make direct payment from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>; or
- (3) Respondent may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center
Accounts Receivable Branch
HQ Bldg., Room 181, AMZ-341
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying Anson Advisors Inc. as a Respondent in these proceedings, and the file number of these proceedings; a copy of the cover letter and check or money order must be sent to Samantha Martin, Division of Enforcement, Securities and Exchange Commission, 801 Cherry St., 19th Floor Fort Worth, Texas 76102.

- C. Amounts ordered to be paid as civil money penalties pursuant to this Order shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, Respondent agrees that in any Related Investor Action, it shall not argue that it is entitled to, nor shall it benefit by, offset or reduction of any award of compensatory damages by the amount of any part of Respondent's payment of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such a Penalty Offset, Respondent agrees that it shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission's counsel in this action and pay the amount of the Penalty Offset to the Securities and Exchange Commission. Such a payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this proceeding. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against Respondent by or on behalf of one or more investors based on substantially the same facts as alleged in the Order instituted by the Commission in this proceeding.

By the Commission.

Vanessa A. Countryman
Secretary

TAB 2

Account #1

| Process Date | Settle Date | Quantity | Tran | Description | Price | Amount |
|--------------|-------------|----------|------|--------------|---------|---------------|
| 4/15/2020 | 4/17/2020 | -3,500 | SEL | APHRIA INC * | \$5.66 | -\$19,705.01 |
| 2/13/2020 | 2/18/2020 | -3,500 | SEL | APHRIA INC * | \$5.51 | -\$19,170.00 |
| 1/24/2020 | 1/28/2020 | 7,000 | BUY | APHRIA INC * | \$7.21 | \$50,685.00 |
| 6/20/2019 | 6/24/2019 | -5,000 | SEL | APHRIA INC * | \$8.87 | -\$44,135.00 |
| 6/13/2019 | 6/17/2019 | -3,000 | SEL | APHRIA INC * | \$9.50 | -\$28,400.00 |
| 5/24/2019 | 5/28/2019 | -2,500 | SEL | APHRIA INC * | \$9.50 | -\$23,650.00 |
| 5/24/2019 | 5/28/2019 | -2,500 | SEL | APHRIA INC * | \$9.91 | -\$24,675.00 |
| 3/18/2019 | 3/19/2019 | 2,500 | BUY | APHRIA INC * | \$9.00 | \$22,615.00 |
| 2/4/2019 | 2/6/2019 | -1,000 | SEL | APHRIA INC * | \$13.56 | -\$13,460.00 |
| 2/4/2019 | 2/6/2019 | -1,000 | SEL | APHRIA INC * | \$13.56 | -\$13,557.00 |
| 2/4/2019 | 2/6/2019 | -1,000 | SEL | APHRIA INC * | \$13.93 | -\$13,830.00 |
| 2/1/2019 | 2/5/2019 | -1,000 | SEL | APHRIA INC * | \$12.18 | -\$12,080.00 |
| 2/1/2019 | 2/5/2019 | -1,000 | SEL | APHRIA INC * | \$12.28 | -\$12,195.00 |
| 2/1/2019 | 2/5/2019 | -1,000 | SEL | APHRIA INC * | \$12.82 | -\$12,805.00 |
| 1/31/2019 | 2/4/2019 | -2,500 | SEL | APHRIA INC * | \$11.40 | -\$28,385.00 |
| 12/13/2018 | 12/17/2018 | 2,000 | BUY | APHRIA INC * | \$7.28 | \$14,660.00 |
| 12/6/2018 | 12/10/2018 | 1,600 | BUY | APHRIA INC * | \$5.72 | \$9,252.00 |
| 12/3/2018 | 12/5/2018 | 2,000 | BUY | APHRIA INC * | \$8.60 | \$17,300.00 |
| 11/28/2018 | 11/30/2018 | 2,200 | BUY | APHRIA INC * | \$11.08 | \$24,476.00 |
| 11/28/2018 | 11/30/2018 | 1,200 | BUY | APHRIA INC * | \$11.09 | \$13,408.00 |
| 10/22/2018 | 10/24/2018 | 1,400 | BUY | APHRIA INC * | \$16.63 | \$23,390.99 |
| 10/16/2018 | 10/18/2018 | 1,500 | BUY | APHRIA INC * | \$19.05 | \$28,690.00 |
| 10/16/2018 | 10/18/2018 | 1,500 | BUY | APHRIA INC * | \$18.70 | \$28,147.00 |
| 10/16/2018 | 10/18/2018 | 1,600 | BUY | APHRIA INC * | \$18.70 | \$30,020.00 |
| 10/11/2018 | 10/15/2018 | 4,000 | BUY | APHRIA INC * | \$19.30 | \$77,300.00 |
| 9/4/2018 | 9/5/2018 | -5,000 | SEL | APHRIA INC * | \$11.50 | -\$57,385.00 |
| 9/4/2018 | 9/5/2018 | -5,000 | SEL | APHRIA INC * | \$11.00 | -\$54,885.00 |
| 8/27/2018 | 8/28/2018 | -10,000 | SEL | APHRIA INC * | \$11.00 | -\$109,835.00 |
| 8/20/2018 | 8/22/2018 | -1,500 | SEL | APHRIA INC * | \$11.05 | -\$16,475.00 |
| 8/20/2018 | 8/22/2018 | -1,500 | SEL | APHRIA INC * | \$11.25 | -\$16,775.00 |
| 7/4/2018 | 7/4/2018 | 31,000 | ACI | APHRIA INC * | \$0.00 | \$374,489.30 |

| | | | | | |
|-----------|-----------|-------------|--------------|---------|---------------|
| 7/4/2018 | 7/4/2018 | -31,000 ACO | APHRIA INC * | \$0.00 | -\$383,439.00 |
| 6/28/2018 | 7/3/2018 | -4,000 SEL | APHRIA INC * | \$11.93 | -\$47,521.01 |
| 6/28/2018 | 7/3/2018 | -4,000 SEL | APHRIA INC * | \$11.98 | -\$47,920.00 |
| 6/28/2018 | 7/3/2018 | -4,000 SEL | APHRIA INC * | \$12.00 | -\$48,000.00 |
| 6/28/2018 | 7/3/2018 | -4,000 SEL | APHRIA INC * | \$12.05 | -\$48,200.00 |
| 6/28/2018 | 7/3/2018 | -1,000 SEL | APHRIA INC * | \$12.12 | -\$12,020.00 |
| 6/27/2018 | 6/29/2018 | -10,000 SEL | APHRIA INC * | \$12.30 | -\$122,804.02 |
| 6/27/2018 | 6/29/2018 | -10,000 SEL | APHRIA INC * | \$12.30 | -\$122,885.00 |
| 6/27/2018 | 6/29/2018 | 5,000 BUY | APHRIA INC * | \$12.10 | \$60,600.00 |
| 6/26/2018 | 6/28/2018 | 55,000 BUY | APHRIA INC * | \$11.85 | \$651,750.00 |
| | | 0 | | | \$72,592.25 |

ACCOUNT #2

| Process Date | Settle Date | Quantity | Tran | Description | Price | Amount |
|--------------|-------------|----------|------|--------------|---------|--------------|
| 4/15/2019 | 4/16/2019 | -6,000 | SEL | APHRIA INC * | \$13.00 | -\$77,900.00 |
| 3/11/2019 | 3/12/2019 | 6,000 | BUY | APHRIA INC * | \$13.00 | \$78,215.00 |
| 2/11/2019 | 2/12/2019 | -5,000 | SEL | APHRIA INC * | \$9.50 | -\$47,385.00 |
| 2/4/2019 | 2/5/2019 | -5,000 | SEL | APHRIA INC * | \$10.00 | -\$49,885.00 |
| 12/12/2018 | 12/14/2018 | 2,000 | BUY | APHRIA INC * | \$8.06 | \$16,235.00 |
| 12/5/2018 | 12/7/2018 | 2,800 | BUY | APHRIA INC * | \$5.04 | \$14,212.00 |
| 12/3/2018 | 12/5/2018 | 1,200 | BUY | APHRIA INC * | \$8.30 | \$10,060.00 |
| 11/12/2018 | 11/14/2018 | 4,000 | BUY | APHRIA INC * | \$15.10 | \$60,500.00 |
| 11/5/2018 | 11/6/2018 | -4,000 | SEL | APHRIA INC * | \$15.00 | -\$59,900.00 |
| 10/22/2018 | 10/24/2018 | 4,000 | BUY | APHRIA INC * | \$15.30 | \$61,315.00 |
| | | | | | | \$5,467.00 |

Account #1

| Date of Acquisition | # of Shares | Trans | Security | Stl Date | Trade Date | Adj Cost | Proceeds | Gain (Loss) |
|---------------------|-------------|---------|-------------------------------|------------|------------|------------|-------------|-------------------------|
| 06/18/2018 | | 230 EXP | Call 100 APH 07/20/2018 -12 | 07/20/2018 | | | \$17,720.00 | \$17,720.00 |
| 07/27/2018 | | 100 EXP | Call 100 APH 08/03/2018 -11.5 | 08/03/2018 | | | \$2,400.00 | \$2,400.00 |
| 07/20/2018 | | 40 EXP | Call 100 APH 08/03/2018 -12 | 08/03/2018 | | | \$1,100.00 | \$1,100.00 |
| 07/26/2018 | | 70 EXP | Call 100 APH 08/03/2018 -11 | 08/03/2018 | | | \$2,200.00 | \$2,200.00 |
| 08/07/2018 | | 100 ASG | Call 100 APH 08/24/2018 -11 | 08/24/2018 | | | \$2,235.00 | \$2,235.00 |
| 08/07/2018 | | 50 ASG | Call 100 APH 08/31/2018 -11 | 09/04/2018 | | | \$1,150.00 | \$1,150.00 |
| 08/08/2018 | | 50 ASG | Call 100 APH 08/31/2018 -11.5 | 09/04/2018 | | | \$905.00 | \$905.00 |
| 10/16/2018 | | 50 EXP | Call 100 APH 10/19/2018 -20 | 10/19/2018 | | | \$2,400.00 | \$2,400.00 |
| 10/22/2018 | | 80 EXP | Call 100 APH 11/02/2018 -21 | 11/02/2018 | | | \$3,330.00 | \$3,330.00 |
| 12/28/2018 | | 80 EXP | Call 100 APH 01/18/2019 -12 | 01/18/2019 | | | \$1,505.00 | \$1,505.00 |
| 02/06/2019 | | 50 EXP | Call 100 APH 02/15/2019 -15 | 02/15/2019 | | | \$1,900.00 | \$1,900.00 |
| 12/03/2018 | 25 (s) | SEL | Call 100 APH 03/15/2019 -9 | 02/27/2019 | 02/26/2019 | \$4,678.75 | \$10,025.00 | \$5,346.25 |
| 02/20/2019 | | 60 EXP | Call 100 APH 03/08/2019 -14 | 03/08/2019 | | | \$2,900.00 | \$2,900.00 |
| 12/03/2019 | 25 (s) | EXO | Call 100 APH 03/15/2019 -9 | 03/15/2019 | | \$4,678.75 | \$9,250.00 | \$4,571.25 |
| 03/08/2019 | | 70 EXP | Call 100 APH 03/22/2019 -14 | 03/22/2019 | | | \$2,000.00 | \$2,000.00 |
| 03/11/2019 | | 60 EXP | Call 100 APH 03/29/2019 -14.5 | 03/29/2019 | | | \$1,985.00 | \$1,985.00 |
| 03/25/2019 | | 70 EXP | Call 100 APH 04/12/2019 -14 | 04/12/2019 | | | \$2,000.00 | \$2,000.00 |
| 11/11/2019 | | 30 BUY | PUT 100 APH 11/29/2019-6.5 | 11/29/2019 | | \$995.00 | \$1,143.00 | \$148.00 |
| 11/11/2019 | | 20 BUY | PUT 100 APH 11/29/2019-6.5 | 11/29/2019 | | \$615.00 | \$762.00 | \$147.00 |
| | | | | | | | | \$55,942.50 GAIN |

Account #2

| Date of Acquisition | # of Shares | Trans | Security | Stl Date | Trade Date | Adj Cost | Proceeds | Gain (Loss) |
|---------------------|-------------|--------|-----------------------------|------------|------------|-------------|------------|-------------|
| 10/22/2018 | | 40 EXP | Call 100 APH 10/26/18 -17 | 10/26/2018 | 10/26/2018 | | \$2,905.00 | \$2,905.00 |
| 10/31/2018 | | 40 ASG | Call 100 APH 11/02/18 -115 | 11/02/2018 | 11/02/2018 | | \$1,305.00 | \$1,305.00 |
| 11/12/2018 | | 40 EXP | Call 100 APH 11/16/2018-16 | 11/16/2018 | 11/16/2018 | | \$1,900.00 | \$1,900.00 |
| 11/21/2018 | | 15 EXP | Call 100 APH 11/20/2018 -15 | 11/30/2018 | 11/30/2018 | | \$205.00 | \$205.00 |
| 11/28/2018 | | 25 EXP | Call 100 APH 12/14/2018 -14 | 12/14/2018 | 12/14/2018 | | \$905.00 | \$905.00 |
| 12/14/2018 | | 50 BUY | Call 100 APH 01/11/2019 -10 | 01/11/2019 | 01/11/2019 | \$115.00 | \$1,405.00 | \$1,290.00 |
| 12/24/2018 | | 50 BUY | Call 100 APH 01/18/2019 -10 | 01/18/2019 | 01/18/2019 | \$115.00 | \$1,155.00 | \$1,040.00 |
| 01/18/2019 | 50 (s) | EXP | Call 100 APH 01/18/2019 -10 | 01/21/2019 | 01/21/2019 | -\$1,155.00 | \$1,155.00 | \$1,155.00 |
| 01/11/2019 | | 50 ASG | Call 100 APH 02/01/2019-10 | 02/01/2019 | | | \$1,650.00 | \$1,650.00 |

| | | | | | |
|------------|--------|-----------------------------|------------|------------------|------------|
| 01/18/2019 | 50 ASG | Call 100 APH 02/08/2019-9.5 | 02/08/2019 | \$1,405.00 | \$1,405.00 |
| 02/27/2019 | 60 ASG | PUT 100 APH 03/08/2019-13 | 03/08/2019 | \$2,900.00 | \$2,900.00 |
| 03/11/2019 | 60 EXP | Call 100 APH 03/15/2019 -13 | 03/15/2019 | \$2,000.00 | \$2,000.00 |
| 03/18/2019 | 60 EXP | Call 100 APH 04/12/2019 -13 | 03/22/2019 | \$1,705.00 | \$1,705.00 |
| 03/25/2019 | 60 ASG | Call 100 APH 03/22/2019 -14 | 04/12/2019 | \$3,500.00 | \$3,500.00 |
| | | | | \$23,865.00 GAIN | |

TAB 3

| Trade Date Balance: | | | | | | | | | | | | .00 | |
|---------------------|----------|------------|-----------------|------|----------|-----------|--------|-----|---|-------------|-------|--------|-------------|
| Process | Settle | Account | Client | IA | Quantity | Security | Name | | | Description | Trn | Amount | |
| 04/15/19 | 04/16/19 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 6,000S | 03765K104 | APHRIA | INC | * | @ | 13.00 | SEL | 77,900.00CR |
| 03/11/19 | 03/12/19 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 6,000 | 03765K104 | APHRIA | INC | * | @ | 13.00 | BUY | 78,215.00 |
| 02/11/19 | 02/12/19 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 5,000S | 03765K104 | APHRIA | INC | * | @ | 9.50 | SEL | 47,385.00CR |
| 02/04/19 | 02/05/19 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 5,000S | 03765K104 | APHRIA | INC | * | @ | 10.00 | SEL | 49,885.00CR |
| 12/12/18 | 12/14/18 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 2,000 | 03765K104 | APHRIA | INC | * | @ | 8.06 | BUY | 16,235.00 |
| 12/05/18 | 12/07/18 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 2,800 | 03765K104 | APHRIA | INC | * | @ | 5.04 | BUY | 14,212.00 |
| 12/03/18 | 12/05/18 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 1,200 | 03765K104 | APHRIA | INC | * | @ | 8.30 | BUY | 10,060.00 |
| 11/12/18 | 11/14/18 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 4,000 | 03765K104 | APHRIA | INC | * | @ | 15.10 | BUY | 60,500.00 |
| 11/05/18 | 11/06/18 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 4,000S | 03765K104 | APHRIA | INC | * | @ | 15.00 | SEL | 59,900.00CR |
| 10/22/18 | 10/24/18 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 4,000 | 03765K104 | APHRIA | INC | * | @ | 15.30 | BUY | 61,315.00 |

*** End of Report ***

Haywood Securities Inc.
Transaction Report
ME: ALL IB: ALL BR: ALL IA: ALL FROM: 01/01/18 TO: 12/31/20
Client ID: ALL Account: TM1-4399-C CUSIP: 03765K104 Tran Code: ALL
Proc Date Order

*** Prophile System ***

Page: 1
Processed: 02/01/2020 362
Run Code: 032-1022

Trade Date Balance: .00

| Process | Settle | Account | Client | IA | Quantity | Security | Name | Description | Trn | Amount |
|----------|----------|------------|-----------------|------|----------|-----------|--------------|-------------------|-----|--------------|
| 04/15/20 | 04/17/20 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 3,500S | 03765K104 | APHRIA INC * | @ 5.66286 | SEL | 19,705.01CR |
| 02/13/20 | 02/18/20 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 3,500S | 03765K104 | APHRIA INC * | @ 5.51 | SEL | 19,170.00CR |
| 01/24/20 | 01/28/20 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 7,000 | 03765K104 | APHRIA INC * | @ 7.21 | BUY | 50,685.00 |
| 06/20/19 | 06/24/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 5,000S | 03765K104 | APHRIA INC * | @ 8.87 | SEL | 44,135.00CR |
| 06/13/19 | 06/17/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 3,000S | 03765K104 | APHRIA INC * | @ 9.50 | SEL | 28,400.00CR |
| 05/24/19 | 05/28/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 2,500S | 03765K104 | APHRIA INC * | @ 9.50 | SEL | 23,650.00CR |
| 05/24/19 | 05/28/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 2,500S | 03765K104 | APHRIA INC * | @ 9.91 | SEL | 24,675.00CR |
| 03/18/19 | 03/19/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 2,500 | 03765K104 | APHRIA INC * | @ 9.00 | BUY | 22,615.00 |
| 02/04/19 | 02/06/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 1,000S | 03765K104 | APHRIA INC * | @ 13.56 | SEL | 13,460.00CR |
| 02/04/19 | 02/06/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 1,000S | 03765K104 | APHRIA INC * | @ 13.557 | SEL | 13,557.00CR |
| 02/04/19 | 02/06/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 1,000S | 03765K104 | APHRIA INC * | @ 13.93 | SEL | 13,830.00CR |
| 02/01/19 | 02/05/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 1,000S | 03765K104 | APHRIA INC * | @ 12.18 | SEL | 12,080.00CR |
| 02/01/19 | 02/05/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 1,000S | 03765K104 | APHRIA INC * | @ 12.28 | SEL | 12,195.00CR |
| 02/01/19 | 02/05/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 1,000S | 03765K104 | APHRIA INC * | @ 12.82 | SEL | 12,805.00CR |
| 01/31/19 | 02/04/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 2,500S | 03765K104 | APHRIA INC * | @ 11.40 | SEL | 28,385.00CR |
| 12/13/18 | 12/17/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 2,000 | 03765K104 | APHRIA INC * | @ 7.28 | BUY | 14,660.00 |
| 12/06/18 | 12/10/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 1,600 | 03765K104 | APHRIA INC * | @ 5.72 | BUY | 9,252.00 |
| 12/03/18 | 12/05/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 2,000 | 03765K104 | APHRIA INC * | @ 8.60 | BUY | 17,300.00 |
| 11/28/18 | 11/30/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 2,200 | 03765K104 | APHRIA INC * | @ 11.08 | BUY | 24,476.00 |
| 11/28/18 | 11/30/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 1,200 | 03765K104 | APHRIA INC * | @ 11.09 | BUY | 13,408.00 |
| 10/22/18 | 10/24/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 1,400 | 03765K104 | APHRIA INC * | @ 16.62570714M | BUY | 23,390.99 |
| | | | | | | | | 1,300 @ 16.62538 | | |
| | | | | | | | | 100 @ 16.63 | | |
| 10/16/18 | 10/18/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 1,500 | 03765K104 | APHRIA INC * | @ 19.05 | BUY | 28,690.00 |
| 10/16/18 | 10/18/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 1,500 | 03765K104 | APHRIA INC * | @ 18.698 | BUY | 28,147.00 |
| 10/16/18 | 10/18/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 1,600 | 03765K104 | APHRIA INC * | @ 18.70 | BUY | 30,020.00 |
| 10/11/18 | 10/15/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 4,000 | 03765K104 | APHRIA INC * | @ 19.30 | BUY | 77,300.00 |
| 09/04/18 | 09/05/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 5,000S | 03765K104 | APHRIA INC * | @ 11.50 | SEL | 57,385.00CR |
| 09/04/18 | 09/05/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 5,000S | 03765K104 | APHRIA INC * | @ 11.00 | SEL | 54,885.00CR |
| 08/27/18 | 08/28/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 10,000S | 03765K104 | APHRIA INC * | @ 11.00 | SEL | 109,835.00CR |
| 08/20/18 | 08/22/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 1,500S | 03765K104 | APHRIA INC * | @ 11.05 | SEL | 16,475.00CR |
| 08/20/18 | 08/22/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 1,500S | 03765K104 | APHRIA INC * | @ 11.25 | SEL | 16,775.00CR |
| 07/04/18 | 07/04/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 31,000 | 03765K104 | APHRIA INC * | CDSX ACI JNL - NB | ACI | 374,489.30 |
| 07/04/18 | 07/04/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 31,000S | 03765K104 | APHRIA INC * | CDSX ACI JNL - NB | ACO | 383,439.00CR |
| 06/28/18 | 07/03/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 4,000S | 03765K104 | APHRIA INC * | @ 11.9340025M | SEL | 47,521.01CR |
| | | | | | | | | 3,800 @ 11.93474 | | |
| | | | | | | | | 200 @ 11.92 | | |
| 06/28/18 | 07/03/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 4,000S | 03765K104 | APHRIA INC * | @ 11.98 | SEL | 47,920.00CR |
| 06/28/18 | 07/03/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 4,000S | 03765K104 | APHRIA INC * | @ 12.00 | SEL | 48,000.00CR |
| 06/28/18 | 07/03/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 4,000S | 03765K104 | APHRIA INC * | @ 12.05 | SEL | 48,200.00CR |
| 06/28/18 | 07/03/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 1,000S | 03765K104 | APHRIA INC * | @ 12.12 | SEL | 12,020.00CR |
| 06/27/18 | 06/29/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 10,000S | 03765K104 | APHRIA INC * | @ 12.301902M | SEL | 122,804.02CR |
| | | | | | | | | 6,000 @ 12.30317 | | |
| | | | | | | | | 4,000 @ 12.30 | | |
| 06/27/18 | 06/29/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 10,000S | 03765K104 | APHRIA INC * | @ 12.30 | SEL | 122,885.00CR |
| 06/27/18 | 06/29/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 5,000 | 03765K104 | APHRIA INC * | @ 12.10 | BUY | 60,600.00 |
| 06/26/18 | 06/28/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 55,000 | 03765K104 | APHRIA INC * | @ 11.85 | BUY | 651,750.00 |

Haywood Securities Inc.
Transaction Report
ME: ALL IB: ALL BR: ALL IA: ALL FROM: 01/01/18 TO: 12/31/20
Client ID: ALL Account: TM1-4399-C CUSIP: 03765K104 Tran Code: ALL
Proc Date Order

*** Prophile System ***

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Processed: 02/01/2020 363
Run Code: 032-1022

*** End of Report ***

Haywood Securities Inc.
Transaction Report
ME: ALL IB: ALL BR: ALL IA: ALL FROM: 01/01/17 TO: 02/13/24
Client ID: ALL Account: TM1-4399-C CUSIP: 03765K104 Tran Code: ALL
Proc Date Order

*** Prophile System ***

Page: 1
Processed: 02/13/24 364
Run Code: 044-1239

Trade Date Balance: .00

| Process | Settle | Account | Client | IA | Quantity | Security | Name | Description | Trn | Amount |
|----------|----------|------------|-----------------|------|----------|-----------|--------------|-------------------|-----|--------------|
| 04/15/20 | 04/17/20 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 3,500S | 03765K104 | APHRIA INC * | @ 5.66286 | SEL | 19,705.01CR |
| 02/13/20 | 02/18/20 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 3,500S | 03765K104 | APHRIA INC * | @ 5.51 | SEL | 19,170.00CR |
| 01/24/20 | 01/28/20 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 7,000 | 03765K104 | APHRIA INC * | @ 7.21 | BUY | 50,685.00 |
| 06/20/19 | 06/24/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 5,000S | 03765K104 | APHRIA INC * | @ 8.87 | SEL | 44,135.00CR |
| 06/13/19 | 06/17/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 3,000S | 03765K104 | APHRIA INC * | @ 9.50 | SEL | 28,400.00CR |
| 05/24/19 | 05/28/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 2,500S | 03765K104 | APHRIA INC * | @ 9.50 | SEL | 23,650.00CR |
| 05/24/19 | 05/28/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 2,500S | 03765K104 | APHRIA INC * | @ 9.91 | SEL | 24,675.00CR |
| 03/18/19 | 03/19/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 2,500 | 03765K104 | APHRIA INC * | @ 9.00 | BUY | 22,615.00 |
| 02/04/19 | 02/06/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 1,000S | 03765K104 | APHRIA INC * | @ 13.56 | SEL | 13,460.00CR |
| 02/04/19 | 02/06/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 1,000S | 03765K104 | APHRIA INC * | @ 13.557 | SEL | 13,557.00CR |
| 02/04/19 | 02/06/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 1,000S | 03765K104 | APHRIA INC * | @ 13.93 | SEL | 13,830.00CR |
| 02/01/19 | 02/05/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 1,000S | 03765K104 | APHRIA INC * | @ 12.18 | SEL | 12,080.00CR |
| 02/01/19 | 02/05/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 1,000S | 03765K104 | APHRIA INC * | @ 12.28 | SEL | 12,195.00CR |
| 02/01/19 | 02/05/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 1,000S | 03765K104 | APHRIA INC * | @ 12.82 | SEL | 12,805.00CR |
| 01/31/19 | 02/04/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 2,500S | 03765K104 | APHRIA INC * | @ 11.40 | SEL | 28,385.00CR |
| 12/13/18 | 12/17/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 2,000 | 03765K104 | APHRIA INC * | @ 7.28 | BUY | 14,660.00 |
| 12/06/18 | 12/10/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 1,600 | 03765K104 | APHRIA INC * | @ 5.72 | BUY | 9,252.00 |
| 12/03/18 | 12/05/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 2,000 | 03765K104 | APHRIA INC * | @ 8.60 | BUY | 17,300.00 |
| 11/28/18 | 11/30/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 2,200 | 03765K104 | APHRIA INC * | @ 11.08 | BUY | 24,476.00 |
| 11/28/18 | 11/30/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 1,200 | 03765K104 | APHRIA INC * | @ 11.09 | BUY | 13,408.00 |
| 10/22/18 | 10/24/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 1,400 | 03765K104 | APHRIA INC * | @ 16.62570714M | BUY | 23,390.99 |
| | | | | | | | | 1,300 @ 16.62538 | | |
| | | | | | | | | 100 @ 16.63 | | |
| 10/16/18 | 10/18/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 1,500 | 03765K104 | APHRIA INC * | @ 19.05 | BUY | 28,690.00 |
| 10/16/18 | 10/18/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 1,500 | 03765K104 | APHRIA INC * | @ 18.698 | BUY | 28,147.00 |
| 10/16/18 | 10/18/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 1,600 | 03765K104 | APHRIA INC * | @ 18.70 | BUY | 30,020.00 |
| 10/11/18 | 10/15/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 4,000 | 03765K104 | APHRIA INC * | @ 19.30 | BUY | 77,300.00 |
| 09/04/18 | 09/05/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 5,000S | 03765K104 | APHRIA INC * | @ 11.50 | SEL | 57,385.00CR |
| 09/04/18 | 09/05/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 5,000S | 03765K104 | APHRIA INC * | @ 11.00 | SEL | 54,885.00CR |
| 08/27/18 | 08/28/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 10,000S | 03765K104 | APHRIA INC * | @ 11.00 | SEL | 109,835.00CR |
| 08/20/18 | 08/22/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 1,500S | 03765K104 | APHRIA INC * | @ 11.05 | SEL | 16,475.00CR |
| 08/20/18 | 08/22/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 1,500S | 03765K104 | APHRIA INC * | @ 11.25 | SEL | 16,775.00CR |
| 07/04/18 | 07/04/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 31,000 | 03765K104 | APHRIA INC * | CDSX ACI JNL - NB | ACI | 374,489.30 |
| 07/04/18 | 07/04/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 31,000S | 03765K104 | APHRIA INC * | CDSX ACI JNL - NB | ACO | 383,439.00CR |
| 06/28/18 | 07/03/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 4,000S | 03765K104 | APHRIA INC * | @ 11.9340025M | SEL | 47,521.01CR |
| | | | | | | | | 3,800 @ 11.93474 | | |
| | | | | | | | | 200 @ 11.92 | | |
| 06/28/18 | 07/03/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 4,000S | 03765K104 | APHRIA INC * | @ 11.98 | SEL | 47,920.00CR |
| 06/28/18 | 07/03/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 4,000S | 03765K104 | APHRIA INC * | @ 12.00 | SEL | 48,000.00CR |
| 06/28/18 | 07/03/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 4,000S | 03765K104 | APHRIA INC * | @ 12.05 | SEL | 48,200.00CR |
| 06/28/18 | 07/03/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 1,000S | 03765K104 | APHRIA INC * | @ 12.12 | SEL | 12,020.00CR |
| 06/27/18 | 06/29/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 10,000S | 03765K104 | APHRIA INC * | @ 12.301902M | SEL | 122,804.02CR |
| | | | | | | | | 6,000 @ 12.30317 | | |
| | | | | | | | | 4,000 @ 12.30 | | |
| 06/27/18 | 06/29/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 10,000S | 03765K104 | APHRIA INC * | @ 12.30 | SEL | 122,885.00CR |
| 06/27/18 | 06/29/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 5,000 | 03765K104 | APHRIA INC * | @ 12.10 | BUY | 60,600.00 |
| 06/26/18 | 06/28/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 55,000 | 03765K104 | APHRIA INC * | @ 11.85 | BUY | 651,750.00 |

Haywood Securities Inc.
Transaction Report
ME: ALL IB: ALL BR: ALL IA: ALL FROM: 01/01/17 TO: 02/13/24
Client ID: ALL Account: TM1-4399-C CUSIP: 03765K104 Tran Code: ALL
Proc Date Order

*** Prophile System ***

Page: 2
Processed: 02/13/24 365
Run Code: 044-1239

*** End of Report ***

Haywood Securities Inc.
Transaction Report
ME: ALL IB: ALL BR: ALL IA: ALL FROM: 01/01/01 TO: 02/13/24
Client ID: ALL Account: TM1-4399-C CUSIP: OPH050727 Tran Code: ALL
Proc Date Order

*** Prophile System ***

Page: 1
Processed: 02/13/24 366
Run Code: 044-1302

Trade Date Balance: .00

| Process | Settle | Account | Client | IA | Quantity | Security | Name | Description | Trn | Amount |
|----------|----------|------------|-----------------|------|----------|-----------|--------------------|-------------|-----|------------|
| 07/23/18 | 07/20/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 230 | OPH050727 | CALL 100 APH 07/20 | | EXP | 0.00 |
| 06/19/18 | 06/20/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 30S | OPH050727 | CALL 100 APH 07/20 | @ 0.90 | SEL | 2,685.00CR |
| 06/18/18 | 06/19/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 100S | OPH050727 | CALL 100 APH 07/20 | @ 0.75 | SEL | 7,400.00CR |
| 06/18/18 | 06/19/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 50S | OPH050727 | CALL 100 APH 07/20 | @ 0.80 | SEL | 3,985.00CR |
| 06/18/18 | 06/19/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 50S | OPH050727 | CALL 100 APH 07/20 | @ 0.75 | SEL | 3,650.00CR |

*** End of Report ***

| Trade Date Balance: | | | | | | | | | | | | .00 | | |
|---------------------|----------|------------|-----------------|------|----------|-----------|--------------------|-------------|-----|------------|--|-----|--|--|
| Process | Settle | Account | Client | IA | Quantity | Security | Name | Description | Trn | Amount | | | | |
| 08/06/18 | 08/03/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 100 | OPH050763 | CALL 100 APH 08/03 | | EXP | 0.00 | | | | |
| 07/27/18 | 07/30/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 100S | OPH050763 | CALL 100 APH 08/03 | @ 0.25 | SEL | 2,400.00CR | | | | |

*** End of Report ***

| Trade Date Balance: | | | | | | | | | | .00 | |
|---------------------|----------|------------|-----------------|------|----------|-----------|--------------------|-------------|------|--------|------------|
| Process | Settle | Account | Client | IA | Quantity | Security | Name | Description | Trn | Amount | |
| 08/06/18 | 08/03/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 40 | OPH050764 | CALL 100 APH 08/03 | | EXP | 0.00 | |
| 07/20/18 | 07/23/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 40S | OPH050764 | CALL 100 APH 08/03 | @ | 0.30 | SEL | 1,100.00CR |

*** End of Report ***

| Trade Date Balance: | | | | | | | | | | | | .00 | |
|---------------------|----------|------------|-----------------|------|----------|-----------|------|-----|-----|-------------|-----|--------|----------------|
| Process | Settle | Account | Client | IA | Quantity | Security | Name | | | Description | Trn | Amount | |
| 08/06/18 | 08/03/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 70 | OPH050765 | CALL | 100 | APH | 08/03 | EXP | 0.00 | |
| 07/27/18 | 07/30/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 30S | OPH050765 | CALL | 100 | APH | 08/03 | @ | 0.40 | SEL 1,100.00CR |
| 07/26/18 | 07/27/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 40S | OPH050765 | CALL | 100 | APH | 08/03 | @ | 0.30 | SEL 1,100.00CR |

*** End of Report ***

| Trade Date Balance: | | | | | | | | | | .00 | | | |
|---------------------|----------|------------|-----------------|------|----------|-----------|------|-----|-----|-------------|--------|-----|------------|
| Process | Settle | Account | Client | IA | Quantity | Security | Name | | | Description | | Trn | Amount |
| 08/27/18 | 08/24/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 100 | OPH050797 | CALL | 100 | APH | 08/24 | | ASG | 0.00 |
| 08/07/18 | 08/08/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 70S | OPH050797 | CALL | 100 | APH | 08/24 | @ 0.25 | SEL | 1,650.00CR |
| 08/07/18 | 08/08/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 30S | OPH050797 | CALL | 100 | APH | 08/24 | @ 0.20 | SEL | 585.00CR |

*** End of Report ***

Haywood Securities Inc.
Transaction Report
ME: ALL IB: ALL BR: ALL IA: ALL FROM: 01/01/01 TO: 02/13/24
Client ID: ALL Account: TM1-4399-C CUSIP: OPH050801 Tran Code: ALL
Proc Date Order

*** Prophile System ***

Page: 1
Processed: 02/13/24 371
Run Code: 044-1300

Trade Date Balance: .00

| Process | Settle | Account | Client | IA | Quantity | Security | Name | Description | Trn | Amount |
|----------|----------|------------|-----------------|------|----------|-----------|--------------------|-------------|-----|------------|
| 09/04/18 | 09/04/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 50 | OPH050801 | CALL 100 APH 08/31 | CDN OPT ASG | ASG | 0.00 |
| 08/07/18 | 08/08/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 50S | OPH050801 | CALL 100 APH 08/31 | @ 0.25 | SEL | 1,150.00CR |

*** End of Report ***

Haywood Securities Inc.
Transaction Report
ME: ALL IB: ALL BR: ALL IA: ALL FROM: 01/01/01 TO: 02/13/24
Client ID: ALL Account: TM1-4399-C CUSIP: OPH050802 Tran Code: ALL
Proc Date Order

*** Prophile System ***

Page: 1
Processed: 02/13/24 372
Run Code: 044-1300

Trade Date Balance: .00

| Process | Settle | Account | Client | IA | Quantity | Security | Name | Description | Trn | Amount |
|----------|----------|------------|-----------------|------|----------|-----------|--------------------|-------------|-----|----------|
| 09/04/18 | 09/04/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 50 | OPH050802 | CALL 100 APH 08/31 | CDN OPT ASG | ASG | 0.00 |
| 08/08/18 | 08/09/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 50S | OPH050802 | CALL 100 APH 08/31 | @ 0.20 | SEL | 905.00CR |

*** End of Report ***

Haywood Securities Inc.
Transaction Report
ME: ALL IB: ALL BR: ALL IA: ALL FROM: 01/01/01 TO: 02/13/24
Client ID: ALL Account: TM1-4399-C CUSIP: OPH050855 Tran Code: ALL
Proc Date Order

*** Prophile System ***

Page: 1
Processed: 02/13/24 373
Run Code: 044-1304

Trade Date Balance: .00

| Process | Settle | Account | Client | IA | Quantity | Security | Name | Description | Trn | Amount |
|----------|----------|------------|-----------------|------|----------|-----------|--------------------|-------------|-----|------------|
| 10/22/18 | 10/19/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 50 | OPH050855 | CALL 100 APH 10/19 | | EXP | 0.00 |
| 10/16/18 | 10/17/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 50S | OPH050855 | CALL 100 APH 10/19 | @ 0.50 | SEL | 2,400.00CR |

*** End of Report ***

Haywood Securities Inc.
Transaction Report
ME: ALL IB: ALL BR: ALL IA: ALL FROM: 01/01/18 TO: 12/31/23
Client ID: ALL Account: TM1-4472-C CUSIP: OPH050895 Tran Code: ALL
Proc Date Order

*** Prophile System ***

Page: 1
Processed: 02/02/2018 374
Run Code: 033-1356

Trade Date Balance: .00

| Process | Settle | Account | Client | IA | Quantity | Security | Name | Description | Trn | Amount |
|----------|----------|------------|-----------------|------|----------|-----------|--------------------|-------------|-----|------------|
| 10/29/18 | 10/26/18 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 40 | OPH050895 | CALL 100 APH 10/26 | | EXP | 0.00 |
| 10/22/18 | 10/23/18 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 40S | OPH050895 | CALL 100 APH 10/26 | @ 0.75M | SEL | 2,905.00CR |
| | | | | | | | | 20 @ .70 | | |
| | | | | | | | | 20 @ .80 | | |

*** End of Report ***

| | | | | | | | | | | | |
|---------------------|----------|------------|-----------------|------|----------|-----------|--------------------|--|-------------|------|------------|
| Trade Date Balance: | | | | | | | | | | .00 | |
| Process | Settle | Account | Client | IA | Quantity | Security | Name | | Description | Trn | Amount |
| 11/05/18 | 11/02/18 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 40 | OPH050922 | CALL 100 APH 11/02 | | | ASG | 0.00 |
| 10/31/18 | 11/01/18 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 40S | OPH050922 | CALL 100 APH 11/02 | | @ | 0.35 | 1,305.00CR |

*** End of Report ***

| Trade Date Balance: | | | | | | | | | | | | .00 | |
|---------------------|----------|------------|-----------------|------|----------|-----------|------|-----|-----|-------------|---|------|----------------|
| Process | Settle | Account | Client | IA | Quantity | Security | Name | | | Description | | Trn | Amount |
| 11/05/18 | 11/02/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 80 | OPH050924 | CALL | 100 | APH | 11/02 | | EXP | 0.00 |
| 10/22/18 | 10/23/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 48S | OPH050924 | CALL | 100 | APH | 11/02 | @ | 0.40 | SEL 1,825.00CR |
| 10/22/18 | 10/23/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 32S | OPH050924 | CALL | 100 | APH | 11/02 | @ | 0.50 | SEL 1,505.00CR |

*** End of Report ***

| Trade Date Balance: | | | | | | | | | | .00 |
|---------------------|----------|------------|-----------------|------|----------|-----------|--------------------|-------------|-----|------------|
| Process | Settle | Account | Client | IA | Quantity | Security | Name | Description | Trn | Amount |
| 11/19/18 | 11/16/18 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 40 | OPH050957 | CALL 100 APHA 11/1 | | EXP | 0.00 |
| 11/12/18 | 11/13/18 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 40S | OPH050957 | CALL 100 APHA 11/1 | @ 0.50 | SEL | 1,900.00CR |

*** End of Report ***

| | | | | | | | | | | | | | |
|---------------------|----------|------------|-----------------|------|----------|-----------|--------------------|--|--|-------------|------|-----|----------|
| Trade Date Balance: | | | | | | | | | | .00 | | | |
| Process | Settle | Account | Client | IA | Quantity | Security | Name | | | Description | | Trn | Amount |
| 12/03/18 | 11/30/18 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 15 | OPH050997 | CALL 100 APHA 11/3 | | | | | EXP | 0.00 |
| 11/21/18 | 11/22/18 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 15S | OPH050997 | CALL 100 APHA 11/3 | | | @ | 0.20 | SEL | 205.00CR |

*** End of Report ***

| Trade Date Balance: | | | | | | | | | | | | .00 | | |
|---------------------|----------|------------|-----------------|------|----------|-----------|------|-----|-------------|------|---|------|--------|----------|
| Process | Settle | Account | Client | IA | Quantity | Security | Name | | Description | | | Trn | Amount | |
| 12/17/18 | 12/14/18 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 25 | OPH051012 | CALL | 100 | APHA | 12/1 | | EXP | 0.00 | |
| 11/28/18 | 11/29/18 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 25S | OPH051012 | CALL | 100 | APHA | 12/1 | @ | 0.40 | SEL | 905.00CR |

*** End of Report ***

Haywood Securities Inc.
Transaction Report
ME: ALL IB: ALL BR: ALL IA: ALL FROM: 01/01/18 TO: 12/31/23
Client ID: ALL Account: TM1-4472-C CUSIP: OPH051066 Tran Code: ALL
Proc Date Order

*** Prophile System ***

Page: 1
Processed: 02/02/2018 380
Run Code: 033-1353

Trade Date Balance: .00

| Process | Settle | Account | Client | IA | Quantity | Security | Name | Description | Trn | Amount |
|----------|----------|------------|-----------------|------|----------|-----------|--------------------|-------------|------|----------------|
| 01/11/19 | 01/14/19 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 50 | OPH051066 | CALL 100 APHA 01/1 | @ | 0.02 | BUY 115.00 |
| 12/14/18 | 12/17/18 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 50S | OPH051066 | CALL 100 APHA 01/1 | @ | 0.30 | SEL 1,405.00CR |

*** End of Report ***

| Trade Date Balance: | | | | | | | | | | | .00 | |
|---------------------|----------|------------|-----------------|------|----------|-----------|--------------------|-------------|-----|------------|-----|--|
| Process | Settle | Account | Client | IA | Quantity | Security | Name | Description | Trn | Amount | | |
| 01/21/19 | 01/18/19 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 50 | OPH051080 | CALL 100 APHA 01/1 | | EXP | 0.00 | | |
| 01/21/19 | 01/21/19 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 50S | OPH051080 | CALL 100 APHA 01/1 | EXPIRY | EXP | 0.00 | | |
| 01/18/19 | 01/21/19 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 50 | OPH051080 | CALL 100 APHA 01/1 | @ | BUY | 115.00 | | |
| 12/24/18 | 12/27/18 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 50S | OPH051080 | CALL 100 APHA 01/1 | @ | SEL | 1,155.00CR | | |

*** End of Report ***

| | | | | | | | | | | | | | |
|---------------------|----------|------------|-----------------|------|----------|-----------|--------------------|--|-------------|------|--|-----|------------|
| Trade Date Balance: | | | | | | | | | | | | .00 | |
| Process | Settle | Account | Client | IA | Quantity | Security | Name | | Description | | | Trn | Amount |
| 01/21/19 | 01/18/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 80 | OPH051082 | CALL 100 APHA 01/1 | | | | | EXP | 0.00 |
| 12/28/18 | 12/31/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 80S | OPH051082 | CALL 100 APHA 01/1 | | @ | 0.20 | | SEL | 1,505.00CR |

*** End of Report ***

Haywood Securities Inc.
Transaction Report
ME: ALL IB: ALL BR: ALL IA: ALL FROM: 01/01/18 TO: 12/31/23
Client ID: ALL Account: TM1-4472-C CUSIP: OPH051157 Tran Code: ALL
Proc Date Order

Page: 1
Processed: 02/02/2018
Run Code: 033-1350

Trade Date Balance: .00

| Process | Settle | Account | Client | IA | Quantity | Security | Name | Description | Trn | Amount |
|----------|----------|------------|-----------------|------|----------|-----------|--------------------|-------------|-----|------------|
| 02/04/19 | 02/01/19 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 50 | OPH051157 | CALL 100 APHA 02/0 | | ASG | 0.00 |
| 01/11/19 | 01/14/19 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 50S | OPH051157 | CALL 100 APHA 02/0 | @ 0.35 | SEL | 1,650.00CR |

*** End of Report ***

| Trade Date Balance: | | | | | | | | | | | | .00 | |
|---------------------|----------|------------|-----------------|------|----------|-----------|--------------------|-------------|-----|------------|--|-----|--|
| Process | Settle | Account | Client | IA | Quantity | Security | Name | Description | Trn | Amount | | | |
| 02/11/19 | 02/08/19 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 50 | OPH051172 | CALL 100 APHA 02/0 | | ASG | 0.00 | | | |
| 01/18/19 | 01/21/19 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 50S | OPH051172 | CALL 100 APHA 02/0 | @ 0.30 | SEL | 1,405.00CR | | | |

*** End of Report ***

| | | | | | | | | | | | | | |
|---------------------|----------|------------|-----------------|------|----------|-----------|------|-----|-------------|------|---|------|----------------|
| Trade Date Balance: | | | | | | | | | | | | .00 | |
| Process | Settle | Account | Client | IA | Quantity | Security | Name | | Description | | | Trn | Amount |
| 02/19/19 | 02/15/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 50 | OPH051180 | CALL | 100 | APHA | 02/1 | | EXP | 0.00 |
| 02/06/19 | 02/07/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 50S | OPH051180 | CALL | 100 | APHA | 02/1 | @ | 0.40 | SEL 1,900.00CR |

*** End of Report ***

| Trade Date Balance: | | | | | | | | | | | | .00 | | |
|---------------------|----------|------------|-----------------|------|----------|-----------|--------------------|-------------|-----|------------|--|-----|--|--|
| Process | Settle | Account | Client | IA | Quantity | Security | Name | Description | Trn | Amount | | | | |
| 03/11/19 | 03/08/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 60 | OPH051209 | CALL 100 APHA 03/0 | | EXP | 0.00 | | | | |
| 02/20/19 | 02/21/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 60S | OPH051209 | CALL 100 APHA 03/0 | @ 0.50 | SEL | 2,900.00CR | | | | |

*** End of Report ***

Haywood Securities Inc.
Transaction Report
ME: ALL IB: ALL BR: ALL IA: ALL FROM: 01/01/18 TO: 12/31/23
Client ID: ALL Account: TM1-4472-C CUSIP: OPH051210 Tran Code: ALL
Proc Date Order

*** Prophile System ***

Page: 1
Processed: 02/02/2019 387
Run Code: 033-1349

Trade Date Balance: .00

| Process | Settle | Account | Client | IA | Quantity | Security | Name | Description | Trn | Amount |
|----------|----------|------------|-----------------|------|----------|-----------|--------------------|-------------|-----|------------|
| 03/11/19 | 03/08/19 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 60 | OPH051210 | PUT 100 APHA 03/08 | | ASG | 0.00 |
| 02/27/19 | 02/28/19 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 60S | OPH051210 | PUT 100 APHA 03/08 | @ 0.50 | SEL | 2,900.00CR |

*** End of Report ***

| Trade Date Balance: | | | | | | | | | | | | .00 | | |
|---------------------|----------|------------|-----------------|------|----------|-----------|------|-----|-------------|------|---|------|--------|------------|
| Process | Settle | Account | Client | IA | Quantity | Security | Name | | Description | | | Trn | Amount | |
| 03/18/19 | 03/15/19 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 60 | OPH051216 | CALL | 100 | APHA | 03/1 | | EXP | 0.00 | |
| 03/11/19 | 03/12/19 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 60S | OPH051216 | CALL | 100 | APHA | 03/1 | @ | 0.35 | SEL | 2,000.00CR |

*** End of Report ***

| Trade Date Balance: | | | | | | | | | | | | .00 | |
|---------------------|----------|------------|-----------------|------|----------|-----------|------|-----|------|-------------|-----|--------|-------------|
| Process | Settle | Account | Client | IA | Quantity | Security | Name | | | Description | Trn | Amount | |
| 03/18/19 | 03/15/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 25S | OPH051217 | CALL | 100 | APHA | 03/1 | EXO | 0.00 | |
| 02/26/19 | 02/27/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 25S | OPH051217 | CALL | 100 | APHA | 03/1 | @ | 4.05 | 10,025.00CR |
| 12/03/18 | 12/04/18 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 50 | OPH051217 | CALL | 100 | APHA | 03/1 | @ | 1.85 | 9,357.50 |

*** End of Report ***

| Trade Date Balance: | | | | | | | | | | .00 | | | |
|---------------------|----------|------------|-----------------|------|----------|-----------|------|-----|------|-------------|--------|-----|------------|
| Process | Settle | Account | Client | IA | Quantity | Security | Name | | | Description | | Trn | Amount |
| 03/25/19 | 03/22/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 70 | OPH051238 | CALL | 100 | APHA | 03/2 | | EXP | 0.00 |
| 03/08/19 | 03/11/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 70S | OPH051238 | CALL | 100 | APHA | 03/2 | @ 0.30 | SEL | 2,000.00CR |

*** End of Report ***

| | | | | | | | | | | | | | |
|---------------------|----------|------------|-----------------|------|----------|-----------|--------------------|--|-------------|------|--|-----|------------|
| Trade Date Balance: | | | | | | | | | | | | .00 | |
| Process | Settle | Account | Client | IA | Quantity | Security | Name | | Description | | | Trn | Amount |
| 03/25/19 | 03/22/19 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 60 | OPH051239 | CALL 100 APHA 03/2 | | | | | EXP | 0.00 |
| 03/18/19 | 03/19/19 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 60S | OPH051239 | CALL 100 APHA 03/2 | | @ | 0.30 | | SEL | 1,705.00CR |

*** End of Report ***

| Trade Date Balance: | | | | | | | | | | | | | .00 |
|---------------------|----------|------------|-----------------|------|----------|-----------|--------------------|-------------|------|--------|----------|----|-----|
| Process | Settle | Account | Client | IA | Quantity | Security | Name | Description | Trn | Amount | | | |
| 04/01/19 | 03/29/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 60 | OPH051246 | CALL 100 APHA 03/2 | | EXP | 0.00 | | | |
| 03/11/19 | 03/12/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 60S | OPH051246 | CALL 100 APHA 03/2 | @ | 0.35 | SEL | 1,985.00 | CR | |

*** End of Report ***

| | | | | | | | | | | | | | |
|---------------------|----------|------------|-----------------|------|----------|-----------|------|-----|-------------|------|---|------|----------------|
| Trade Date Balance: | | | | | | | | | | | | .00 | |
| Process | Settle | Account | Client | IA | Quantity | Security | Name | | Description | | | Trn | Amount |
| 04/15/19 | 04/12/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 70 | OPH051256 | CALL | 100 | APHA | 04/1 | | EXP | 0.00 |
| 03/25/19 | 03/26/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 70S | OPH051256 | CALL | 100 | APHA | 04/1 | @ | 0.30 | SEL 2,000.00CR |

*** End of Report ***

| | | | | | | | | | | | | |
|---------------------|----------|------------|-----------------|------|----------|-----------|----------|-----------|-------------|------|-----|------------|
| Trade Date Balance: | | | | | | | | | | | | .00 |
| Process | Settle | Account | Client | IA | Quantity | Security | Name | | Description | | Trn | Amount |
| 04/15/19 | 04/12/19 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 60 | OPH051257 | CALL 100 | APHA 04/1 | | | ASG | 0.00 |
| 03/25/19 | 03/26/19 | TM1-4472-C | RUDENSKY AN3ED? | 20TY | 60S | OPH051257 | CALL 100 | APHA 04/1 | @ | 0.60 | SEL | 3,500.00CR |

*** End of Report ***

| | | | | | | | | | | | | | | | |
|---------------------|----------|------------|-----------------|------|----------|-----------|---------|------|-------|--|-------------|------|-----|-----|------------|
| Trade Date Balance: | | | | | | | | | | | | | | .00 | |
| Process | Settle | Account | Client | IA | Quantity | Security | Name | | | | Description | | | Trn | Amount |
| 11/29/19 | 12/02/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 30 | OPH051516 | PUT 100 | APHA | 11/29 | | @ | 0.30 | BUY | | 995.00 |
| 11/29/19 | 12/02/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 20 | OPH051516 | PUT 100 | APHA | 11/29 | | @ | 0.30 | BUY | | 615.00 |
| 11/11/19 | 11/12/19 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 50S | OPH051516 | PUT 100 | APHA | 11/29 | | @ | 0.40 | SEL | | 1,905.00CR |

*** End of Report ***

| Trade Date Balance: | | | | | | | | | | | | | .00 |
|---------------------|----------|------------|-----------------|------|----------|-----------|--------------------|-------------|------|--------|----------|----|-----|
| Process | Settle | Account | Client | IA | Quantity | Security | Name | Description | Trn | Amount | | | |
| 02/21/20 | 02/24/20 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 45 | OPH051675 | PUT 100 APHA 02/21 | @ | 1.00 | BUY | 4,595.00 | | |
| 02/21/20 | 02/24/20 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 40 | OPH051675 | PUT 100 APHA 02/21 | @ | 1.00 | BUY | 4,095.00 | | |
| 01/27/20 | 01/28/20 | TM1-4399-C | HENRY GEORGE*ED | 20TY | 85S | OPH051675 | PUT 100 APHA 02/21 | @ | 0.55 | SEL | 4,575.00 | CR | |

*** End of Report ***

ANSON ADVISORS INC. ET AL

and

Court File No. CV-22-00653410-00CL

JAMES STAFFORD ET AL

Plaintiffs

Defendants

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

AFFIDAVIT OF DOCUMENTS**BLANEY MCMURTRY LLP**

Lawyers

2 Queen Street East, Suite 1500

Toronto ON M5C 3G5

John Polyzogopoulos (LSO #43150V)

Tel: (416) 593-2953

jpolyzogopoulos@blaney.com**Connor Allison** (LSO #79878R)

Tel: (647) 776-7306

callison@blaney.com

Lawyers for the defendant, Andrew Rudensky

**THIS IS EXHIBIT "7" REFERRED
TO IN THE AFFIDAVIT OF ANDREW RUDENSKY
SWORN BEFORE ME THIS
25TH DAY OF FEBRUARY, 2024.**



Connor Allison

To: "Moez Kassam <+14165009999>" <>, "Betting Bruiser <16132435556@s.whatsapp.net>" <16132435556@s.whatsapp.net>
 rsmf.zip

Moez Kassam <+14165009999>
 2020-10-01T02:22:15.0000000Z
 I lost u there

Moez Kassam <+14165009999>
 2020-10-01T02:23:16.0000000Z
 Your phone die ?

Betting Bruiser <16132435556@s.whatsapp.net>
 2020-10-01T15:11:19.0000000Z
 I think we have a deal ... let me know how much you think you owe me from the past and will get that looked after then go from there. Nate signed off also on me helping but you better stay true to your word.

Moez Kassam <+14165009999>
 2020-10-01T15:14:12.0000000Z
 Sounds good

Moez Kassam <+14165009999>
 2020-10-01T15:16:26.0000000Z
 Send me an invoice for \$50k cdn for the research services you have provided. I hope you see the step in the right direction and sky is limit from here.

Betting Bruiser <16132435556@s.whatsapp.net>
 2020-10-01T15:18:17.0000000Z
https://www.osc.gov.on.ca/documents/en/Proceedings-RAD/rad_20190709_rudenskyp.pdf

Betting Bruiser <16132435556@s.whatsapp.net>
 2020-10-01T15:18:35.0000000Z
 ^ would be the first guy I sue if I was you

Moez Kassam <+14165009999>
 2020-10-01T15:19:04.0000000Z
 I need proof or atleast smoke that he's involved

Moez Kassam <+14165009999>
 2020-10-01T15:19:30.0000000Z
 I need texts , emails etc. It's all staying with us , we Defn aren't posting. It's all for counsel , so won't come back at all

Moez Kassam <+14165009999>
 2020-10-01T15:20:02.0000000Z
 Also if it starts getting into sensitive stuff , I'm happy to indemnify you , if by chance u get brought into a suit

Moez Kassam <+14165009999>
 2020-10-01T15:20:06.0000000Z
 But I need real info

Moez Kassam <+14165009999>
 2020-10-01T15:20:19.0000000Z
 Emails and chats from Stafford , Rudensky , whomever else

Betting Bruiser <16132435556@s.whatsapp.net>
 2020-10-01T15:22:41.0000000Z

Betting Bruiser <16132435556@s.whatsapp.net>
2020-10-01T15:23:00.000000Z
That's what Stafford sent me today

Betting Bruiser <16132435556@s.whatsapp.net>
2020-10-01T15:23:14.000000Z
That the general game plan for part 2

Betting Bruiser <16132435556@s.whatsapp.net>
2020-10-01T15:23:29.000000Z
He has PI's following you and Sunni and maybe spears

Betting Bruiser <16132435556@s.whatsapp.net>
2020-10-01T15:24:43.000000Z
He has a broker at PI financial that seems to have been giving him information also ... I think he said Gary on a phone call but can't recall

Moez Kassam <+14165009999>
2020-10-01T15:26:16.000000Z Who's in charge of the hotline , we need to figure out who he's feeding the info to

Betting Bruiser <16132435556@s.whatsapp.net>
2020-10-01T15:26:37.000000Z
Rudensky for sure wrote part 1 ... Stafford was paying him to do it ... he tried to get me to talk to him ... I assume he's one running the hotline

Betting Bruiser <16132435556@s.whatsapp.net>
2020-10-01T15:27:05.000000Z
He has a women PI also involved he is paying but Rudensky works with him regularly on other things as well ...

Moez Kassam <+14165009999>
2020-10-01T15:27:20.000000Z
Need proof Rudensky is involved Betting Bruiser <16132435556@s.whatsapp.net>
2020-10-01T15:27:27.000000Z
Rudensky said that he was talking to you directly so don't trust that guy

Betting Bruiser <16132435556@s.whatsapp.net>
2020-10-01T15:27:33.000000Z
I'm telling you 100% he is

Moez Kassam <+14165009999>
2020-10-01T15:29:57.000000Z
I haven't spoken to him in 4 months I think. Again I need conversations showing his involvement

Moez Kassam <+14165009999>
2020-10-01T15:30:27.000000Z
Key is this Hotline. That people are feeding into it. What are the emails and phone numbers. Who runs it , how do they submit etc

Betting Bruiser <16132435556@s.whatsapp.net>
2020-10-01T17:21:50.000000Z
I'll get you invoice for what I think you owe me ... you get me braid indemnification stating I'll never be identified and remain anon ... never will be sued by Anson for any reason ... create list of questions you want answered then we can go from there.

Moez Kassam <+14165009999>
2020-10-01T17:40:04.000000Z
I can't do that

Moez Kassam <+14165009999>

2020-10-01T17:40:19.000000Z
Once I get results , happy to do it

Moez Kassam <+14165009999>
2020-10-01T17:40:33.000000Z
But until then , I need to see progress first

Moez Kassam <+14165009999>
2020-10-01T17:42:02.000000Z
Just show me who's involved with reasonable facts/proof for our team and I can give you the blanket immunity

Betting Bruiser <16132435556@s.whatsapp.net>
2020-10-01T17:44:05.000000Z
Alright I'll let Nate know you don't wanna do it

Betting Bruiser <16132435556@s.whatsapp.net>
2020-10-01T17:44:22.000000Z
Sue me for all I care ... I got no money in my name and no assets.

Betting Bruiser <16132435556@s.whatsapp.net>
2020-10-01T17:44:46.000000Z
I sent invoice for what you owe me and you should settle that first out of principle

Moez Kassam <+14165009999>
2020-10-01T17:47:25.000000Z
I wouldn't sue u for ur assets

Moez Kassam <+14165009999>
2020-10-01T17:47:33.000000Z
Not that I even want to

Moez Kassam <+14165009999>
2020-10-01T17:47:49.000000Z
Again why does always have to get so hostile

Betting Bruiser <16132435556@s.whatsapp.net>
2020-10-01T17:48:22.000000Z
Sue me for whatever I don't care ... I have a law degree ... we can go that route you just promised that yesterday

Betting Bruiser <16132435556@s.whatsapp.net>
2020-10-01T17:48:26.000000Z
Unconditional

Betting Bruiser <16132435556@s.whatsapp.net>
2020-10-01T17:48:32.000000Z
Not hostile whatsoever

Moez Kassam <+14165009999>
2020-10-01T17:48:45.000000Z
I don't want to sue , not sure why ur making it an issue

Betting Bruiser <16132435556@s.whatsapp.net>
2020-10-01T17:48:58.000000Z
Because I don't trust you yet.

Moez Kassam <+14165009999>
2020-10-01T17:49:15.000000Z
I'm just saying , I'm Happy to over pay and I thought \$50k was more than reasonable. Adjust it and I'll pay it either way

Moez Kassam <+14165009999>
 2020-10-01T17:49:23.000000Z
 I don't even need u to support

Moez Kassam <+14165009999>
 2020-10-01T17:49:29.000000Z
 Happy to pay either way

Betting Bruiser <16132435556@s.whatsapp.net>
 2020-10-01T17:49:51.000000Z
 I sent invoice for what I think you owe me ... if you don't pay it

Betting Bruiser <16132435556@s.whatsapp.net>
 2020-10-01T17:50:00.000000Z
 I can make 250k going to the other side
 Betting Bruiser <16132435556@s.whatsapp.net>
 2020-10-01T17:50:39.000000Z
 And that's not owed to me ... that's just to help bury you. Choice is yours.

Moez Kassam <+14165009999>
 2020-10-01T17:51:03.000000Z
 I'm not following

Betting Bruiser <16132435556@s.whatsapp.net>
 2020-10-01T17:51:21.000000Z
 Your offering me what exactly to help you

Betting Bruiser <16132435556@s.whatsapp.net>
 2020-10-01T17:51:57.000000Z
 Money that's owed to me ... indemnification agreement ... be part of the team and be kept in the loop.

Betting Bruiser <16132435556@s.whatsapp.net>
 2020-10-01T17:52:28.000000Z
 I'm saying I was originally offered a lot more money to help the people trying to bury you and I'm only do this for favour to Nate.

Moez Kassam <+14165009999>
 2020-10-01T17:53:31.000000Z
 I'm offering 50k to settle old , and as for new, sky is limit. If u give me the nuts as to who exactly is running the hot line with proof and who contributed , pick your amount. \$250k? Be involved on our stuff going forward, sky is the limit.

Moez Kassam <+14165009999>
 2020-10-01T17:54:02.000000Z
 U said that is what u wanted, to work together , get ideas. That's a given if u help me here

Betting Bruiser <16132435556@s.whatsapp.net>
 2020-10-01T17:54:44.000000Z
 Again ... I sent invoice for \$75k I think is fair for what you owe me ... I wanna sign indemnification... then we go from there. I'll try my best to get you what you need. That's all.

Betting Bruiser <16132435556@s.whatsapp.net>
 2020-10-01T17:55:22.000000Z

Betting Bruiser <16132435556@s.whatsapp.net>
 2020-10-01T17:55:38.000000Z
 You obviously need to put an end to this.

Moez Kassam <+14165009999>

2020-10-01T18:06:11.000000Z

The report had nothing to do with front running. This reg is from that task force findings

Moez Kassam <+14165009999>

2020-10-01T18:06:28.000000Z

Atleast that's my read

Betting Bruiser <16132435556@s.whatsapp.net>

2020-10-01T18:07:14.000000Z

Alright I don't read it that way and what people are coming forward with about Anson had a lot to do with front running private placements

Betting Bruiser <16132435556@s.whatsapp.net>

2020-10-01T18:07:32.000000Z

Brokers being implemented in giving you the information beforehand

Betting Bruiser <16132435556@s.whatsapp.net>

2020-10-01T18:21:24.000000Z

But that's my offer so get you Chief legal officer or whatever to draw me up and indemnification agreement ... cause she won't be happy either if someone implicates her also. I'm in the all the legal circles and I know her husband stood to gain on the zenabis/tilray deal also. I'm smarter then your average bear.

**THIS IS EXHIBIT "8" REFERRED
TO IN THE AFFIDAVIT OF ANDREW RUDENSKY
SWORN BEFORE ME THIS
25TH DAY OF FEBRUARY, 2024.**



Connor Allison

1 evidence.

2 A. Mr. Staley, you're
3 misinterpreting my answer, I said "that was the
4 deal". I'm not telling you to speak to
5 Mr. Kassam. The deal was is that I refused to
6 Mr. Kassam until we had a deal in place to deal
7 with the previous issues that we had. And I
8 believe Moez was sweetening the deal or trying
9 to sweeten the deal by offering me
10 indemnification. That was the two aspect of the
11 deal.

12 519 Q. Now, in the exchange that
13 followed, did you provide any information to
14 Mr. Kassam about who was responsible for the
15 first Defamatory Manifesto?

16 A. I believe I falsely accused
17 Andrew Rudensky at some point.

18 520 Q. And Mr. Stafford?

19 A. It was led to me to believe from
20 our previous conversations with Moez Kassam that
21 he thought it was James Stafford, it was not me.
22 He's the one that brought that person forward.

23 521 Q. And you say you falsely accused
24 Mr. Rudensky. Why did you falsely accuse
25 Mr. Rudensky?

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1 A. Because Moez Kassam, on the first
2 couple of calls, was adamant that a man named
3 Andy DeFrancesco, or Difrenchco [ph], I don't
4 know how to pronounce his name very well, but
5 Moez was adamant that he was involved in some
6 way, shape or form. I had no proof of that and
7 he was asking for, I believe, bread crumbs, is
8 what he kept on referring to. So I gave him a
9 false bread crumb to get him off my back.

10 I actually just Googled Andy
11 DeFrancesco, I believe, and the first person
12 that came up was Andrew Rudensky, and I sent him
13 the link.

14 522 Q. You said there -- I'm going to
15 take a look at the text there at -- October 1,
16 2020, 11:26:37.

17 "Rudensky for sure wrote part
18 1...Stafford was paying him to do
19 it...he tried to get me to talk to
20 him...I assume he's one running the
21 hotline."

22 So did you tell Mr. Kassam that
23 Stafford paid Rudensky to write the first
24 Defamatory Manifesto?

25 A. Based on my recollection, not

1 this transcript, but based on my recollection of
2 the conversation with him I may have given the
3 impression that Stafford was involved.

4 523 Q. And what you're telling now is
5 that what you told Mr. Kassam at the time was a
6 lie and you're telling the truth today is that
7 your evidence?

8 A. About what specifically?

9 524 Q. About the role played by
10 Mr. Rudensky and Mr. Stafford in the first
11 Defamatory Manifesto?

12 A. Again, it was --

13 525 Q. You lied to him about who was
14 responsible?

15 A. I was led to believe from Moez's
16 own mouth that Stafford was involved. I was
17 just reiterating what he had already told me.

18 526 Q. And you affirmed what he told
19 you, is that fair?

20 A. No, that's not fair.

21 527 Q. You said, "Stafford was paying
22 him to do it", "him" meaning Rudensky? You told
23 him that?

24 A. I may have but I have no proof
25 that anybody ever got paid for anything.

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1 528 Q. And why would you tell him that
2 again?

3 A. Because we were negotiating a
4 deal, and I was basically fabricating what he
5 wanted to hear.

6 529 Q. So you acknowledge, sir, that
7 you're a liar, is that fair?

8 A. I acknowledge when I deal with
9 Moez Kassam, who has the lied to me on every
10 occasion that I've ever dealt with him, yeah, I
11 was definitely being dishonest with Moez Kassam.

12 530 Q. And you were being dishonest in a
13 context when you were seeking to be paid, right?
14 You were looking for money from him?

15 A. It was part of a negotiation. I
16 don't know if money was actually the topic why I
17 lied to him. I was more under duress because
18 your client was threatening my family. He's a
19 litigious person. He was saying he had PIs,
20 he said he had all these storm troopers
21 basically looking into the situation. So, yes,
22 I was under duress at that point.

23 531 Q. And you go on to say:

24 "He has a woman PI also involved
25 he is paying but Rudensky works with

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1 him regularly on other things as
2 well."

3 You told Mr. Kassam that?

4 A. Again, based on many
5 recollection, I can't recall saying that exact
6 statement.

7 532 Q. And "PI" is private investigator,
8 is that your recollection?

9 A. I'm not sure because I made
10 reference, I believe, to PI Financial. I don't
11 know if I'm recommending a private investigator
12 here or talking about PI Financial.

13 533 Q. Mr. Fenton is highlighting a
14 further portion of the exchange, it's October 1,
15 2020, 1:50 p.m.. And this follows from:

16 "I sent invoice for what I think
17 you owe me...if you don't pay it I can
18 make 250k going to the other side and
19 that's not owed to me...that's just to
20 help bury you. Choice is yours."

21 So, sir, you told Mr. Kassam here that
22 you could make \$250,000 going to the other side,
23 is that what you told him?

24 A. I can't recall specifically
25 saying that but I might have. I was trying to

**THIS IS EXHIBIT "9" REFERRED
TO IN THE AFFIDAVIT OF ANDREW RUDENSKY
SWORN BEFORE ME THIS
25TH DAY OF FEBRUARY, 2024.**



Connor Allison

1 what we have. We have produced to you what we
2 have.

3 BY MR. MILNE-SMITH:

4 752 Q. Okay. So if we go back, then, to
5 the text exchange between Mr. Doxtator and
6 Mr. Kassam at document 10303?

7 MR. KIM: Yes.

8 BY MR. MILNE-SMITH:

9 753 Q. You will see around the middle of
10 the page there Betting Bruiser writes:

11 "Rudensky for sure wrote part 1.

12 Stafford was paying him to do it. He

13 tried to get me to talk to him. I

14 assume he's one running the hotline".

15 So is your information that

16 Mr. Doxtator is simply lying there?

17 A. I don't know what Doxtator was

18 thinking. I can't speak for him.

19 754 Q. Do you deny what he has alleged
20 there about you at least?

21 A. Yes, I deny it.

22 755 Q. So you deny paying Mr. Rudensky
23 or anyone else to write the Defamatory Manifesto
24 or any part of it?

25 A. Yes, I deny it.

**THIS IS EXHIBIT “10” REFERRED
TO IN THE AFFIDAVIT OF ANDREW RUDENSKY
SWORN BEFORE ME THIS
25TH DAY OF FEBRUARY, 2024.**



Connor Allison

3rd Call – Lots of info

CM: Can we start by running through the list of what we've got.

Insider: Names, dates, deals, people obviously. You have Catalyst Capital which outlines a lot of co-conspirators. He has a new Hedgefund manager with this Malik guy, you can find his name on the disclosures.

Anson tries really hard to keep their name off the deals they try to do because everyone knows if they are involved in a private placement then they are giving a vote of confidence to the company but everybody knows that they are most likely short. So they give a little bit to get a lot.

He keeps a lot of the stuff in house but uses some mouth pieces out there to amplify his short position when he needs to.

As you've seen with Hindenburg Research and Citron Research and Friendly Bear – 90% of the time that's Moez. Moez also has a friendly relationship with Marco Hanes – the guy that was in the movie the Big Short. He's a character.

I know Andrew Left and Citron were his main mouthpiece for a long time. They worked extensively together.

CM: And what's the process with these guys? How does it actually work?

Insider:: Well Facedrive is a different example where he was under water and he was getting calls that he was going to get margin called. But a lot of the time, he uses Andrew Left to put out a report when he is trying to cover. So he wants to cover in one day, so he calls Andrew Left and he puts out a bogus report under Citron Research and they will use the volatility in the market. Which is why 90% of the time Citron puts out these reports, the stock goes up.

TM: Because that's the bottom of that trade and so that's the cover and that's the exit for those guys.

Insider: Exactly. But this was different with Facedrive and so was NTAR when he used Hindenburg. It seems the only time he reaches out to Nate is when he's in trouble. He is saying, I am over my head, this company is a fraud, here's the information and put something out on it.

But a majority of the time with Friendly Bear or Citron is basically just to get out when it's hit the bottom of the trade. Because he has such large positions if he did start to cover on low volume it would run up the stock.

So on Facedrive, I think some of his naked short positions were getting margin called and that's why it ran as much as it did.

CM: How big do you think his short is on Facedrive?

Insider:: It's probably over 10 million dollars worth. People on the street are saying he is still short and he is wishing he didn't go short so early. He is short at \$7 a share.

TM: Do you think from what you heard from this trade that it morphed into a much bigger position, where he started at \$7 and kept adding and adding and buried himself

Insider:: I'm not exactly sure, there's a lot of talk of this private placement. I heard that no-one at Anson talked to the CEO so he must have reached out through one of his other funds to try to facilitate a debt financing deal or a private placement. So I'm not sure if he planned to cover his shorts there, but that's where he hit panic mode. Whoever got wind of what he was doing booted him out, so that's when he started panicking because he would be forced to cover on the open market with little liquidity compared to his 10 million short. Then he started naked shorting on top of his 10 million, then he was forced to cover. So he's already down a bunch of

money from naked short covering at 12-15 when he got margin called. And now he's not getting a private placement he is stuck. When Nate put out that report he covered some obviously.

TM: How would he be carrying that kind of size with only 5 million shares out, is the majority of that million shares naked? Because I don't know how there can be that many shares available.

Insider:: He might have a share loan agreement with somebody.

TM: Well there are only a few guys with that kind of size.

CM: Yes, but most of that is going to be taken out of the market, they are taking 1.3 million shares out of the market and there's probably only a million, a million and a half shares out there that aren't held by friendlies. I don't know where he will have left to run.

TM: That would be a tough situation for him then. That has what's baffled me, the juggling he would have to do because it's pretty tightly held. If that's not the case then he is absolutely scrambling.

Insider:: Yes, I think it's a combination of both. He might have an initial loan somewhere, a base at \$7 and then he continually just tried to go naked and if you guys are recycling the float the whole time then he is in trouble. And there was panic in his voice when I spoke to him.

So again, he's not only going to get bought in, he's going to get bought in and then run up the share price even more on a tight float so he will lose a lot.

TM: And given the size of that fund now, when you're at 250 and he takes a 10-15 million hit that's a significant hit.

Insider: Exactly, and his shareholders aren't going to be very happy with that.

And he did the same thing with NTAR – it's one that did a better job when Nate put out the report. He shorted early, it capped out about 300 million or 400 million. Because that's what short sellers look for in Canada, when a market cap raises to 300-500 million, that's when you see a lot of these names hit the wall.

You have that with Facedrive, it hit 500 million and he shorted and you guys ran it to 1-2 billion.

Moez has enough influence that he can stay naked for 30 days+.

So he might have got called and then moved it through another broker. So if you guys are looking at the price action, where is a lot of the buying coming from since a couple of days before the short report to today?

CM: CIBC were locking up quite a few and House 1.

TM: He would get leeway because of the fees he would pay, then when he runs out, he would buy a little back, put it back at another one and then would have accounts on every desk on the street. Each round is 5-6 days. So he could do it for slightly over a month.

But when I spoke to him he told me it was getting more challenging. I've known Moez for a bit and he has told me that now anything over a million naked short is stressful and not as easy as it used to be. Now if a third of that was uncovered, that's a big number for any of these firms. So now it's millions of dollars of exposure and trying to give the guy some leeway but the walls are closing in on the guy.

Insider: Yeah. He uses CIBC, RBC, TD and Fidelity, those are the main ones as well as a few other small brokerages, Haywood, Canacord, PI – he has accounts there.

TM: When he went to Nate, in your experience with these kind of trades. How blunt is he in giving you the information of his situation and how much trouble he is in. I hear he didn't disclose it this time?

Insider: Nate says to me all the time, he doesn't like to deal with the noise. So he probably wouldn't even ask. When I talked to him the day before and said I hear Moez is in trouble here, I don't appreciate that we are doing a favour for Moez here what's going on?

He said Moez just promoted a 'good idea' a month ago. But he presented it when he was at the height of his trouble. Nate got a million dollars of borrow somehow. He said that's all he could get.

TM: Was Nate taken aback when you told him that Moez was in trouble? Was he pissed off?

Insider: He was really salty about it and salty that I was giving him a hard time about it. I'm his friend and told him I hate Moez and if Moez was in trouble we should have just started buying. And he was like, well, I got the information from him, we vetted it and then did our own research. So he explained to me that it was an easy short report because it was a layup. So he said it was easy and didn't have to put time or energy into it and let the research speak for itself. And he said to me, it's down 50% from when I got the information, I won't lose money here. Moez might but I won't.

TM: Yeah it was brought to him at \$24. At that level it made sense.

I understand you're protecting your buddy. But I've been on the street for 15 years and Moez seems like a guy who would have dinner with you and shake your hand and then screw you over and I don't get how he survives.

And what you described, I know you're protecting your buddy there, but this guy could turn on us at any point. Why would you help him out with his track record. You know how he operates.

CM: Ok – can we focus a little more on other deals where he slipped up. We need to focus on the illegal behaviour, where do we need to look?

Insider: GNUS is one that everybody has told me he made a boatload of money off. A heavily manipulated stock. He has been putting out bogus news. He was on both sides of that deal I've been told. He's got in with management, he got them to put out bogus news a bunch of times. He's been in and out a bunch of times. You see there's been a fake thing put on a message board that said Disney was going to take a 5% stake in GNUS and that is why the stock got bumped up and a couple of other bogus news releases. So that's the other one he's had a big win on. But again, from my understanding he was playing both sides of the trade and he put a bunch of maple syrup over it and called it a day. If you see the price action on GNUS, it was a small float, heavily manipulated both ways and every time it was jolting up that was Moez covering the big positions.

He definitely did slip up there, because he was pressuring the company to put bogus releases and information on friendly websites that sent the stock sky high.

CM: Any idea which websites they were. Who he dealt with?

Insider: I would have to look at all the names of the company and circle someone. He just befriends people so who knows. He probably met someone 6 months ago at a dinner and hit it off and then six months later he's not friends with those people anymore. That's how he operates.

TM: I think one of the things on how he operates. I used to be very close with Danny Guy who ran Solita and he went through the whole Marco attack which Anson helped with. But it's the movement of any of those naked short positions. The juggling of them. Multiple entities, trading account. Moving those short positions there's a big question on the marking of the ticket because there are some of those desks marking these long sales. So he

would have 50,000 shares and go short 500 but mark it as a net long sale and it would knock it down. So that is where there are regulatory issues on the movement of naked positions, the marking of tickets.

They are very well organized, and the whole process. But the marking of tickets and moving short positions around the street.

CM: How do we find that out? Has he left anything uncovered?

Insider: It's hard.

TM: In my opinion, that would have to come from the traders who are making the trade. They would tell him he would have to clear his position and we need to find out where that position went. Is it a block trade? I'm sure he's not trading to himself but through a Park Web a Semara and then kicks it back and keeps shorting against it from another firm. That's the information we need.

Insider: I know who has accounts on the trading desk but realistically unless I am making them a bunch of money they won't suddenly give information on Moez. He pays a ton of money.

CM: What if we were to put pressure on the banks and brokerages? Credit compliance etc. Then they would take a closer look at their operations.

Insider: Canacord is the shadiest broker in the business so what do you want me to say? They do a lot more shady stuff than Moez. But the regulators are on this, if you look at the news coverage in the last 2 weeks, there has been a concerted effort and a bill that's been put forward to stop naked short selling in Canada for anybody involved in any broker deals.

I have been told that is a law that's come in because of Moez and Anson because he pretends he's long. He will buy 100,000 in these private placement and tell everyone he is long. When anyone argues he says, I've got a private placement or this or that to show he's long. And it's not true, he's hiding this position. The regulators are onto it. The easiest way is to cut him out of private placements.

TM: Well here's a story for both of you, I was a broker and G&P for over 10 years and Moez traded through the guy next to me. So Moez calls him and he gets a call on an OTC stock. In the email chain back and forth it was go get short 500-800 and my guy wrote back and then Moez said I will be out by tomorrow.

Those emails were found by tomorrow and then he was sat down with the broker and asked to explain the emails. And that's one of many many tales I'm sure.

CM: where would you look to get the right information?

Insider: I would look at what he is disclosing as his holdings. And usually those are the long positions he is short on. Until the regulators come in on naked shorting, he'll just keep doing it.

He front runs private placements but where does he get the information on those? His brokers. So if Cannaccords doing a raise. They will know days in advance and they will go to Moez and let him know it's coming. Moez will short it, and it looks good on Cannaccord and Moez will start a base position. So if it's free trading Moez not only gets his short position covered days before. He also gets his free warrant.

TM: That could be an area of focus. You make a lot of enemies. But no question, Moez deals are getting presold and marketed with discussions with these groups. How much are you in, we are thinking over putting a list together. As soon as they have those talks, they are being tipped off that financing is coming. Moez knows if he swings a big enough stick he can start getting in and getting short.

They are making those guys money though, that's the issue. They want their percent. They want a 10-20-30 million deal.

CM: I want to understand who he is as a person, can you give me some colour.

Insider: He's a piece of shit. He befriends people, uses people. I just spoke to the best man at his wedding and they don't talk about shorting anymore because he just feeds everyone shit. This is his best friend. They don't talk about short selling because it ruins the friendship. His only real friends are those foody losers he hangs around with.

TM: I think his passion and weakness is food. 5 days a week. He doesn't pay for most meals. He will have each meal paid for by a different issuer. They would pay for the dinners 4-5 days a week.

If you were on social media you would see every day there is a full dinner with a new crew. He's close with Dan Sternbot and Dun Cubit. They work on these things together.

CM: If you were to do surveillance on him, where would you look?

Insider: We just run his position up like the guys at Tilray did. That really hurt him. But it took Peter Steele and his group of guys to basically say, we have more money than you, fuck you. He was with Kevin Murphy and was buddy buddy with them and telling them he was long but he was 10 times short. These people would spill their guts **and he would leak that info.**

TM: On the Tilray story, I have a pretty good idea of what was going on. He has some real heavyweights coming to these meeting. He was outside hundreds of millions of dollars when it was at its high. How was he able to stay through that? How was that onside from a regulatory perspective? He had 60-90 days to make it through? How did he ever make it through that?

Insider: Well he lost 600 million.

CM: Wow.

TM: His original plan was to go in at the IPO round and to play both sides and run up the stock and short it on the way down. But the Tilray guys had different plans. He started putting that short on between 45 and 60 bucks and then it got carried away and he was doing private SPA. It briefly traded up to 300.

Insider: That would be for sure margin called.

CM: Was that 600 million redemptions or actual loss?

Insider: That was actual loss. He was up to 50 million from the IPO and then lost an additional 500 million or so?

TM: Was that disclosed to his investors properly? Do you think he was disclosing that during his monthly?

Insider: That's why you need to get somebody to buy into his fund and see what he is reporting to his shareholders. I know he was reporting to his shareholders that he had an 800 million short fund. Then that went down to 250 or 280 so it was disclosed.

I don't know if it was disclosed that the lost it all in one trade.

CM: Let's go back to Moez the man, what else does he do?

Insider: He's just a figurehead. **Sunny Puri is his left hand man and he's a weasel.** Moez is just a gluttonous guy who has these people do all his dirty work.

Sunny worked at RBC and I'm pretty sure Moez wife worked at RBC as well. He befriends people in the business. He used Sunny at RBC then convinced him to come work for him.

His wife is related to David Cynamon who has a substantial amount of friends. But I have also heard that Cynamon has a hidden life and they are extremely close. So anything on Cynamon would be very damaging to Moez as well. He's a guy in many many of those dinners. He has cosmetic surgery and doesn't even look like a person.

CM: I'm not sure we should be going down that avenue. Who do you think would talk?

Insider: Sunny Puri but I don't know how weak he will be. I've never seen Sunny outside his office or the restaurant. I hate Sunny, so if I see him I'll try and embarrass him to the point he leaves and he'll avoid me on the street.

TM: Sunny would know where all the bodies are buried but I don't think you could flip him.

CM: How about gambling? I've heard he's a gambler and very unpopular in the community.

Insider: That's where he started out, he and his best friend went to university together and that's where they made all their money on sports betting and horseracing. He's a big guy, he was his best man. And he introduced me to Moez a long time ago and promised me the world if I helped this guy, and none of them came true.

This Alan guy has recommended so many people that Moez fucked over that he doesn't involve himself in the circle anymore. I gave him a hard time.

They made money sports gambling, then he transitioned into short selling. He first started making a name for himself was shorting Cannabis stocks on the OTC about 8 years ago when he heard about the rule that would come down on those guys. That's when he made his first 100 million. And then he met more people and ran it up to 800 million.

There are a ton of people who don't like him. 90% of the people on the street don't like him.

I know the Armenian guy knocked him out. He was an investor in his fund and he lost him this mob money. The guy was offended when he demanded the money back and Moez said 'it's as easy as taking money out of my right pocket and putting it into my left pocket' and the guy to offence to it and so he knocked him out.

He had asked him multiple times with an actual discussion, and he took real offence that Moez was talking down to him like he wasn't smart and he was offended that Moez wouldn't have that conversation and was just trying to reduce it to that and he was giving half assed answers and he was showing no respect.

CM: How did he get off the hook with the Armenian? And do you have any names of other people he's upset.

Insider: Anybody with money that's done a big deal that don't like him. There are people like me telling everyone to keep Anson Funds out of these deals. He took advantage of a lot of Cannabis people because they were desperate to stay afloat.

Zenabis was a big one where he planted Adam Spears as a director. Med Men was another one where they were taking him out to dinners and all his advice was designed to help his short.

Moez isn't stupid, he saw these guys were more gluttonous than him and they're irresponsible and he knew that if I give it a push it will fall. And he approached the short community to put pressure on it. And what he got in return was a bunch of special warrants that were tradable after a time and he controlled the market with them and then shorted them too. You don't have to be a brain surgeon.

He befriends people, front runs news or private placements or he'll plant people. Or all three.

Insider: He puts in a private placement and demands his friend is on the board. Spears is one of the only guys that he trusted. He used him as a plant. **He walked away from Ansons and every time Moez got a new deal he would put Spears in as an advisor who would share all these terrible ideas. To the point where management caught wind of it.** Tilray came in and gave Zenibus a helping hand and a 30 million loan to try to fend off Moez but it was too late at that point. And Tilray didn't even sue Zenabis, they didn't even care. They didn't even file the lawsuit because they knew they were giving it to fuck over Moez. But he had too many people on the inside.

Whenever Adam had news he would walk over and have dinner with Moez and tell him some good news was coming. Moez would cover and then short it back down again.

TM: Do you think part of the reason Adam left was so he could have the separation?

Insider: Absolutely. Moez needed him to gain confidence.

TM: That becomes interesting, because he left Anson in 2014. If he left specifically, and said he wasn't doing it anymore, but continued to work with Moez, that would suggest it was a plan to be an advisor.

Insider: I don't think he went off in 2014 because he was named in the Catalyst law suit.

CM: Ok – how do we prove this? He placed someone on the inside to sabotage a company. That's huge.

Insider: I don't know. Adam Spears left the Anson fund in February 2018 and started a business called Ace 143.

TM: In 2018? I left in 2015 and he had come in and said his goodbyes a year earlier.

CM: And when did the rest of it start?

TM: Right after Tilray. If you look at the names in that lawsuit. Westface Capital, Gregory Boland, Anson Fund, Adam Spears, Sunny Puri, Clarity Spring which was Nate, Bruce Langstaff etc. And 10 other John Does.

Look at those names, you will see them in advisory rolls in the companies Moez was shorting.

CM: Ok – we will try that. We need to make him toxic to force the regulators. What is the most toxic things he has done that would upset people.

Insider: If you look at all the people who got sued with the Catalyst guys. You know who his partners are. The brokerages need pressure. I know Chris Langstock got caught up with Moez and Canacord kicked him out. So if you shame the brokers, they kick him out. But then he will find the next guy.

TM: He is very cheap too in terms of paying out. He rented a cottage last summer, which he trashed. He is about to move forward on putting in an offer on a cottage, and right before he signed the papers, he goes to the brokerage and says I want you to cut the commission from 6-2% or I'll go with my friend. Just a bad guy.

He also paid a Wall Street Journal guy to put out an article on him.

CM: What has he done in the U.S. then?

Insider: GNUS was a U.S. one. He manipulated it up in early June to short it on the way down. That's stock market manipulation. He got in close with them and got them to put out bogus news, it went up to nearly \$8 and it's trading at \$1.76 today. That's a huge win for him. 7x.

If you look at his portfolio on EDGAR it says he's long on GNUS. **He wasn't.**

He would give 100,000 if they agree to put it into stock promotion so he can stock it. He will lose 100,000 to gain 10 million. But you need to know his different feeder funds – he is careful.

We need to be able to show he was short.

He doesn't really go for the big boards. CSE is his big go to. When NTAR seemed shit. He got short when it was about 500 million market cap and he knows these smaller markets have a limit to them. That's his playbook.

TM: Looking for U.S. companies. With the dual listing. Is there anything done untoward on those?

Insider: I don't know. I know a good example of recent one in True Leaf. He used Andy and his network. He had a bunch of bad information about the woman's husband being on Fraud charges and a bunch of indoor plantations and insider deals. So he got Brady and that group of people to send information to a friend of mine called Zigmund who runs Geoinvesting which is a short research play. Then he started his old short selling company called Grizzly something. And all the info he got from the True Leaf fund he got from Brady and them. Ziggy wrote an amazing report and caused the market to go down but it only went down for a day because Moez was so short. Moez got Citron to reach out to Ziggy and Ziggy wrote the report for Citron and Citron put out the report on GSX. But that didn't work out because it's so heavily manipulated by the Chinese.

CM: Could you ever see him bribing a regulator?

Insider: He tries to stay as far away from them as possible. It's the brokers and banks to look at. I was told a year and a half ago they raided his office but nothing came about officially.

There are articles about Tilray, so that's been written about.

CM: Anything else about him?

Insider: He has given a bunch of money to Agr Khan Foundation and the Jewish Appeal because of his wife.

But how much of that is a tax write off?

All he cares about is his foody friends. He will stab anybody in the back to make a nickle. That's why the twins had enough of him.

If you look at Sol Global, Anson Fund owns 18% of that company. That's why Andy thinks he's a friend. If he has to put in 1.2 million bucks to make 10 million on info. That's what he does.

He just wants access to information for a low cost.

Insider: He did this to Stan Bharti. If you look at Acosta, they outlined how he used his original loan to influence the company. I'm not sure if there was a lawsuit there though.

Stan was the director in the company. Stan is the biggest pump and dump. He has two sons who he has trained to do the exact same thing, I can give you some names. Stan needs money for a placement, he calls up Moez, they pump it up, he shorts it down.

Some African Cannabis deal, some COVID things. And now Stan's sons are doing the same thing.

He leverages those merchant banks for info. With Stan, he gets money on the way up and then gets the access to info to short it.

On the Acosta one he had 18 percent of that company. He is buying up influence and shorting on the way down.

CM: Is there anything we can do to help Andy or is he just screwed?

Insider: The FCC investigation is still ongoing. I told Andy to be careful. He was just oblivious. What pissed him off is that he trashed his cottage. Just disrespect. Before he didn't believe Moez would give Nate the info to short aphria.

If I'm someones friend and I go to their wedding I would never think that either.

But he killed Andy's reputation. I feel bad but Andy brought it upon himself. He had his guard down. It's too late now.

Loads of people got in a lot of shit because of it. It was an exaggerated short report.

Everybody got mad and nobody wanted to touch Andy and it was all Moez.

CM: What happened with Catalyst Capital?

Insider: It's still ongoing. Nate got roped into it even though he was just putting out information. Somebody got hold of documents from Anson and their names were all in there. Nate still has to travel to Canada all the time to go to court.

So that's why I leaned on him to get out of this one.

CM: Did Catalyst miss out on anything?

Insider: I don't know. It was a shitty company. Anybody can sue anybody.

CM: Going back to surveillance. Do you think there is any upside to that?

Insider: I don't think so, I think you can just follow him on social media. He doesn't really do much but eat. The whole room by the end of the night you will see who was there on his social media.

You can see in 2018, Moez and them had no problem putting out their own short reports. Sunny put out a short report on AAXN. After that, Anson don't put their name on anything because they don't want to get sued.

I don't think anything happened. A lot of these companies can't afford to sue. AAXN had no problem recovering. He really doesn't want to be sued. It's bad publicity.

I'm going to keep talking, but with COVID it's hard to bump into people. But the way we hurt this guy is by doing a report and getting the regulators to look at it. But he will get his lawyers to fight it. He's an interesting character, all the people I've met on Bay Street, he's the only person who really gives me the creeps. He's got a huge ego. He pays people to cover him. Him being the top 40/40, he pays them to make him look good.

So when you are new to the street, you google and it will pull up all these fluff articles. It is all pay to play.

And if you don't have 100 deals you would think his money is good. Brokers want that money. Catalyst filed a lawsuit in 2017 and it's 2020 and still going on.

CM: Can you expand on him buying in one fund and covering in another.

Insider: Just start looking through SEDAR and look at the companies. If he invests 100 times, the price action in those companies all fall flat on their face. How is his fund working if everything he buys is down 90%? It doesn't make sense.

I guess naked short selling he times it on disclosure. If I am short on January 2nd, my report will be what I held on January 1st. And he's out strategically shorting by March 20th. He's covered all his positions. Then do his reporting and he shorts again.

TM: Interesting, the link in the long position to the fund making returns. The timely trade on naked shorting. The access to the information he would be using, he is using that edge to prime those sales and move around the long position.

If he doesn't get his way and he's leaning on the company and they don't let him do what he wants, he will ruffle feathers and say, we own 18% we want to have a CEO change. Then all of a sudden if he is threatening to remove you and you're making 300,000 and your first time as a CEO he just leans on you. He has a temper but it's a fake one. It's all just creating leverage.

He finds a company with a weak CEO and they desperately need money and he shorts them.

He only needs to be short 10 days to make money on a private placement. Because name a company that isn't doing private placements at a discount. So he's laughing and he has his free warrants so he can short the stock more because he has a security blanket with those warrants.

So he's front running private placements. That's what he's trying to do.

CM: It's actually very smart as a strategy.

Insider: Yes, and it works. The best way you can find who he is associated with, put his name or his wife's name in and you will see who he shmoozes.

He could have bought a house anywhere in the world, but he bought it by these influential people.

He's friends with the Cannaccord guys, Davio, etc.

I hate all these people.

But he makes them money. Davio makes more money as the CEO of Canacord than any big bank CEO. As soon as these Private Placements stop he will lose his 400 million base salary.

It's people like Sanders who are doing all the dirty work.

TM: What we need to do is up the pressure on the brokers. They are providing him the rope for his naked shorts. So we need to target Cannaccord and the boutique shops.

Insider: Another one is a company called Cobalt 27. Anson was in a private placement. Cobalt 27 wasn't doing what Anson wanted so Anson put out a press release on August 20th 2019 to say we are a minority share holder and we believe it is committing fraud. This is a company they are supposedly long in. To the tune of 15 million dollars. They said 21 million of the fees in consulting were excessive. They said they are willing to go to the auditors.

If you don't do what he says he uses his minority interest to cause headaches for everyone.

A lot of people are annoyed at him because it's his fault they are taking away the naked shorts.

I am going to Toronto next week to find out what he's short on. He can lean on people too.

But there are lots of examples of how he's hurt people.

TM: Nothing else from me right now. I think we are on the same page, this is reinforcing some of the stuff I've heard.

**THIS IS EXHIBIT “11” REFERRED
TO IN THE AFFIDAVIT OF ANDREW RUDENSKY
SWORN BEFORE ME THIS
25TH DAY OF FEBRUARY, 2024.**



Connor Allison

| | |
|---|---|
| <p>222</p> <p>1 tell you about information about Andy 2 DeFrancesco? 3 A. At least at the onset when we 4 first had a phone conversation, he was very 5 reticent about sharing information with me 6 because he believed because I was a sole global 7 filer that I was effectively affiliated with 8 Andy DeFrancesco. 9 766 Q. Okay. And what gave him comfort 10 for him to talk to you? 11 A. I explained that we had sold the 12 position down, that we were no longer doing 13 business with Andy DeFrancesco, and how I 14 believed that this manifesto, you know, also 15 amongst all the other -- amongst other 16 conspirators involved Andy DeFrancesco and the 17 Delavaco group employees. 18 767 Q. Now, did Paul advise you how he 19 knew, how we got this information? 20 A. Sorry, we haven't gotten to that 21 information yet. 22 768 Q. Okay. What did Paul tell you? 23 What did he advise you? 24 A. He told me that he knew about 25 this conspiracy far before it actually hit</p> | <p>224</p> <p>1 A. I believe at the beginning it was 2 talking about Andy DeFrancesco and then also 3 mentioned the Betting Bruiser handle as being 4 involved. 5 773 Q. Anybody else? 6 A. I can't recall. 7 774 Q. Why did you not add Andy 8 DeFrancesco and Paul as defendants? 9 MR. STALEY: You're asking questions 10 that touch on lawyer-client privilege as to why 11 we may or may not have added people as 12 defendants as of now. 13 BY MR. KIM: 14 775 Q. Let me ask you, going back, 15 what's your relationship with Mr. DeFrancesco? 16 A. We don't have a relationship. 17 776 Q. You did at one time? 18 A. We did, yes. 19 777 Q. Okay. So when did you first meet 20 Andy DeFrancesco? 21 A. I think I've known 22 Mr. DeFrancesco for 15 years plus. 23 778 Q. Okay. How did you meet him? 24 A. In the normal course of the 25 business. He was a guy who puts together</p> |
| <p>223</p> <p>1 publication and that there were individuals out 2 there who were trying to, you know, crowd-source 3 information by, you know, starting with a draft 4 and a hotline, et cetera, and trying to get 5 further information to prove out whatever they 6 were trying to prove out. 7 769 Q. So there were drafts of the 8 manifesto then? 9 A. I believe we have pled those, 10 yes. 11 770 Q. Okay. And how would Paul be in a 12 position to know about all of this? 13 A. I believe that he is a friendly 14 or works with or affiliated with a website 15 called Deep Dive. 16 771 Q. And what is Deep Dive website? 17 A. I believe Deep Dive is a website 18 that sort of does or talks about cannabis 19 companies. And he said that Deep Dive was 20 approached or people within the Deep Dive were 21 approached by the manifesto conspiracy club to, 22 you know, take a look at their draft to see if 23 they could add anymore. 24 772 Q. Now, did Paul identify certain 25 individuals other than Andy DeFrancesco?</p> | <p>225</p> <p>1 companies; we're a group that invest in 2 companies. So, you know, we had a natural 3 symbiotic relationship in regards to the 4 investment world. 5 779 Q. And has Anson ever invested in a 6 company owned or operated by Andy DeFrancesco? 7 A. Yes. 8 780 Q. And where were they? 9 A. We've done numerous deals 10 together. Dozens of deals together over the 11 years. 12 781 Q. Would Aphria be one of them? 13 A. Aphria was one of them. 14 782 Q. What are the others? 15 A. As I mentioned, we're talking 16 about dozens over the years. Like, I don't have 17 them off the top of my head here. 18 783 Q. Can you undertake to let us know 19 the companies that you've shared interest with 20 Mr. DeFrancesco? 21 U/A MR. STALEY: I'll take that under 22 advisement. The relevance of that is not 23 apparent to me, but we'll take it under 24 advisement. 25</p> |

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| <p style="text-align: right;">230</p> <p>1 803 Q. Did he advise you, did he, in 2 fact, look at the drafts? 3 A. I believe so. That's how he knew 4 what was inside. 5 804 Q. And did he say, was it accurate 6 or inaccurate? What did he advise you? 7 A. He advised -- sorry -- 8 MR. STALEY: I think the witness has 9 already testified to whether or not the issue of 10 the accuracy or lack thereof of the drafts. 11 If you're asking him what he was told 12 by the witness, by this "PresumablyPaul", that's 13 a different question. But I want to make sure 14 that we're not asking the witness to validate 15 the truthfulness of statements that are alleged 16 to be defamatory where he's testified to that 17 already. 18 BY MR. KIM: 19 805 Q. Now, if we go to another 20 document, AAI 612. 21 Are you familiar with this chat, 22 Mr. Kassam? 23 A. I see that. 24 806 Q. Now, this is from April 12th. 25 Sometime between April 7th and April 12th, all</p> | <p style="text-align: right;">232</p> <p>1 that we were an independent party and trying to 2 help decide that, you know, he, you know, 3 speaking on behalf of retail investors and not 4 getting duped by all the promoters, you know, he 5 was more forthcoming with information on the 6 calls. 7 And eventually, you know, he knew 8 specifically about Stafford, you know, working 9 on a conspiracy with both Betting Bruiser and 10 the Delavaco guys. 11 809 Q. Okay. You're going to have to 12 take me back, because between April 7, 2021, and 13 April 12th, do you recall, when did Stafford 14 name come up? Because it's the first time we 15 see -- sorry? 16 A. I believe the first time it came 17 up was on one of -- we had a bunch of calls, 18 right. It wasn't just -- it was one call to 19 introduce myself, one call to get him, one call 20 to ask if we could meet and he said we couldn't. 21 And then, you know, in all those calls 22 he would give up little nuggets of information. 23 And he had mentioned originally about 24 Bruiser and Andy, then added about Stafford, 25 then added about the Word documents. You know,</p> |
| <p style="text-align: right;">231</p> <p>1 of a sudden we see the name "Stafford". 2 Do you see that? Stafford worked with 3 Bruiser? 4 A. Yeah. 5 807 Q. How did Stafford's name pop up in 6 your conversation? Because previously it was 7 only Bruiser and Andy DeFrancesco? 8 A. I believe I said at the onset the 9 argument was that he was tweeting at Andy 10 DeFrancesco and Betting Bruiser. That's how we 11 knew about the fact that he wasn't, you know, 12 working with them or was calling out what was 13 going on. 14 But I believe James Stafford didn't 15 have a Twitter, or one that we knew about, so I 16 didn't have any understanding of the 17 relationship between "PresumablyPaul" and 18 Stafford. 19 808 Q. Okay. So, in fact, it was you 20 that introduced the name Stafford to 21 "PresumablyPaul"; correct? 22 A. No, I don't think that's the 23 case. This is after a conversation with him. 24 You know, he was very reticent about giving 25 information. The more I could give him comfort</p> | <p style="text-align: right;">233</p> <p>1 all that type of stuff. 2 It slowly came out, and that's when I 3 was trying to press him to send me the actual 4 documentation associated. 5 810 Q. Did he tell you how he came to be 6 in possession of these call transcripts? 7 A. Yeah. I went through that 8 already. I believe he is affiliated with people 9 or the website, the Deep Dive, and the Deep Dive 10 people were sent the Word document directly from 11 the co-conspirators. 12 811 Q. That's what he advised you? 13 A. I believe so. 14 812 Q. Now, when you told 15 "PresumablyPaul" that you had Excel sheets from 16 Bosnia -- do you see that at the top of this 17 chat? 18 A. I see it. 19 813 Q. What Excel sheet are you talking 20 about? 21 A. I believe that would be in the 22 pleadings, you know, the information that came 23 from the guys who were working on the Bosnia 24 angle where the Excel sheet was produced. 25 814 Q. And that came from your</p> |

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| <p style="text-align: right;">234</p> <p>1 investigators?</p> <p>2 A. Yeah.</p> <p>3 815 Q. Do you have any more Excel sheets</p> <p>4 related to Bosnia?</p> <p>5 A. I don't believe we have. I</p> <p>6 believe everything was pled unless it's subject</p> <p>7 to privilege.</p> <p>8 816 Q. Now, did "PresumablyPaul" mention</p> <p>9 the name Andy Rudensky or Jacob Doxtator?</p> <p>10 A. I don't believe he did.</p> <p>11 817 Q. And please check the records and</p> <p>12 make sure to --</p> <p>13 U/A MR. STALEY: We'll take that under</p> <p>14 advisement.</p> <p>15 BY MR. STALEY:</p> <p>16 818 Q. Okay.</p> <p>17 Now, if we go to the next document,</p> <p>18 615, he says he can't help you due to the</p> <p>19 inability of being completely anonymous.</p> <p>20 Why do you think he was helping you,</p> <p>21 first of all, on any basis?</p> <p>22 A. I believe, by just watching his</p> <p>23 Twitter handle, that he is about a fair and</p> <p>24 functioning market, and he believed that the</p> <p>25 actions of the individuals that we are alleging</p> | <p style="text-align: right;">236</p> <p>1 A. No.</p> <p>2 823 Q. Did you ever provide indemnity or</p> <p>3 any other benefit?</p> <p>4 A. No.</p> <p>5 824 Q. Do you know, is he a practising</p> <p>6 lawyer?</p> <p>7 A. I don't know.</p> <p>8 825 Q. Have you ever met him?</p> <p>9 A. I have not.</p> <p>10 826 Q. Did he know that you would be</p> <p>11 using transcripts that he provided in this</p> <p>12 lawsuit?</p> <p>13 A. I don't believe so.</p> <p>14 827 Q. Did he provide the transcript</p> <p>15 through email?</p> <p>16 A. I believe it came through</p> <p>17 ProtonMail.</p> <p>18 828 Q. From ProtonMail. And did you</p> <p>19 produce the ProtonMail that included the</p> <p>20 transcripts?</p> <p>21 A. I believe so.</p> <p>22 829 Q. Did you produce all of the emails</p> <p>23 from "PresumablyPaul"?</p> <p>24 A. I believe so.</p> <p>25 830 Q. If you check your records and you</p> |
| <p style="text-align: right;">235</p> <p>1 are part of the conspiracy are, you know, acting</p> <p>2 in a way that is detrimental to the market as a</p> <p>3 whole.</p> <p>4 And, you know, I don't think he was</p> <p>5 trying to help me, but, you know, I didn't</p> <p>6 really know him before this, but he was just</p> <p>7 trying to have a fair and fluid market.</p> <p>8 819 Q. Now, all of that, you don't know</p> <p>9 that for a fact; right? That's your guess; your</p> <p>10 speculation? He never told you --</p> <p>11 A. That's based on --</p> <p>12 820 Q. Go ahead.</p> <p>13 A. That's based on what he told me.</p> <p>14 That's why he thought originally I was part of</p> <p>15 that world too, that we were in that world</p> <p>16 because we were affiliated or associated with</p> <p>17 some of the names and Andy himself, et cetera.</p> <p>18 So, you know, once he realized that</p> <p>19 we, in fact, were not cut from the same cloth,</p> <p>20 you know, he was more forthcoming with</p> <p>21 information.</p> <p>22 821 Q. So you didn't have a relationship</p> <p>23 before you reached out to him in early April?</p> <p>24 A. Right.</p> <p>25 822 Q. Did you ever pay Mr. Roth?</p> | <p style="text-align: right;">237</p> <p>1 haven't, undertake to produce everything that</p> <p>2 you received from "PresumablyPaul"?</p> <p>3 MR. STALEY: I understand we produced</p> <p>4 it all, Won.</p> <p>5 BY MR. KIM:</p> <p>6 831 Q. Now, if we can go to the next</p> <p>7 document, 631.</p> <p>8 Sir, this is June 16th. Do you see</p> <p>9 that?</p> <p>10 A. Yes.</p> <p>11 832 Q. You're asking Paul to ask his</p> <p>12 buddies for help one more time; right?</p> <p>13 A. That's what it looks like, yeah.</p> <p>14 833 Q. Did you speak to Paul anytime</p> <p>15 between April 22nd, the last chat, and</p> <p>16 June 16th?</p> <p>17 A. I don't know.</p> <p>18 834 Q. Can you check?</p> <p>19 U/A MR. STALEY: We will take that under</p> <p>20 advisement.</p> <p>21 BY MR. KIM:</p> <p>22 835 Q. Now, who are Paul's buddies</p> <p>23 you're referring to?</p> <p>24 A. The Deep Dive crew.</p> <p>25 836 Q. Okay. And what information did</p> |

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| <p>238</p> <p>1 you think the buddies had?</p> <p>2 A. Again, I'm confused on dates</p> <p>3 here. What was the date of the ProtonMail</p> <p>4 versus this conversation?</p> <p>5 837 Q. This conversation is June 16. I</p> <p>6 think the ProtonMail was April 7th, I believe.</p> <p>7 A. I believe, you know, obviously I</p> <p>8 passed on the information that came in from</p> <p>9 Proton, and obviously it would have been better</p> <p>10 if we got it from directly with someone who</p> <p>11 would come forward and explain the whole</p> <p>12 situation.</p> <p>13 So the idea was, since we already had</p> <p>14 the source document, you know, would the Deep</p> <p>15 Dive guys or him -- I thought he -- you know,</p> <p>16 he's affiliated, I didn't understand to the</p> <p>17 extent what the affiliation was -- but would</p> <p>18 they be interested in, you know, explaining the</p> <p>19 document and how they helped, how they got it,</p> <p>20 et cetera.</p> <p>21 And then obviously I understood there</p> <p>22 reticence to be obviously -- it looks pretty</p> <p>23 strange how they have this document. So, you</p> <p>24 know, maybe they had worked on it and maybe they</p> <p>25 hadn't. Our care wasn't about them because we</p> | <p>240</p> <p>1 that one email with the documents attached.</p> <p>2 So I guess there's a level of trust.</p> <p>3 I definitely wouldn't think it's full trust.</p> <p>4 841 Q. Okay. So you don't know in fact</p> <p>5 who TheHeavensAbove@Proton; right?</p> <p>6 A. By technical definition, no. I</p> <p>7 don't know who's behind them.</p> <p>8 842 Q. Yeah. I mean, for example, it</p> <p>9 could be me?</p> <p>10 A. It could be you. But, like I</p> <p>11 said, with deductive reasoning, I had a</p> <p>12 conversation. He said, I can't help you but</p> <p>13 check out -- look on your email.</p> <p>14 And then magically two minutes later</p> <p>15 the email shows up, I wouldn't think it would be</p> <p>16 you.</p> <p>17 843 Q. Okay. I thank you for that.</p> <p>18 But, in fact, you don't know if</p> <p>19 HeavensAbove is Paul?</p> <p>20 A. It could be literally from the</p> <p>21 heavens above.</p> <p>22 844 Q. Okay. Now, do you know who -- do</p> <p>23 you believe the transcripts? Do you think</p> <p>24 they're authentic?</p> <p>25 A. I have no reason to believe</p> |
| <p>239</p> <p>1 knew they were just, you know, an online source</p> <p>2 of information, but who it is that they were</p> <p>3 working with and how.</p> <p>4 So I offered to, you know -- offered</p> <p>5 confidentiality as best as I could, and if they</p> <p>6 were worried about legal liability, offered them</p> <p>7 an indemnity just to be able to have a more</p> <p>8 forthright conversation.</p> <p>9 838 Q. Okay. Did you offer them formal</p> <p>10 indemnity?</p> <p>11 A. This was the only indemnity that</p> <p>12 I infer too. We never had a full conversation.</p> <p>13 I never had a direct conversation with anyone</p> <p>14 else in that group other than Paul himself.</p> <p>15 839 Q. So you're saying that Paul,</p> <p>16 you've never met Paul in person?</p> <p>17 A. Correct.</p> <p>18 840 Q. So you're saying he took your</p> <p>19 word from a chat to produce these key documents</p> <p>20 then? He trusted you?</p> <p>21 A. Again, it all depends on your</p> <p>22 definition of "trust". I was asking to meet in</p> <p>23 person. He said no. I was asking him to send</p> <p>24 and meet with the guys directly from Deep Dive.</p> <p>25 That didn't happen. The only thing I got was</p> | <p>241</p> <p>1 they're not authentic.</p> <p>2 845 Q. But you have no reason to believe</p> <p>3 they are; right?</p> <p>4 A. Well, you know, all our work</p> <p>5 before this had suggested exactly what was</p> <p>6 presented within this document. So, you know,</p> <p>7 I'm presuming that, you know, the stuff in the</p> <p>8 document is accurate.</p> <p>9 846 Q. So did Paul tell you, other than</p> <p>10 getting it from Deep Dive, do you know who</p> <p>11 recorded the conversations?</p> <p>12 A. I don't know, no.</p> <p>13 847 Q. Do you know if there are</p> <p>14 underlying recordings?</p> <p>15 A. I don't know.</p> <p>16 848 Q. Like, you only have the</p> <p>17 transcripts; there's no underlying -- you don't</p> <p>18 have the recordings?</p> <p>19 A. I don't have any audio or video</p> <p>20 recording, no.</p> <p>21 849 Q. So given the fact that you</p> <p>22 received these transcripts from a Proton account</p> <p>23 of which you don't know who the owner is, what</p> <p>24 gives you confidence that there's anything</p> <p>25 authentic about any of this?</p> |

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| <p style="text-align: right;">242</p> <p>1 MR. STALEY: I think he's already 2 answered that question, Won. You're asking it 3 again, but he's already explained himself. 4 BY MR. KIM: 5 850 Q. Well, I want to get that answer. 6 I think I didn't ask it exactly -- 7 MR. STALEY: You've already got it. 8 You may not like the answer, but you've got it. 9 BY MR. KIM: 10 851 Q. No, I didn't get it. That's the 11 problem, why I'm asking. 12 R/F MR. STALEY: Well, you can take this 13 as a refusal, but you go back and see the 14 transcript and you will find that he did answer 15 it. 16 BY MR. KIM: 17 852 Q. Okay. 18 Now, Mr. Kassam, have you or anybody 19 else edited the transcripts? No? 20 MR. STALEY: Hold on a second. You 21 can ask him whether he or anyone to his 22 knowledge has edited the transcripts. He 23 doesn't know what happened to the transcripts 24 before he got them; right? 25</p> | <p style="text-align: right;">244</p> <p>1 to produce any and all communication you may 2 have had, whichever format? 3 MR. STALEY: Whatever undertaking 4 we've already given we will comply with. 5 THE WITNESS: Can I get a five-minute 6 break? 7 MR. KIM: Sure. No problem. 8 -- RECESSED AT 4:05 P.M. -- 9 -- RESUMING AT 4:14 P.M. -- 10 BY MR. KIM: 11 859 Q. Mr. Kassam, I understand that 12 you've produced four different transcripts from 13 HeavensAbove@ProtonMail.com? 14 A. I believe so. 15 860 Q. And when and how did you discover 16 the metadata on the documents? 17 A. I don't recall the specifics of 18 how I discovered the metadata. 19 861 Q. Okay. But you take no issue with 20 the fact that the metadata shows that the 21 document has been edited? 22 The metadata speaks for itself; right? 23 MR. STALEY: It speaks for itself. 24 I'm not sure the witness knows what that shows. 25</p> |
| <p style="text-align: right;">243</p> <p>1 BY MR. KIM: 2 853 Q. Right. He doesn't know. But 3 since, from the time -- 4 MR. STALEY: So I think the question 5 you can ask him is whether at any point in time 6 from the time they were received were they 7 edited to his knowledge. 8 BY MR. KIM: 9 854 Q. That's my question exactly. 10 Mr. Kassam, from the time -- 11 MR. STALEY: It wasn't, but he can 12 answer that one. 13 BY MR. KIM: 14 855 Q. Okay. 15 Mr. Kassam, from the moment you got 16 these transcripts from ProtonMail, have you or 17 anybody known to you edited these documents? 18 A. I don't believe so, no. 19 856 Q. Now, have you spoken to 20 "PresumablyPaul" since June? 21 A. June of what? 22 857 Q. June of 2021. 23 A. I don't believe so, but I can't 24 be sure. 25 858 Q. And you have already undertaken</p> | <p style="text-align: right;">245</p> <p>1 BY MR. KIM: 2 862 Q. Did you or did anyone at Anson or 3 Artemis Risk Consulting edit the documents? 4 MR. STALEY: I think he's already 5 given you an answer to that; right? 6 BY MR. KIM: 7 863 Q. No, he didn't. 8 MR. STALEY: He did, actually. 9 BY MR. KIM: 10 864 Q. The answer is? 11 MR. STALEY: I think he indicated that 12 once the transcripts were received they were not 13 edited to his knowledge. 14 BY MR. KIM: 15 865 Q. But the metadata shows that they 16 have been edited. 17 MR. STALEY: I think he's -- we've 18 given you an answer. 19 BY MR. KIM: 20 866 Q. All right. Okay. 21 Now, Mr. Kassam -- 22 MR. STALEY: When documents are maybe 23 transferred for production, it may change the 24 metadata. But in terms of whether the 25 transcripts were edited, he's answered that</p> |

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| <p>246</p> <p>1 question.</p> <p>2 BY MR. KIM:</p> <p>3 867 Q. You and I of all people should</p> <p>4 not be talking about metadata, Mr. Staley.</p> <p>5 Let's leave it to our experts.</p> <p>6 MR. STALEY: But I'm happy if you want</p> <p>7 to rely on your people.</p> <p>8 BY MR. KIM:</p> <p>9 868 Q. I have coopted you into technical</p> <p>10 midget along with me and a bunch of other people</p> <p>11 I know. So let's just leave it there.</p> <p>12 Now, Mr. Kassam, with regard to the</p> <p>13 transcripts one, two, three, and four, they</p> <p>14 refer to a CM, TM, and an insider.</p> <p>15 Do you know who the CM, TM, and</p> <p>16 insider are?</p> <p>17 A. CM, TM, and insider?</p> <p>18 869 Q. Yeah.</p> <p>19 A. I don't know. I didn't write it.</p> <p>20 870 Q. Okay. And these were -- after</p> <p>21 you got them from Proton, where did you send</p> <p>22 them?</p> <p>23 A. I believe I sent it to my general</p> <p>24 counsel.</p> <p>25 871 Q. And what did your GC do with</p> | <p>248</p> <p>1 just can't remember who sent it first.</p> <p>2 876 Q. Did you hear from banks and</p> <p>3 brokerages?</p> <p>4 A. I can't remember the specifics of</p> <p>5 who inbounded after it number two.</p> <p>6 877 Q. So was out there and you've heard</p> <p>7 from a bunch of people, a bunch of different</p> <p>8 people; correct?</p> <p>9 A. Yes.</p> <p>10 878 Q. Okay. Did you get any investors</p> <p>11 pull their fund because of the second Defamatory</p> <p>12 Manifesto?</p> <p>13 A. I don't know the specifics of who</p> <p>14 pulled out after the second manifesto, but we</p> <p>15 definitely continued to have calls and people</p> <p>16 asking questions.</p> <p>17 879 Q. But you answered their questions,</p> <p>18 and did anyone leave?</p> <p>19 A. I can't recall.</p> <p>20 880 Q. Can you find out?</p> <p>21 A. I can't recall.</p> <p>22 881 Q. Okay. Now, did any --</p> <p>23</p> <p>24 -- SIMULTANEOUS SPEAKERS --</p> <p>25</p> |
| <p>247</p> <p>1 them?</p> <p>2 MR. STALEY: That's privileged.</p> <p>3 BY MR. KIM:</p> <p>4 872 Q. No.</p> <p>5 What did Ms. Salvatore do with them?</p> <p>6 A. I don't know what she did with</p> <p>7 them.</p> <p>8 873 Q. Do you know if she sent them to</p> <p>9 your outside counsel?</p> <p>10 MR. STALEY: Now you're getting into</p> <p>11 stuff that's clearly privileged.</p> <p>12 BY MR. KIM:</p> <p>13 874 Q. I am. That's to illustrate</p> <p>14 what -- the first question was not privileged.</p> <p>15 All right. Let's move on. Let's move</p> <p>16 on here.</p> <p>17 Now, Mr. Kassam, do you know, how did</p> <p>18 you learn of the second Defamatory Manifesto?</p> <p>19 A. I don't recall the specific</p> <p>20 instance of how I learned about it.</p> <p>21 875 Q. Well, we know that you got an</p> <p>22 email from Mr. Cynamon about the first part.</p> <p>23 Did somebody send you an email about the second</p> <p>24 part?</p> <p>25 A. I'm sure multiple people did. I</p> | <p>249</p> <p>1 BY MR. KIM:</p> <p>2 882 Q. I understand you're a major</p> <p>3 philanthropist in Toronto; correct?</p> <p>4 A. I wouldn't say major, but I</p> <p>5 definitely like to contribute back.</p> <p>6 883 Q. Yes. And so does your wife?</p> <p>7 A. My wife at the time was doing it</p> <p>8 as a profession.</p> <p>9 884 Q. Now, did any philanthropic</p> <p>10 organization decline to work with you or anybody</p> <p>11 related to you because of the publication of the</p> <p>12 second manifesto?</p> <p>13 A. I believe we had -- I definitely</p> <p>14 had conversations in regards to philanthropic</p> <p>15 organizations I was affiliated with, both from</p> <p>16 advisory, being on boards, and also in my</p> <p>17 giving, that there were definitely questions</p> <p>18 raised regarding the manifestos.</p> <p>19 885 Q. Did you have to resign any</p> <p>20 position or were any of your donations refused</p> <p>21 as a result of the publication of part 2?</p> <p>22 A. I didn't have to resign, per se,</p> <p>23 but I definitely had to do a lot of handholding</p> <p>24 and questioning and talking to members of both</p> <p>25 boards that I was affiliated with at the time.</p> |

**THIS IS EXHIBIT “12” REFERRED
TO IN THE AFFIDAVIT OF ANDREW RUDENSKY
SWORN BEFORE ME THIS
25TH DAY OF FEBRUARY, 2024.**



Connor Allison

1 we represent the two codefendants, you can
2 presume we had, especially in course of
3 preparing for examinations, there would have
4 been discussions.

5 So, no, we refuse that question.

6 BY MR. MILNE-SMITH:

7 759 Q. Okay. Then how about before
8 October 21st when you were named as a proposed
9 defendant in this lawsuit? Any such
10 conversations before October 2021?

11 A. I don't remember.

12 760 Q. Did you ever record any of your
13 conversations with either Robert Doxtator or
14 Andrew Rudensky?

15 A. No.

16 761 Q. Did you say "no"?

17 A. I said "no".

18 762 Q. Okay. Let's look at some of the
19 Stockhouse posts now.

20 A. Can I have a break?

21 763 Q. Sure. We'll take 10 minutes.

22 MR. KIM: Sure, 10 minutes.

23 THE WITNESS: Thank you.

24 -- RECESSED AT 2:37 P.M. --

25 -- RESUMED AT 2:49 PM. --

1 BY MR. MILNE-SMITH:

2 598 Q. 5560.

3 MR. KIM: 5560.

4 BY MR. MILNE-SMITH:

5 599 Q. So you will see this is an email
6 from an address, an email address called
7 theheavensabove@protonmail.com to Moez Kassam at
8 AnsonFunds.com.

9 Do you see this?

10 A. Yes.

11 600 Q. Do you have any information as to
12 who owns, uses, controls or otherwise has access
13 to the email account
14 theheavensabove@protonmail.com?

15 A. I do not.

16 601 Q. And you'll see it refers to five
17 attachments labelled Moez article online, and
18 then transcripts three, two, one, and four.

19 Do you see that?

20 A. Yes.

21 602 Q. So let's look now at the native
22 versions of some of these documents starting
23 with transcript1.doc.

24 So you produced a PDF, but I'm going
25 to show you the native Microsoft Word document.

1 And if we could go to the metadata for this
2 document, and the doc ID is 5562.

3 Okay. So, Mr. Stafford, you'll see
4 here I've pulled up the metadata for this
5 document which was our original production, and
6 under "related people" it says the author is
7 Josh Owens and last modified by James Stafford.

8 Do you see that?

9 A. Yes.

10 603 Q. And Josh Owens you told me
11 earlier is the content director of OilPrice.com;
12 correct?

13 A. No, I said he's an editor.

14 604 Q. An editor, sorry.

15 So Josh Owens is an editor of
16 OilPrice.com; correct?

17 Correct, Mr. Stafford?

18 A. I said yes.

19 605 Q. Okay. So do you accept, then,
20 that Josh Owens of OilPrice was, in fact, the
21 author of this first transcript that we just
22 looked at?

23 A. No.

24 606 Q. And do you also deny that you
25 were the person who last modified this document?

1 A. Yes, I deny that.

2 607 Q. And, sir, do you have any
3 explanation whatsoever for why Josh Owens, one
4 of your employees, and yourself are listed in
5 the metadata of the author and editor of this
6 document?

7 A. I have no idea. You should ask
8 the source of these documents, "the heavens
9 above".

10 608 Q. And I'm going to ask you to
11 accept, sir, to sort of short-circuit this that
12 the same metadata in terms of author and last
13 modified appears on the second, third and fourth
14 transcripts that we just looked at. And will
15 you also confirm for me that --

16

17 -- SIMULTANEOUS SPEAKERS --

18

19 BY MR. MILNE-SMITH:

20 609 Q. Go ahead.

21 A. Can you bring them up? The
22 metadata for all of them.

23 610 Q. All right. So this is 5565. You
24 will see author, Josh Owens. Last modified,
25 James Stafford. For what it's worth, the dates

1 are listed as being created and last modified on
2 August 21st, 2020.

3 Just go back to the content so the
4 witness can see it.

5 A. This is the second one or the
6 first one?

7 611 Q. This is the second one.

8 A. Sorry, what was the date of the
9 first one? When was that created?

10 612 Q. I can go back to that. I believe
11 it's the same date.

12 I'll show it to you.

13 A. So all of these documents were
14 created on the same date?

15 613 Q. Yes, August 21st.

16 A. Okay.

17 614 Q. So let's go to the third one.

18 So this is document -- so you see this

19 is the third call, so going into the metadata

20 and we'll see the document ID number. It's

21 5563, again modified/created on August 21st,

22 2020, Josh Owens and James Stafford listed.

23 Do you see that?

24 A. Again, created on the same date,

25 21/08/2020.

1 615 Q. And then if we go to the fourth
2 one.

3 So this is 5564. Author, last
4 modified, Josh Owens, James Stafford, August 21,
5 2020, and back to the content. You'll see it's
6 fourth call.

7 So have I now satisfied you that I've
8 accurately described the metadata?

9 A. Can you for each of these
10 documents, let's go back into each one of them
11 because we all understood that they were created
12 on the same date.

13 Can I see the time difference between
14 the creation of them?

15 616 Q. Well, sorry. Quite frankly,
16 Mr. Stafford, I've indulged you to some degree,
17 but this is my examination, not yours. So I'm
18 going to ask the questions here, not you.

19 And you've denied any awareness or
20 involvement in the creation of these documents;
21 correct?

22 A. Correct.

23 617 Q. Okay. And I take it that you
24 have reviewed these documents --

25

**THIS IS EXHIBIT “13” REFERRED
TO IN THE AFFIDAVIT OF ANDREW RUDENSKY
SWORN BEFORE ME THIS
25TH DAY OF FEBRUARY, 2024.**



Connor Allison

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1 chats produced in written form are chats that
2 you had with the identified parties on the dates
3 indicated in the chats?

4 U/T MR. KIM: Mr. Staley, I think we have
5 advised you that Mr. Doxtator no longer has the
6 WhatsApp chats. So to the extent that we can
7 make those inquires, I don't know how we would,
8 but we'll make those inquiries.

9 BY MR. STALEY:

10 430 Q. I think what I'm asking you to do
11 is to have him look at them and tell me whether,
12 to his recollection, he recalls being part of
13 the chat. And certainly if he takes issue with
14 the chat I'd like to know that, if it's not a
15 chat he had.

16 And if he thinks that any of the chats
17 are incomplete, that issue came up this morning,
18 I'd like him to let me know that as well. I
19 really want to know, Won, whether with respect
20 to any of the chats there's an issue being taken
21 of the authenticity, because obviously we will
22 have witnesses that are going to testify to what
23 took place.

24 And I'm going to be asking the same,
25 there are some transcriptions of calls that have

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1 been produced and I'm going to ask for the same
2 undertaking, to let me know about whether or not
3 Mr. Doxtator acknowledges that the conversations
4 took place, as indicated. And if the
5 transcriptions fairly, to his recollection, set
6 out what happened, and if he thinks there are
7 gaps to let me know that as well.

8 U/T MR. KIM: To the extent that there are
9 conversations between Mr. Doxtator and third
10 parties, we'll check from in Doxtator's end.

11 BY MR. STALEY:

12 431 Q. Okay, that's fine. Thank you.
13 That's all I can ask him to do.

14 And just while we're on the subject of
15 chats, I want to bring up -- I want to identify
16 three audio recordings produced by Mr. Doxtator,
17 and I'm referring here to the ROB0000019,
18 0000020 and 0000021, which are three -- two of
19 them are QuickTime movies and one of them is an
20 MP4 video format, but they are all, as I tell,
21 recordings of conversations.

22 And, Won, this is really a question
23 directed at you, but I understand that they
24 reflect metadata that would suggest that they
25 were sort of created at the time that they were

| | | | | | | |
|-----|--------|-----|--|--|---|--|
| | | | identified in the Plaintiffs' productions. | | | |
| 11. | 114-15 | 430 | <p>Amended Claim, at paras. 30-42, 66-69, 96-100.</p> <p>The question is relevant given Robert's position that a number of the documents and communications produced by the Plaintiffs – including communications involving Robert – have been doctored, fabricated or are otherwise inauthentic.</p> <p>Robert's answer is non-responsive to the question as posed. While Robert purports to have "no knowledge" of certain of the call transcripts produced in the action (i.e., ROB0000019, ROB0000020, and ROB0000021), the undertaking was for Robert to provide his position on, and the requested details for, all chat/message transcripts, as well as the call transcripts, that have been produced in the action.</p> | <p>With respect to all of the chat transcripts, including text and WhatsApp messages, produced in this litigation, to advise whether or not Robert Doxtator recalls being part of each such chat, and/or whether he denies any such chat took place; and to advise if he takes issue with any of the chat transcripts produced, including (a) if he thinks any of the transcript(s) are incomplete, and (b) if there are any concerns with respect to authenticity of the transcript(s).</p> <p>With respect to all transcriptions of any telephone and/or video calls that have been produced in this litigation, to advise (a) whether or not Robert Doxtator acknowledges that those conversations took place; (b) whether each transcription or recording fairly reflects the content of those conversations; and (c) whether Robert Doxtator thinks there are any gaps in</p> | <p>Mr. Robert Doxtator has no knowledge of the alleged call transcripts or the topics and discussions they allegedly capture.</p> | |

| | | | | | | |
|-----|--------|---------|--|---|--|--|
| | | | | those recordings and/or transcriptions. | | |
| 12. | 201-02 | 727-729 | <p>Amended Claim, at paras. 66-69, 96-100.</p> <p>At ROB000021, Robert has produced a recording of a conversation with Mr. Kassam taken without Mr. Kassam's permission.</p> <p>Robert was asked to listen the recording and confirm whether he made the statement: " Yeah, all right. I don't know how much Nate told you. Like, I talked to him yesterday about it and, like, kinda like said, like, I know a lot of what happened in a lot of those situations. And I told Nate, like, what was written is really not true."</p> <p>Robert's answer is not responsive to the undertaking as posed. Robert has not answered whether he made the specific statements described.</p> | <p>To have Robert Doxtator listen to the audio recording he made of a conversation with Mr. Kassam, which is reflected in ROB0000021, and to advise whether he made the particular statements transcribed on the record at Q 727.</p> | <p>Mr. Robert Doxtator does not agree with the plaintiffs' characterization of ROB0000021.</p> | |
| 13. | 209-10 | 750-751 | <p>Amended Claim, at paras. 25-28, 66-69, 96-100, 110.</p> <p>The question is relevant to Robert's participation in the Conspiracy, Robert's failure to make proper documentary</p> | <p>With reference to the audio recordings included in the Second Defamatory Manifesto, which Robert Doxtator claims he previously had in his possession and/or had</p> | <p>The @BettingBruiser Twitter account tweeted a portion of the original transcript on October 9, 2020:</p> <p>https://twitter.com/BettingBruiser/status/131464667885152</p> | |

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25TH DAY OF FEBRUARY, 2024.**



Connor Allison

Aphria: A Shell Game with a Cannabis Business on the Side

Published on December 3, 2018

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Summary: Aphria Inc (NYSE:APHA)

- We are of the strong opinion that Aphria is part of a scheme orchestrated by a network of insiders to divert funds away from shareholders into their own pockets.
- Aphria's recent C\$280m Latin American acquisitions raise major red flags. Our extensive on-the-ground research shows that the transactions appear to be largely worthless.
- Example: The official registered office of Aphria's C\$145m Jamaican acquisition is an abandoned building that was sold off by the bank earlier this year.
- Example: Aphria's C\$50m Argentine acquisition publicly boasted sales of US\$11m in 2017. A worker at the company, however, affirmed that 2017 revenue was only US\$430k.
- Documents show that Aphria insiders were likely undisclosed beneficiaries of these deals. We noticed what appear to be systematic attempts to hide the true nature of these transactions. For example: changing the names of the shell companies involved in a way that makes it harder to link them to Aphria's insiders.
- These M&A transactions are entirely financed by copious and dilutive share issuance. We estimate that Aphria has diverted upwards of C\$700m via such transactions, or about 50% of Aphria's total net assets.
- Aphria consistently generates negative cash, and its cannabis seems to be of low quality. Interviews with sources describe facilities infested with bugs, stricken with mold, and having failed audit inspections.

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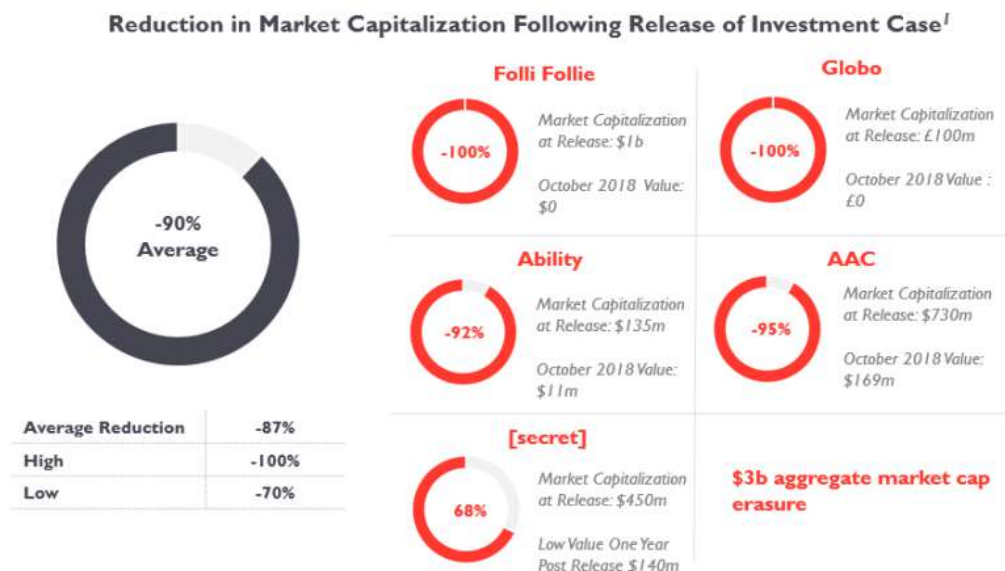
- Because Aphria generates a minimum amount of sales relative to its market cap, ~~we~~⁴⁴⁴ believe that the uncovering of this alleged scheme, coupled with a massive asset write-off, would have catastrophic consequences for its share price.

Background

Any time an exciting new industry draws widespread attention it also draws retail capital, which in turn can draw unscrupulous actors. This is not a story about the cannabis industry and its commercial potential, nor is it a story about valuations and competitive marketplace dynamics. This is simply about one of the larger companies in the industry that appears to have diverted a tremendous amount of money toward the private interests of its insiders at the direct expense of its public shareholders. In terms of medical cannabis, most cannabis-based businesses try their best to cater to the medical cannabis patients whether to fulfill marijuana cannabis prescriptions or to provide cannabis medical cards similar to those from the United States – see [how to get a medical marijuana card in Texas \(https://hytekmed.com/texas-marijuana-card/\)](https://hytekmed.com/texas-marijuana-card/) to learn more.

Background on Co-Author Quintessential Capital Management (QCM)

We are proud to bring you this report in conjunction with QCM. QCM has an unparalleled track record in identifying and exposing corporate malfeasance through deep investigative due diligence.



QCM's last report was published in May of this year, and focused on Greek retailer **Folli Follie** (<http://www.qcmfunds.com/wp-content/uploads/THE-REPORT-2-SUPER-FINAL.pdf>). The report alleged widescale inflation of revenue. Following publication, FF's stock dropped 60% in two days and was suspended two weeks later. In July 2018, the company filed for protection from creditors (<https://www.naftemporiki.gr/story/1375152/folli-follie-provided-temporary-court-protection-from-creditors>) through the Greek bankruptcy code. Management is now facing criminal charges and shares have not resumed trading.

Preceding Folli Follie, QCM published a report on Globo PLC, a provider of enterprise mobility management software and services. Globo's stock was suspended (<https://ftalphaville.ft.com/2015/10/26/2143092/that-globo-timeline-in-full/>) in less than 12 hours, and management confessed to accounting fraud (<https://www.thisismoney.co.uk/money/article-3290500/Turmoil-AIM-listed-mobile-phone-software-firm-Globo-CEO-quits-admitting-company-sales-falsified.html>) within 48 hours of publication. Globo never re-opened for trading and was declared worthless by the liquidator.

Background: Aphria's Nuuvera Scandal

Earlier this year, Aphria came under scrutiny after we exposed undisclosed insider self-dealing relating to the company's \$425 million acquisition of Nuuvera.

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People

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Analysis

Could Rampant Red Flags Drown Aphria's Proposed Nuuvera Acquisition?

Mar. 21, 2018 10:00 AM ET | 49 comments | 7 Likes | About: Aphria Inc. (APHA), NUUVF

 This article is exclusive for subscribers.



Hindenburg Investment Research

Activist investor, value, long/short equity

Hindenburg Research

Summary

- We see multiple red flags with Aphria's proposed purchase of Nuuvera, a company that was incorporated in January '17 and had revenue of only ~\$30k from inception to September '17.
- The self-described "architect" of the Aphria/Nuuvera deal, Andy DeFrancesco, has a questionable history, including close links to controversial financiers such as Barry Honig.
- Despite being a supposed Aphria advisor, a document dated less than a week prior to Nuuvera's creation shows DeFrancesco took a loan from Nuuvera's Chairman & largest shareholder.

We had written (<https://hindenburesearch.com/could-rampant-red-flags-drown-aphria-proposed-nuuvera-acquisition/>) that Nuuvera appeared to be a worthless artifice designed to enrich insiders at the expense of Aphria's investors. The company later admitted that its executives and directors had undisclosed stakes in Nuuvera prior to Aphria's acquisition, along with a key deal partner named Andy DeFrancesco.



Aphria insiders held shares in takeover target, didn't disclose



The company traded lower by about 30% in the weeks following the exposé and the subsequent admission. Following the episode, the company responded by reassuring investors that the newly acquired international assets were of great value. They further attempted to assuage investor concerns by adding compliance personnel and announcing governance (<https://aphria.ca/blog/aphria-appoints-chief-commercial-officer-and-chief-legal-officer/>) reforms relating to its investment policies. The stock has largely recovered since that point and had even reached new highs in September.

Introduction: They're at It Again—The LatAm Transactions

Despite the announced governance reforms, our research shows that Aphria's insiders have doubled down on their questionable investments:

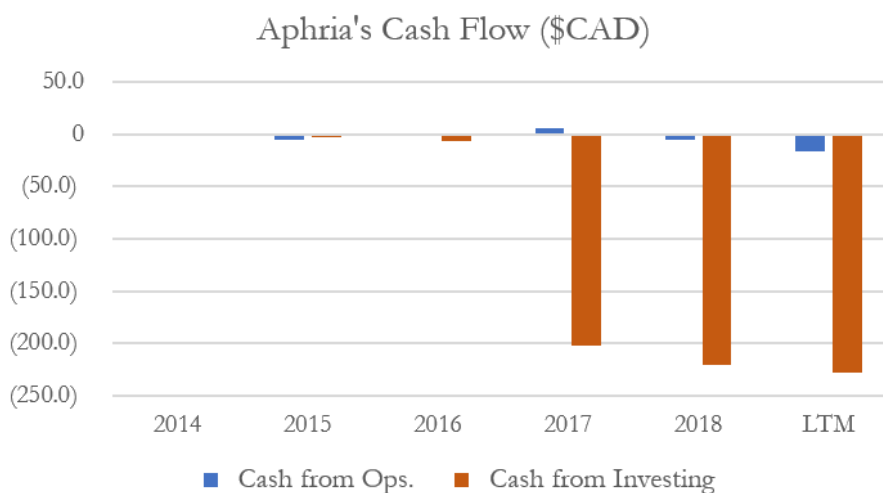
Aphria recently spent over C\$280 million on nearly worthless Latin American acquisitions that appear to have clear signs of insider self-dealing.

We performed extensive on-the-ground due diligence in Jamaica, Colombia, and Argentina and will present evidence that the newly acquired asset values appear to be vastly inflated or outright fabrications.

We will also present documents showing that the same Aphria advisor who had described himself as the “architect” of the Nuuvera deal, Andy DeFrancesco, was an undisclosed backer of this latest slew of deals. DeFrancesco effected the transactions in conjunction with Aphria Chairman/CEO Vic Neufeld, who also served as Chairman of Scythian Biosciences (recently renamed Sol Global Investments), another company integral to the execution of these ‘LatAm’ deals.

All told, the effect has been massive. We estimate that at least 50% of Aphria’s C\$1.46 billion in net assets (<https://www.sedar.com/GetFile.do?lang=EN&docClass=5&issuerNo=00032355&issuerType=03&projectNo=02830336&docId=4400194>) have been diverted to ‘investments’ that are, at best, grossly inflated. Our breakdown of these balance sheet assets is as follows:

- C\$524 million in goodwill which we believe is entirely worthless;
- C\$246 million in intangibles, which includes licenses, permits, and “brands” acquired from these dealings, that we estimate are inflated by 80%+; and
- C\$86 million in equity investees and long-term investments which we believe are the product of related-party deals and are significantly impaired.



(Source: Cap IQ)

Following a review of the LatAm deals, we will then explore the background of Andy DeFrancesco, including his run-in with Canadian regulators and his close business ties to individuals that the SEC has alleged to have engaged in *multiple* pump and dump schemes, including Bobby Genovese (<https://www.sec.gov/litigation/litreleases/2017/lr23895.htm>), Barry Honig (<https://www.sec.gov/litigation/litreleases/2018/lr24262.htm>), John O'Rourke (<https://www.sec.gov/litigation/litreleases/2018/lr24262.htm>), and John Stetson (<https://www.sec.gov/litigation/litreleases/2018/lr24262.htm>).



(Andy DeFrancesco. Source: DeFrancesco's Instagram Account)

Finally, we will review Aphria's cannabis business. While the company declares itself to be (<https://aphria.ca/blog/aphria-signs-wholesale-supply-agreement-with-emblem-cannabis-corporation/>) "setting the standard" for low-cost production, in reality it appears to be setting the standard for low-quality production. We share the content of an interview with a former worker who detailed failed audits with Health Canada, a circus-like environment, and a facility that has had repeated issues with mold and is "infested with bugs". We also share the content of our interviews with industry experts, all of whom corroborated the low-quality nature of the product.

With glaring red flags relating to its investment activities, strongly negative historical cash flow, and a low-quality cannabis product, **we think Aphria's stock is going to get smoked.**

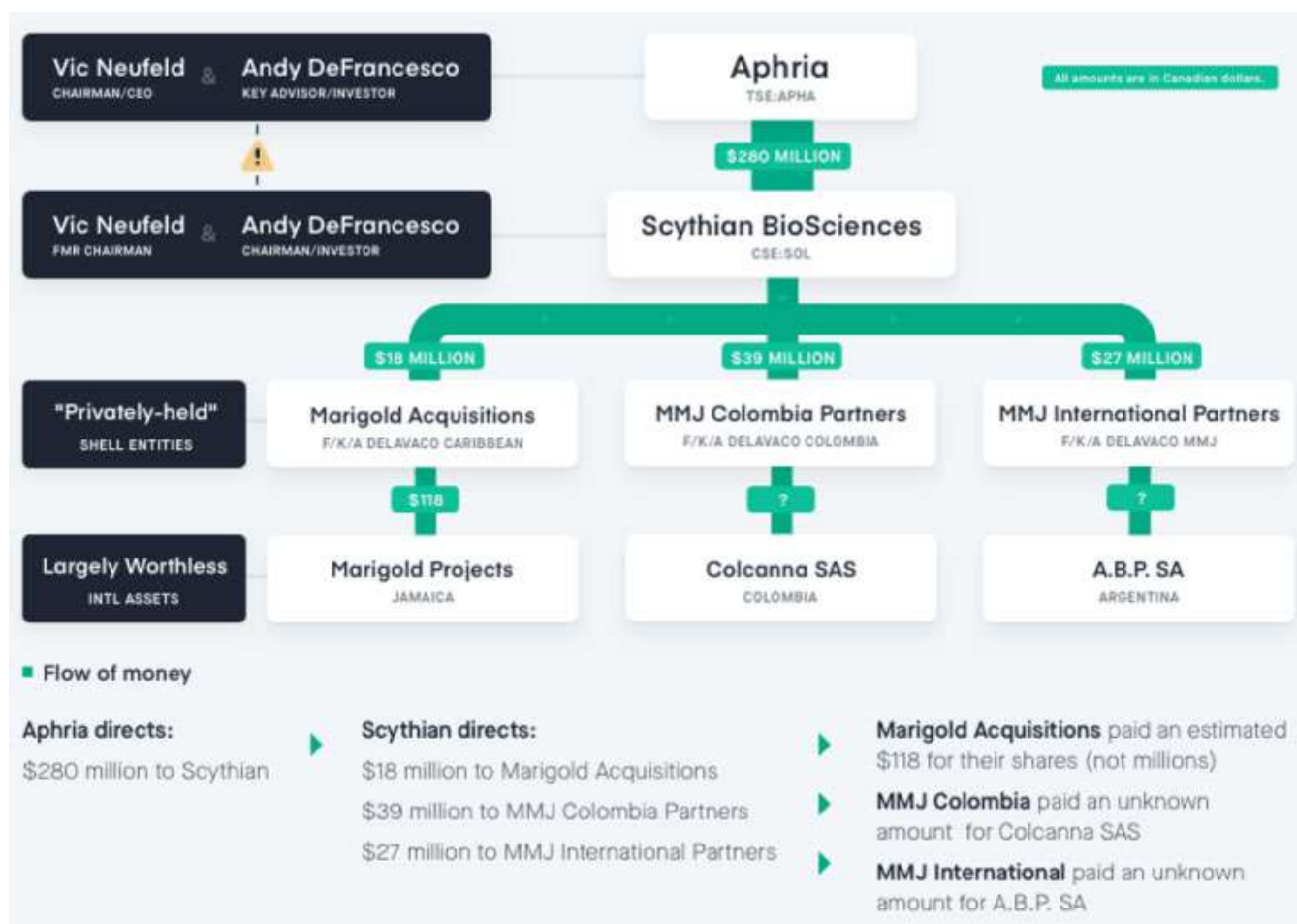
Part I: The Unusual Structure of Aphria's 'Acquisitions'

We believe Aphria has diverted shareholder assets to insiders through a systematic process:

1. Aphria insider Andy DeFrancesco sets up or acquires an international company, providing a token justification for an acquisition (e.g., conditional cannabis licenses, a leased facility,

- purchasing a small existing local business.)
- The international company is then purchased by a Canadian shell company under the control of DeFrancesco through his closely held private equity firm, the Delavaco Group.
 - The shell company agrees to be acquired by Aphria's 'sister' (<https://business.financialpost.com/cannabis/aphria-announces-proposed-acquisitions-in-latin-america-jamaica-worth-roughly-200-million>) company, Scythian Biosciences, where Vic Neufeld, Aphria's Chairman/CEO, and DeFrancesco hold key insider roles.
 - Scythian then sells its stake in the entity to Aphria at a large markup.
 - As a result, DeFrancesco and unnamed associates get cash and/or Scythian shares, Scythian gets cash and/or Aphria shares, and Aphria's shareholders get international assets that are essentially worthless.

See below for how this process has played out with Aphria's recent LatAm investments:



(Sources: Scythian/Aphria filings & press releases, Canadian corporate records, and on-the-ground research)

Undisclosed Insider Self-Dealing?

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The architect of these deals, as we will show, appears to be Aphria/Scythian insider Andy DeFrancesco. DeFrancesco was integral to the formation of both Aphria and Scythian, serving as a founding investor and orchestrating the reverse-mergers that took both companies public. He has served as advisor to all of Aphria's bought deal financings, and currently serves as the Chairman and Chief Investment Officer of Scythian. In fact, earlier this year Scythian even operated out of the same office and suite number of DeFrancesco's personal private equity firm, the Delavaco Group.

Our first major indication that something is amiss came through the following revelation: Canadian corporate records show that the entities acquired in the LatAm deal were *all* previously named after DeFrancesco's personal private equity firm, the Delavaco Group:

| Asset Location | Acquired Entity Name | Previous Entity Name |
|----------------|-------------------------------|--|
| Jamaica | Marigold Acquisitions | Delavaco Caribbean Ventures (https://www.slideshare.net/secret/kAE8Ubet5VmisF) |
| Colombia | MMJ Colombia Partners | Delavaco Colombia Partners (https://www.slideshare.net/secret/1bU4UsPduQBPrU) |
| Argentina | MMJ International Investments | Delavaco MMJ International (https://www.slideshare.net/secret/yX1ZkxloqqZ6xu) |

It appears that efforts were made to conceal the relationship to Delavaco. The names to all of these entities were changed prior to the acquisition announcements, ensuring that the "Delavaco" name didn't show up in any of the deal-related press releases. For example, Canadian corporate records show that the name of the entity holding purported Jamaican assets was changed *two days* prior to Scythian's [letter of intent](https://globenewswire.com/news-release/2018/03/22/1444515/0/en/Scythian-Biosciences-Corp-Announces-Expansion-of-its-Global-Footprint-into-Jamaica-with-Binding-Letter-of-Intent.html) (<https://globenewswire.com/news-release/2018/03/22/1444515/0/en/Scythian-Biosciences-Corp-Announces-Expansion-of-its-Global-Footprint-into-Jamaica-with-Binding-Letter-of-Intent.html>) to acquire it.

In short, money has been flowing from retail investors to Aphria, which has then used the capital to buy "assets" from entities associated with insiders.

So, let's take a look at some of the assets.

Aphria's C\$145 Million Jamaican Acquisition: Marigold Projects⁴⁵¹

In March 2018, Scythian signed a letter of intent (<https://globenewswire.com/news-release/2018/03/22/1444515/0/en/Scythian-Biosciences-Corp-Announces-Expansion-of-its-Global-Footprint-into-Jamaica-with-Binding-Letter-of-Intent.html>) to acquire Marigold Acquisitions Inc., which was described as “a privately-held British Columbia corporation.” (pg. 24 (<https://webfiles.thecse.com/investorx/SCYB/1808230441014847.pdf?Vk77B2ujKCfH1nGl6N05Q3.gt7mVHu8Z>)) At the time, Marigold Acquisitions was in the process of purchasing a 49% stake in Jamaican company Marigold Projects. In other words, the entity didn't even own the Jamaican asset yet.


Four months later (in July), Scythian then announced the sale (<https://globenewswire.com/news-release/2018/07/17/1538317/0/en/Scythian-Announces-Strategic-Sale-of-Latin-American-and-Caribbean-Assets-in-193-000-000-Deal-to-Aphria.html>) of the Marigold letter of intent along with their other LatAm “assets” to Aphria. Scythian completed its purchase in mid-September (<https://globenewswire.com/news-release/2018/09/14/1570911/0/en/Scythian-Biosciences-Closes-Acquisition-of-Marigold-Projects-Jamaica.html>) and subsequently closed the sale to Aphria (<https://aphria.ca/blog/aphria-closes-acquisition-of-assets-in-latin-america-and-the-caribbean/>) 2 weeks later.

Ultimately, Aphria paid an estimated C\$145 million for the Marigold stake, netting Scythian a C\$127 million gain for an asset it only actually *owned* for about 2 weeks. (pg. 96 (<https://webfiles.thecse.com/investorx/SCYB/1808230441014847.pdf?Vk77B2ujKCfH1nGl6N05Q3.gt7mVHu8Z>)).[1]

Meanwhile, unnamed Marigold investors in the “privately-held” shell entity were paid (<https://globenewswire.com/news-release/2018/09/14/1570911/0/en/Scythian-Biosciences-Closes-Acquisition-of-Marigold-Projects-Jamaica.html>) C\$18 million. We will present evidence that those investors include Aphria/Scythian insider DeFrancesco along with unnamed associates.

On the Ground in Jamaica: Marigold's Official Registered Office is an Abandoned Building ⁴⁵²

So, what exactly did Aphria buy? We visited Jamaica to find out. According to Marigold's latest filings (<https://www.slideshare.net/secret/Fm3VRV1PxTiInc>), the company's official registered office is 28 Lancaster Road in Kingston St. Andrew:

|  THE COMPANIES ACT ANNUAL RETURN FOR COMPANIES WITH SHARES <small>(Pursuant to sections 121, 122 & 124 of the Companies Act 2004)</small> | | | |
|--|---|--|--------------|
| COMPLETE THIS FORM IN BLOCK CAPITALS ONLY WITHIN THE PRESCRIBED FIELDS. PUT "N/A" IN FIELDS THAT DO NOT APPLY. | | | |
| 1A. NAME OF COMPANY MARIGOLD PROJECTS JAMAICA LIMITED | | | |
| <small>The name here must be consistent with the name stated on its Certificate of Incorporation or most recent Change of Name Certificate applicable to the period of the Annual Return.</small> | | | |
| 1B. TYPE OF COMPANY <input checked="" type="checkbox"/> Private <input type="checkbox"/> Public | 1C. COMPANY REGISTRATION NUMBER 92290 | 1D. COMPANY TAXPAYER REGISTRATION NUMBER 002-186-080 | |
| 1E. COMPANY TELEPHONE NUMBER N/A | | 1F. EMAIL ADDRESS N/A | |
| 2. PERIOD FOR WHICH ANNUAL RETURN IS MADE UP | | | |
| (i) START | Day 20 | Month JULY | Year 2017 |
| (ii) END | Day 21 | Month JULY | Year 2018 |
| 3. LOCATION OF REGISTERED OFFICE | | | |
| Street or District | 28 LANCASTER ROAD | | |
| Town | KINGSTON 10 | | |
| Post Office | HALF WAY TREE P.O | | |
| Parish | ST ANDREW | | |
| 3A. MAILING ADDRESS (if different from the registered office address) | | | |
| Street or District | SAME AS ABOVE | | |

When Aphria closed on its Latin American acquisitions it declared them to be “world class assets (<https://www.newswire.ca/news-releases/aphria-plans-for-global-cannabis-leadership-with-international-expansion-acquiring-leading-assets-in-latin-america-and-the-caribbean-688378991.html>).” We visited the official registered office during working hours in late September and found it to be a world class dump. Here we are at Lancaster road:



And here we are at 28 Lancaster. Much like Aphria's acquisitions, from the outside it almost looked passable:



But from the inside it became obvious that the building had been abandoned for years:





Busted doors and ceilings. Holes in the wall. Yellowed newspaper on the floor. Dirt everywhere. Not exactly the cutting-edge operation we'd expect.

Marigold's much-touted managing director (<https://www.newswire.ca/news-releases/aphria-plans-for-global-cannabis-leadership-with-international-expansion-acquiring-leading-assets-in-latin-america-and-the-caribbean-688378991.html>), Lloyd Tomlinson, lists the same abandoned property as his personal address (<https://www.slideshare.net/secret/Fm3VRV1PxTiInc>):

5. THE DIRECTORS OF THIS COMPANY AS OF THE 20th DAY OF MARCH 2017 ARE:

| NAME (S) | RESIDENTIAL ADDRESS | OCCUPATION | CONTACT # |
|-----------------|--------------------------------|------------------|--------------|
| LLOYD TOMLINSON | 28 LANCASTER ROAD. KINGSTON 10 | BUSINESS MANAGER | 876-877-9898 |

Following our visit, we checked Jamaican real estate records (<https://www.slideshare.net/secret/l4l92dJ2V8Y3sl>) and learned that neither Tomlinson nor Marigold even own the abandoned property anymore. Tomlinson used to be the owner but it was sold off by the mortgage lender in January:

| | | |
|---------------|-------|-----|
| REGISTER BOOK | FOLIO | 268 |
| VOLUME | 1285 | |



JAMAICA

Certificate of Title under the Registration of Titles Act

ORIGINAL



NOT TO BE
REMOVED FROM
TITLES OFFICE

DO NOT FOLD

E-1388-887
Wt 13/1/2023

Misc. 893222

FAY WINT of 10 Oleander Avenue, Oakland Apartments 112-114 1/2 Constant Spring Road, Kingston 8 in the parish of Saint Andrew, Interior Decorator is now the proprietor of an estate in fee simple subject to the incumbrances notified hereunder in ALL THAT parcel of land known as **NUMBER TWENTY-EIGHT LANCASTER ROAD** part of **EASTWOOD PARK** in the parish of **SAINT ANDREW** being the Lot numbered **TEN BLOCK "G"** on the plan of Eastwood Park aforesaid deposited in the Office of Titles on the 7th day of June, 1945 of the shape and dimensions and butting as appears by the said plan and being the land comprised in Certificate of Title formerly registered at Volume 461 Folio 77.

| | |
|---|---|
|  for Registrar of Titles |  |
| Transfer No. 2101045 registered on the 4th day of January, 2018 all the estate and interest of LLOYD FRASER TOMLINSON on the 4th day of October, 2004 to JAMAICA MUSIC SOCIETY at 7 Stanton Terrace, Kingston 5, Saint Andrew. Consideration money Twenty Five Million Dollars, Power of Sale under Mortgage No. 1318680 | |

Despite this, Marigold and Tomlinson's recent filings still listed the abandoned property as their current address.

On the Ground in Jamaica: Marigold Claims to Have 3 Other Leases

Aside from the abandoned building, Marigold claims to have 3 leases in Jamaica (pg. 17 (<https://webfiles.thecse.com/investorx/SCYB/1808230441014847.pdf?Vk77B2ujKCfH1nGI6N05Q3.gt7mVHu8Z>)):

security bond. Marigold currently leases its cultivation premises located at Volume 1388 Folio 682, Lot 6, Bernard Lodge, Block A, Spanish Town P.O., in the parish of Saint Catherine and plans to construct state of the art greenhouses for commercial growing and a 36,000 square foot research centre on the premises. It is estimated that the proposed facilities could employ up to 200 people over a two-year period.

Marigold also has two other leases: a lease for office space at Suite #6, 22 Trafalgar Road, Kingston 10, and a lease for an herb house of approximately 800 square feet at Unit #51, Pulse Center, 38a Trafalgar Road, Kingston 10.

We visited Marigold's other properties as well, or at least the ones we could confirm actually exist.

On the Ground in Jamaica: Marigold Claims to Lease “Unit 51” of a Building Complex That Only Goes up to Unit 50⁴⁵⁷

Marigold claims to lease an 800 sq/m herb house in collaboration (<https://www.cnn.com/2018/05/03/globe-newswire-scythian-announces-marigoldas-exclusive-agreement-with-jamaicaas-peter-tosh-museum.html>) with the Peter Tosh Museum located at “Unit #51, Pulse Center, 38a Trafalgar Road, Kingston” (pg. 17 (<https://webfiles.thecse.com/investorx/SCYB/1808230441014847.pdf?Vk77B2ujKCfH1nGl6N05Q3.gt7mVHu8Z>)). The company claims to have leased the facility as of April. (pg. 57 (<https://webfiles.thecse.com/investorx/SCYB/1808230441014847.pdf?Vk77B2ujKCfH1nGl6N05Q3.gt7mVHu8Z>)) We visited the location in October:

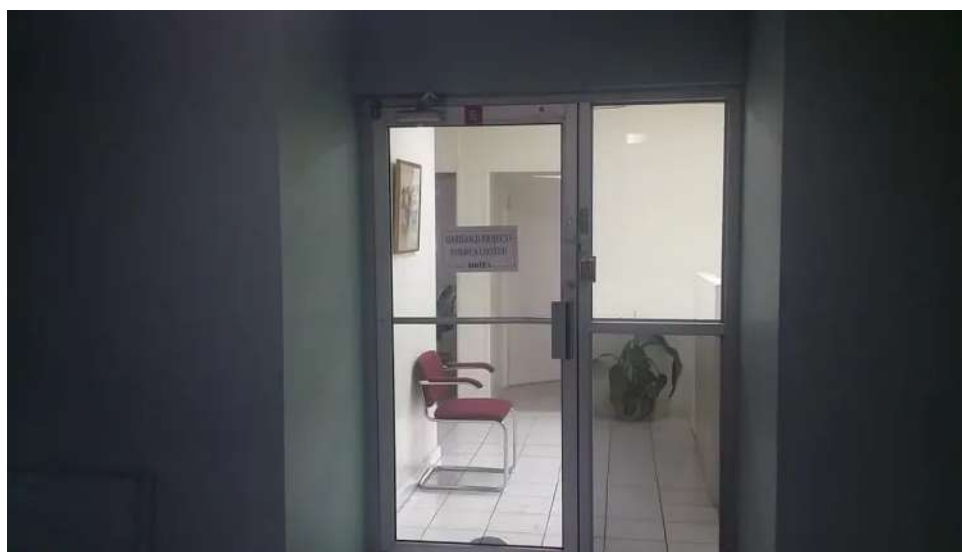


We spoke with the landlord during our site visit. He informed us that the units only go up to 50. In other words, **Marigold’s “Unit 51” didn’t exist.**

We then called the museum later in the month. They couldn’t provide us with contact information for Marigold, saying “they haven’t actually opened as yet.”

On The Ground in Jamaica: “Jamaica’s Leading Medical Cannabis Company”...Has a Paper Sign On The Door of its Empty Office?

Marigold also reportedly leased space in “Suite #6” in an office building in Kingston Jamaica (pg. 17 (<https://webfiles.thecse.com/investorx/SCYB/1808230441014847.pdf?Vk77B2ujKCfH1nGl6N05Q3.gt7mVHu8Z>)). The lease for the office was signed in April (pg. 57 (<https://webfiles.thecse.com/investorx/SCYB/1808230441014847.pdf?Vk77B2ujKCfH1nGl6N05Q3.gt7mVHu8Z>)). Our investigator visited the site in October during business hours on multiple occasions and found that while the lights were on, nobody was home. He spoke with the neighboring business which said they had rarely seen anyone enter or leave the office. Here is the picture of the locked, empty suite:



Why does this “world class asset” have a paper sign on its office door 6 months into its lease? (Someone may also want to stop by from time to time to water that dehydrated office plant):



Here was the company's paper signage on the entrance to the building as well:



The company's other purported lease is for cultivation facilities on a plot of land in Saint Catherine parish. According to the company, this land is intended to eventually support greenhouses and a state-of-the-art research facility. After much searching, our researcher was unable to find the site. We were therefore unable to confirm its existence.

On the Ground in Jamaica: Marigold's Team of "Cutting-Edge" Scientists

When Scythian signed the letter of intent to acquire a stake in Marigold in March 2018 (<https://globenewswire.com/news-release/2018/03/22/1444515/0/en/Scythian-Biosciences-Corp-Announces-Expansion-of-its-Global-Footprint-into-Jamaica-with-Binding-Letter-of-Intent.html>), one of the justifications for the transaction was Marigold's strong scientific team:

“Marigold’s leadership in the cutting-edge science of cannabis cultivation and precision dosing brings added depth and prestige to an already strong team.”

Marigold’s Medical Doctor Director Denies Ever Serving on Any Board, Let Alone Marigold’s

We reviewed Jamaican corporate records (<https://www.slideshare.net/secret/qjWrLHCIGBqQYT>) to see who was on Marigold’s team of top scientists. One of the original founding directors of Marigold’s team was Dr. Janice Simmonds-Fisher, one of two scientists associated with the company:

6B. NAMES OF FIRST DIRECTORS

| NAME (S) | RESIDENTIAL ADDRESS | OCCUPATION | CONTACT # |
|-----------------|--|------------------|-----------|
| LLOYD TOMLINSON | 28 LANCASTER ROAD KINGSTON 10 JAMAICA | BUSINESS MANAGER | |

Dr. Fisher is a doctor based in Jamaica (and is a very nice lady). We visited her office and spoke with her. She denied ever having held any directorship positions at *any* company, let alone Marigold. In fact, she later signed a document attesting to this:

(Note: Dr. Fisher's personal information has been blurred)

Marigold's Genetic Engineer. A Total Unknown

Marigold's other director-scientist was an individual named Ray Anthony Chin, who was listed as Marigold's "Genetic Engineer":

We visited Mr. Chin's address at 7 Norbrook Crescent:

The tenant said no one by that name lives there and they had never heard of anyone by that name.

We searched extensively for signs of a top (or any) genetic engineer by the name of Ray Anthony Chin through scientific journals, ResearchGate, web sources, social media, etc. We came up completely empty handed. How has Mr. Chin managed to become a top scientist without leaving a trace of his accomplishments?

On the Ground in Jamaica: The Much-Touted Reason for the Deal—A Local Cannabis R&D License—Costs Only \$500 to Acquire

At the time of the deal announcement (<https://globenewswire.com/news-release/2018/03/22/1444515/0/en/Scythian-Biosciences-Corp-Announces-Expansion-of-its-Global-Footprint-into-Jamaica-with-Binding-Letter-of-Intent.html>), much was also made of the fact that Marigold had been issued one of three original permits in Jamaica for the R&D of cannabis products.

We met with the Jamaican Cannabis Licensing Authority (CLA) and learned that by the time the Marigold deal had closed in September, the CLA had approved at least 22 full licenses and over 80 conditional licenses.

We asked about the process for attaining a license. It requires about \$500, some paperwork, and a wait time of less than 6 months. That was basically it.

Jamaica: But Wait...Marigold Isn't Even Fully Licensed!

Shortly after our visit, Jamaican media reported on Marigold's deal with Aphria. Per [the article \(http://jamaica-gleaner.com/article/business/20181024/coffee-farmer-diversifies-ganja-canadian-investor-takes-stake-marigold\)](http://jamaica-gleaner.com/article/business/20181024/coffee-farmer-diversifies-ganja-canadian-investor-takes-stake-marigold), Marigold Managing Director Lloyd Tomlinson said that Marigold plans to set up 5 herb houses across Jamaica, "the first of which will open at the Pulse Centre." In other words, none are open.

Furthermore, Tomlinson said that he would reserve full comment about the retail ganja venture:

"until all his licenses are issued by the Cannabis Licensing Authority."

The article continued...

*"...Marigold already has **conditional** approval for several licenses."*

*"...The operation will be fed by a 20-acre farm at Bernard Lodge but could potentially source raw material from a farm operated as a separate business by the Tomlinson family within the Blue Mountains. **That farm awaits approval to grow marijuana.**"*

So, rather than being licensed to operate, Marigold is waiting for its conditional licenses to be approved.

Jamaica/Marigold: To Recap So Far...

- The official office is an abandoned property that was sold off by the lender almost a year ago.
- The company claimed to lease a “Unit 51” that didn’t exist.
- One of the company’s founding directors denies ever being a company director.
- The other mystery scientist has no clear web presence.
- The company’s plot of raw land is not approved to grow cannabis.
- The company has *conditional* licenses and is awaiting full approval.

All this...for C\$145 million? So, what is going on?

Jamaica: Marigold Stakes Were Originally Bought for US \$118 in Total. Who Were These Lucky Shareholders?

The undisclosed Aphria/Scythian deal partners who purchased their stakes in Marigold didn’t seem to think the asset was worth C\$145 million.

Jamaican Corporate records show that two Canadians associated with multiple DeFrancesco-backed deals had purchased their shares of the Jamaican entity for about US \$118 (*not* millions) for shares that were flipped to Scythian mere months later for C\$18 million (and ultimately flipped to Aphria for C\$145 million.)

The two individuals named in Jamaican corporate records were Marvin Igelman (<https://www.slideshare.net/secret/XgLDjHKToOxty>) and Clifford Starke (<https://www.slideshare.net/secret/fdMdy1x4mj3cNX>).

Marvin Igelman’s relationship with Aphria/Scythian insider DeFrancesco spans more than a decade, having worked together (<https://www.nasdaq.com/markets/ipos/filing.ashx?filingid=4174325>) at brokerage firm Standard Securities Capital Corporation (SSCC) where DeFrancesco had served as the Managing Partner (<https://www.sec.gov/Archives/edgar/data/1283794/000095013406013609/a16366a5sv1za.htm>);

Since then, Igelman has played an active role in DeFrancesco-backed deals including serving as:

- Vice Chairman (<https://www.linkedin.com/in/marvin-igelman-8b65047/?originalSubdomain=ca>) of Delavaco-backed Breaking Data Corp/Spylogics,
- Director (<https://www.linkedin.com/in/marvin-igelman-8b65047/?originalSubdomain=ca>) of Delavaco-backed Jamba Juice, and
- Director (<https://www.linkedin.com/in/marvin-igelman-8b65047/?originalSubdomain=ca>) of Delavaco-backed American Apparel.

Clifford Starke has been described as (<https://www.maticaenterprises.com/newsdetail?&newsfile=10939>) “an early stage investor and financier of Nuuvera Corp” prior to its takeover by Aphria. As noted in our earlier piece, we think Nuuvera was just as worthless as Aphria’s other acquisitions. The deal had undisclosed conflicts of interest (<https://www.theglobeandmail.com/report-on-business/aphria-insiders-held-shares-in-takeover-target-didnt-disclose/article38350621/>), including ownership by DeFrancesco along with Aphria Chairman/CEO Vic Neufeld, Aphria’s CFO, and multiple Aphria directors.

Jamaica: The Cheap Shares Were Owned by an Entity Formerly Named After Aphria/Scythian Insider Andy DeFrancesco’s Firm

The shares were later (<https://www.slideshare.net/secret/iw4iVQP3K7skQB>) transferred (<https://www.slideshare.net/secret/qFuibimTILcUxf>) to an opaque, newly-formed Bermudan entity (<https://www.slideshare.net/secret/M4w3bMyyFyeSp>). That entity, in turn, was owned (<https://globenewswire.com/news-release/2018/07/17/1538317/0/en/Scythian-Announces-Strategic-Sale-of-Latin-American-and-Caribbean-Assets-in-193-000-000-Deal-to-Aphria.html>) by the Canadian shell entity that was formerly named “Delavaco Caribbean Ventures (<https://www.slideshare.net/secret/kAE8Ubet5VmisF>)”. Recall that Delavaco is the name of the personal private equity firm of Aphria/Scythian insider Andy DeFrancesco.

Following the name change, Scythian announced its letter of intent to acquire the entity. The name change took place *only 2 days* before Scythian signed its letter of intent (<https://globenewswire.com/news-release/2018/03/22/1444515/0/en/Scythian-Biosciences-Corp-Announces-Expansion-of-its-Global-Footprint-into-Jamaica-with-Binding-Letter-of-Intent.html>) to acquire the entity on March 21st. Canadian corporate records (<https://www.slideshare.net/secret/kAE8Ubet5VmisF>) captured the originals, however:

Then 2 days later on March 21st:

Keep in mind that in addition to DeFrancesco's role, Aphria Chairman/CEO Vic Neufeld was also the Chairman of Scythian at the time of the announced Marigold deal. This is the same Vic Neufeld who oversaw Aphria's acquisition just months later, ultimately paying C\$145 million of Aphria shareholder money for the Jamaican entity.

The shareholders of the private shell entity in turn were paid \$18 million, which looks to have been almost pure profit. 467

Aphria's C\$50 Million Argentine Acquisition: A.B.P. SA

On March 11, 2018, Scythian signed a letter of intent (<https://globenewswire.com/news-release/2018/03/12/1420532/0/en/Scythian-Biosciences-Corp-Announces-Letter-of-Intent-to-Acquire-Argentina-Based-ABP-S-A.html>) to acquire MMJ International, which was later described as “a privately-held British Columbia company” (pg. 24 (<https://webfiles.thecse.com/investorx/SCYB/1808230441014847.pdf?Vk77B2ujKCFH1nGl6N05Q3.gt7mVHu8Z>)). MMJ International had an agreement to purchase an Argentine company called ABP, a “pharmaceutical import and distribution company”.

Four months after Scythian's letter of intent to acquire the Argentine assets, Scythian then announced the sale to Aphria of the ABP (<https://globenewswire.com/news-release/2018/07/17/1538317/0/en/Scythian-Announces-Strategic-Sale-of-Latin-American-and-Caribbean-Assets-in-193-000-000-Deal-to-Aphria.html>) letter of intent along with other LatAm “assets”.

Scythian closed its purchase (<https://globenewswire.com/news-release/2018/09/21/1574276/0/en/Scythian-Biosciences-Closes-Acquisition-of-MMJ-International-Investments-Inc.html>) in late September and subsequently closed the sale (<https://aphria.ca/blog/aphria-closes-acquisition-of-assets-in-latin-america-and-the-caribbean/>) to Aphria 6 days later.

Ultimately, Aphria paid roughly C\$50 million for the ABP stake, netting Scythian a quick C\$23 million gain for an asset it only actually *owned* for **6 days**. (pg. 3 (https://webfiles.thecse.com/Form_7_-_Monthly_Progress_Report_-_September.pdf?CtKOCDWDQIJAEuCXpSEZwcw5NKv4lATf=))).[2]

Meanwhile, investors in the private shell entity were paid C\$27 million for their stake in MMJ. We will show evidence that those investors include Aphria/Scythian insider DeFrancesco, along with unnamed associates.

On the Ground in Argentina: ABP's "Strong" Retail Platform Consists of Exactly One Small Pharmacy⁴⁸

The company has touted (<https://globenewswire.com/news-release/2018/05/11/1501040/0/en/Scythian-Biosciences-Announces-Binding-Agreement-for-Argentinian-Acquisition-of-ABP.html>) that "ABP has had a strong platform from its distribution and retail business to build on."

Per Aphria's transaction documents we see that ABP had 2 facilities in total (pg. 74 (<https://webfiles.thecse.com/investorx/SCYB/1808230441014847.pdf?Vk77B2ujKCfH1nGl6N05Q3.gt7mVHu8Z>)):

*"ABP operates **two facilities** located in the City of Buenos Aires – **a pharmacy** that operates under the trade name Farmacia & Perfumeria **and a wholesale drugs distribution centre**, which also serves as a secondary warehouse for Farmacia & Perfumeria."*

Thus the "strong" retail platform consisted of exactly one pharmacy. Here is a picture of the outside of the pharmacy, courtesy of Google Maps:

We visited the site. It is located in a rundown section of Buenos Aires and is smaller than a conventional CVS or Rite-Aid. Here are pictures from the inside and a receipt confirming ABP's name on our purchase:

On The Ground in Argentina: A “Leading Importer and Distributor of Pharmaceuticals”...With an Empty, Dilapidated Office

At the time of the deal announcement, Vic Neufeld was Chairman/CEO of Aphria and the Chairman of Scythian. He called ABP (<https://globenewswire.com/news-release/2018/03/12/1420532/0/en/Scythian-Biosciences-Corp-Announces-Letter-of-Intent-to-Acquire-Argentina-Based-ABP-S-A.html>) “one of the nation’s leading importers and distributors of pharmaceuticals.”

We visited ABP’s “wholesale drugs distribution centre”. The area was largely dilapidated and residential. Here is a picture of the entrance from Google Maps alongside a picture from our visit:

On the inside, we saw almost no signs of existing operations, aside from one lone desk and some stacked boxes in what looked like an unfinished, empty warehouse:

ABP: Virtually No Digital Presence and a Handful of Employees

As part of our research on ABP, we called the company, visited its offices, and scoured the web for any signs of a business presence. We saw virtually no digital signs of life and found very few employees.

Oddly, ABP's Facebook page (https://www.facebook.com/pg/ABPPHARMA/about/?ref=page_internal) shows that its first post was in August, five months *after* the deal with Scythian was announced. The page had 7 likes as of this writing. 471

All told, we were only able to locate 3 actual employees of ABP, excluding retail staff. Two of them were college students:

1. The manager, Gonzalo Arnao, looks to have actual laboratory experience, according to his LinkedIn profile (<https://www.linkedin.com/in/gonzalo-arnao-8270a56/>).
2. The second identified employee reports on his LinkedIn (<https://www.linkedin.com/in/gustavo-ariel-perez-ochoteco-34619116b/?originalSubdomain=ar>) that his main occupation is a university student.
3. The third identified employee (<https://www.linkedin.com/in/martin-irala-079468172/>) is a 20 year old who lists his occupation as soccer player/coach on his Facebook page (<https://www.facebook.com/martin.irala.9>).

Company Press Release: ABP Generated “Revenues in Excess of USD \$11 Million in 2017”

Vs.

Employee Interview: Revenues Were Actually USD \$430 Thousand

In the initial press release (<https://globenewswire.com/news-release/2018/05/11/1501040/0/en/Scythian-Biosciences-Announces-Binding-Agreement-for-Argentinian-Acquisition-of-ABP.html>) by Aphria's 'sister' (<https://business.financialpost.com/cannabis/aphria-announces-proposed-acquisitions-in-latin-america-jamaica-worth-roughly-200-million>)' company Scythian announcing the letter of intent to acquire ABP, the header of the press release boasted:

“ABP REVENUES IN EXCESS OF USD\$11 MILLION IN 2017 AND PROFITABLE”

The headline number struck us as odd given that the company's operations seemed to consist of one small retail pharmacy and an empty, unfinished warehouse. We checked Dun & Bradstreet which reported that annual sales at the entity were only roughly USD \$212,000 which seemed more in-line:

(Source: Dun & Bradstreet)

We then spoke with employee #2 (from the section above) and recorded the call. When asked about ABP's annual revenues, he replied that they were about 15 million Argentine Pesos, which converts to about USD \$430,000.

On the Ground in Argentina: ABP's Touted "Purchase Order" With a Local Hospital Was Actually a Donation

Prior to the closing of the purchase of ABP by Aphria/Scythian, Scythian announced (<https://globenewswire.com/news-release/2018/04/18/1480945/0/en/Scythian-Announces-ABP-S-A-s-First-Purchase-Order-with-Aphria-Inc.html>) that a major milestone had taken place at the would-be subsidiary:

"Scythian Announces ABP S.A.'s First Purchase Order with Aphria Inc.—Order to Supply World Renowned Pediatric Hospital for Research and Education"

The purchase order was for Aphria's CBD oil which would support clinical research at Argentina's renowned Garrahan Pediatric Hospital.

"I am very proud of ABP working with the Scythian team for reaching this new milestone of a first purchase order..." gushed Scythian's CEO in the press release.

It was purported to be a major achievement—an order for a large multi-year study involving over 100 patients. The newly-formed Argentine partnership seemed to be generating new sales, lending the proposed Aphria acquisition added credibility.

One problem: We spoke with representatives of the hospital and they informed us that they didn't make any purchase. It was actually a donation from the company. ⁴⁷³

The picture on the right is of our meeting with Lucas Schiaffini, a department head (<http://www.garrahan.gov.ar/contacto/contenidos/area-de-comunicacion-y-prensa>) at the hospital.

At risk of belaboring the point, Merriam-Webster defines (<https://www.merriam-webster.com/dictionary/purchase>) 'purchase' as 'to obtain by paying money or its equivalent'.

While Scythian gave the impression that it had secured a major multi-year purchase contract, in reality it was Scythian making the purchase...from Aphria. The product in turn was given away for free to the ultimate consumer.

The hospital later confirmed this publicly. Per a press release (<https://www.eljuninense.com/2018/10/31/10340/por-primera-vez-en-un-hospital-publico-en-el-garrahan-comienzan-a-ensayar-con-cannabis-medicinal/>), put out by the hospital (translated from Spanish):

*"The medicinal cannabis used in these trials was provided by the Aphria laboratory in Canada, which will **donate** the drug throughout the study and for all patients in which it is proven to work."*

The hospital employee said they were grateful for the donation, but he complained to us that the company's representative in Argentina kept hounding them to issue more press releases about the partnership.

Argentina: Undisclosed Insider Self-Dealing? ⁴⁷⁴

So, who were the lucky investors in the “privately-held” shell entity that were paid C\$27 million for the Argentine assets?

Canadian corporate records show that the shell entity used to be named Delavaco MMJ International (<https://www.slideshare.net/secret/yX1ZkxloqqZ6xu>) but was changed prior to the public announcement of the deal:

As a reminder, Delavaco is the name of Aphria insider & current Scythian Chairman Andy DeFrancesco’s personal private equity firm.

If there is still any lingering doubt about what is going on here, we can turn to Andy DeFrancesco’s private Instagram account. This is an Instagram post dated one week prior to Scythian’s announcement (<https://globenewswire.com/news-release/2018/03/12/1420532/0/en/Scythian-Biosciences-Corp-Announces-Letter-of-Intent-to-Acquire-Argentina-Based-ABP-S-A.html>) to acquire the “privately-held” Argentine assets:



Yes, that is Aphria insider, Scythian insider, and current Scythian Chairman & Chief Investment Officer Andy DeFrancesco bragging about purchasing ABP's pharmacy into his own personal private equity firm one week before flipping it to Scythian for C\$27 million. He even hash-tagged #GreedIsGood.

We can confirm that it is the exact same pharmacy. Here is the picture from our visit of the same section of the store taken at a different angle:

Aphria's C\$84 Million Colombian Acquisition: Colcanna SAS⁴⁷⁶

In April 2018, Scythian signed a letter of intent (<https://globenewswire.com/news-release/2018/04/09/1467034/0/en/Scythian-Biosciences-Corp-Announces-Progression-of-Global-Expansion-Efforts-with-Letter-of-Intent-to-Acquire-MMJ-Colombia-Partners-Inc.html>) to acquire a Canadian entity named MMJ Colombia Partners, which was described in filings as “a privately-held Ontario company” (pg. 24 (<https://webfiles.thecse.com/investorx/SCYB/1808230441014847.pdf?Vk77B2ujKCfH1nGl6N05Q3.gt7mVHu8Z>)). At the time of the announcement, MMJ Colombia was in the process of purchasing a 90% stake in Colombia-based Colcanna SAS. In other words, Scythian entered into a letter of intent to acquire a “privately-held” entity that didn’t own anything yet.

Scythian later sold the letter of intent along with their other LatAm “assets” to Aphria. Ultimately, Aphria paid C\$84 million for the stake, netting Scythian a quick C\$45 million gain.

Meanwhile, the unnamed investors in “privately-held” MMJ Colombia Partners banked almost C\$39 million.[3] We will show evidence that those investors include Aphria/Scythian insider Andy DeFrancesco, along with unnamed associates.

Colombian Corporate Documents: Zero Operating Activity and Total Assets of \$16,000

Colombian corporate records (<https://www.slideshare.net/secret/AZNaRe3SdIBLnJ>) show that Colcanna was established on December 27, 2017, and was thus only months old when Scythian signed its letter of intent to buy it. The newly formed entity reported exactly zero operating activity and total assets worth about US\$16,000:

On the Ground in Colombia: An Actual Office!⁴⁷⁷ But Not Much Else

Colcanna has an office and some property in Colombia. Here are pictures from our investigator's visit in mid-November. He said there were approximately 5 people working there:

As far as development of the property goes, it does not appear that much is going on, however. The Colcanna website (<https://www.colcanna.co/copia-de-galeria>) features a *pilot* greenhouse:

The other pictures from the website (<https://www.colcanna.co/copia-de-compania>) are rather underwhelming:

Colombia: On Colcanna's Much-Touted Cannabis Licenses—It Was One of About 73 Licensed Entities at Time of Deal Closing

Much was made of Colcanna being the first entity to receive cannabis licenses in the particular region of Colombia where it is located:

“Colcanna is the first company in the coffee zone of Colombia with cultivation and manufacturing licenses for the production of medical extracts of cannabis”

Despite being first to receive those licenses in the coffee zone, by late September 2018, near the time of the Aphria deal-closing, Colombia had issued (<https://www.minsalud.gov.co/sites/rid/Lists/BibliotecaDigital/RIDE/VS/MET/licencia-fabricacion-cannabis-uso-medicinal.pdf>) licenses to 73 different Colombian entities.

Relatedly, an industry expert informed us that while Aphria was touting its coffee region licenses, other operators were avoiding the region due to its climate and conditions. The expert explained to us that the coffee zones are not desirable for growing cannabis. They are too moist and cool, which is fine for coffee but can lead to mildew problems in cannabis. The mountainous regions are also naturally less accessible, which increases costs.

Colombia: But Wait...Colcanna Isn't Even Fully Licensed!

When our on-the-ground investigator asked for information about buying Colcanna's products, the company rep said they were still in the licensing process and that they are not near production.

An industry expert gave us the following insight on the key license Colcanna appears to be missing:

"I don't think Colcanna is one of the four companies approved to do characterization. This is a necessary requirement for cultivation."

"...If the company doesn't have a characterization license then it's a huge red flag. I think the current government is in no rush to stimulate the industry. People are just twiddling their thumbs in the government departments at the moment."

Colcanna has received some of its required cannabis licenses per Ministry of Justice (<https://www.slideshare.net/secret/3F9jTHF635tCok>) and Ministry of Health (<https://www.minsalud.gov.co/sites/rid/Lists/BibliotecaDigital/RIDE/VS/MET/licencia-fabricacion-cannabis-uso-medicinal.pdf>) records, but until they receive *all* their required licenses they appear to be in the thumb-twiddling business along with the local government.

Colombian Comparable Transactions: Aphria Overpaid Relative to Peers for Land/Licenses

When comparing the purchase price of Aphria's acquisition relative to other Colombian cannabis producers we see that they stand out:

(Sources: Company filings, company press releases, and local experts)

The cannabis space is replete with debates about valuation, but putting that aside, the fact that Aphria's purchase stands head and shoulders above the rest of the industry speaks for itself.

Colombia: Undisclosed Insider Self-Dealing?

Who were the shareholders in the privately-held shell entity that banked C\$39 million for selling a newly-formed, stalled Colombian operation?

Canadian corporate records show that two months prior to the Scythian announcement MMJ Colombia had a different name: **Delavaco Colombia Partners** (<https://www.slideshare.net/secret/1bU4UsPduQBPrU>). Recall that Delavaco is the name of Andrew DeFrancesco's personal private equity firm. Also recall that DeFrancesco is the current Chairman of Scythian and a key insider of both Scythian and Aphria. The entity was registered in the name of DeFrancesco's spouse:

The timing of the name change looks prescient. Delavaco Colombia's name was changed on February 16, 2018—the very day that Colcanna received its first license for cannabis R&D from the Colombian government, suggesting that the acquisition plan may have been set in motion upon receipt of the license (pg. 54 (<https://webfiles.thecse.com/investorx/SCYB/1808230441014847.pdf?Vk77B2ujKCfH1nGl6N05Q3.gt7mVHu8Z>)).

Aphria's "Option" to Pay \$24 Million+ for a Newly-Formed Brazilian Entity Which Appears to Own Nothing but a Pending License

On July 23, 2018, Scythian [announced](https://globenewswire.com/news-release/2018/07/23/1540596/0/en/Scythian-Biosciences-Corp-Announces-Strategic-Partnership-for-Cannabis-in-Brazil-with-one-of-the-Founders-of-the-Country-s-Pharma-Industry.html) (<https://globenewswire.com/news-release/2018/07/23/1540596/0/en/Scythian-Biosciences-Corp-Announces-Strategic-Partnership-for-Cannabis-in-Brazil-with-one-of-the-Founders-of-the-Country-s-Pharma-Industry.html>) a letter of intent to acquire a stake in "Brazilian Investments Inc", a private British Columbia-based entity.

Canadian [corporate records](https://www.slideshare.net/secret/9c028jGPSxkyYF) (<https://www.slideshare.net/secret/9c028jGPSxkyYF>) show that "Brazil Investments" had also undergone a name change. It was originally named "MMJ Brazil Investments" and was incorporated only on March 14, 2018. The name was changed to the nebulous "Brazil Investments Inc" on June 15, 2018, about a month before the announced deal:

"The acquisition of LATAM provides the Company with an option to purchase 50.1% of a Brazilian entity for \$24 million (USD), once it secures a medical cannabis licence from the Brazilian government and a right of first offer and refusal on another 20-39% of the Brazilian entity." (Pg. 23 (<https://aphria.ca/wp-content/uploads/2018/08/aphria-2018-annual-report.pdf>))

Brazilian corporate records (https://www.jucesponline.sp.gov.br/Pre_Visualiza.aspx?nire=35231166779&idproduto) show that the ultimate target, "Green Farma Brasil", had informally operated as of early 2017 but had only taken the step of legally constituting months after the announced deal, on August 23, 2018:

The company was formed with capital worth only about US\$27,000.

Thus, it seems that Aphria purchased an option to buy a recently formed entity with no known operations except a pending Brazilian cannabis license. For the sake of their investors, we sincerely hope they don't choose to exercise this option and shovel \$24 million (or more) into this new shell.

From the prior name "MMJ Brazil Investments", it appears to us that the company under option by Scythian is also related to Delavaco based on the naming convention used in the Colombian acquisition, which was named "MMJ Colombia Partners Inc" immediately prior to its acquisition.

Part II: Who is Andy DeFrancesco?

Andrew DeFrancesco is the Founder of the Delavaco Group (<http://www.delavaco.com/about.html>), a private equity and advisory firm based in Toronto and Florida. His biography was recently removed from the Delavaco site and his spouse is

currently listed as the Chairman and CEO of the firm.

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Andy DeFrancesco's Deep Relationship with Aphria

As described briefly above, Andy DeFrancesco has been a key figure with Aphria from the beginning.

*(Source: Andy DeFrancesco's private
Instagram account)*

DeFrancesco's biography on the Delavaco website stated that he was "founding investor to Aphria, leading all rounds of financing and strategic advisor to the company since inception." Despite the recent removal of his biography, we can still see the original through Web Archives (https://web.archive.org/web/20170806003930/http://www.delavaco.com/executive_team.html), which also shows that he was formerly listed as "Founder, Chairman & CEO" of the firm:

Additional links to Aphria include:

- DeFrancesco's Delavaco Group is named as a "special advisor" to Aphria in the company's press releases relating to all of their bought-deal financings (1 (<https://aphria.ca/blog/aphria-announces-225-million-bought-deal/>), 2 (<https://aphria.ca/blog/aphria-inc-announces-100-million-bought-deal/>), 3 (<https://aphria.ca/blog/aphria-inc-announces-80-million-bought-deal/>), 4 (<https://aphria.ca/blog/aphria-raises-100million-to-fund-continued-expansion-of-production-capacity/>), 5 (<https://aphria.ca/blog/aphria-announces-50-million-bought-deal/>), 6 (<https://aphria.ca/blog/aphria-inc-announces-35-million-bought-deal/>), 7 (<https://aphria.ca/blog/aphria-inc-announces-25-million-bought/>)).
- DeFrancesco's private equity firm, the Delavaco Group, was the advisor in Aphria's reverse-merger (<https://www.sedar.com/GetFile.do?lang=EN&docClass=8&issuerNo=00032355&issuerType=03&projectNo=02227422&docId=3566889>) into a shell entity named Black Sparrow Capital Corp. That transaction took Aphria public.
- The COO of Delavaco Capital (<https://www.firstcoastnews.com/article/news/local/florida/the-canadian-connection-how-an-equity-firm-bought-its-way-into-the-fl-marijuana-industry/461638351>) was the CEO and CFO of the Black Sparrow shell.
- DeFrancesco was the self-described "architect" of the Aphria/Nuuvera deal which we previously identified as being laden with undisclosed related party conflicts.

Andy DeFrancesco's Deep Relationship with⁴⁸⁵ Scythian BioSciences (Now Renamed Sol Global Investments)

DeFrancesco also has a close relationship with Aphria's 'sister' company, Scythian BioSciences/Sol Global Investments:

- Going back to the beginning, the “finder (<https://www.pressreader.com/oldbrowser?redirectUrl=/pressdisplay/viewer.aspx?issue=9337201706150000000001001&page=34&article=1531521341>)” of Scythian's reverse-merger deal to take the company public was the COO of the Delavaco Group (<http://www.firstcoastnews.com/article/news/local/florida/the-canadian-connection-how-an-equity-firm-bought-its-way-into-the-fl-marijuana-industry/461638351>). The Delavaco Group is DeFrancesco's personal private equity firm.
- Until recently, Scythian's head office was listed as 366 Bay Street, Suite 200, Toronto, the very same address and suite number of DeFrancesco's Delavaco Group (<http://www.delavaco.com/contact.html>) Toronto office (<https://www.sedar.com/GetFile.do?lang=EN&docClass=9&issuerNo=00033348&issuerType=03&projectNo=02719011&docId=4254007>)).
- Scythian's former CFO, Jonathan Held, served in the role until late September (<https://globenewswire.com/news-release/2018/09/28/1586492/0/en/Scythian-Biosciences-Appoints-Peter-Liabotis-as-CFO.html>). Held operates his consulting firm ALOE Finance out of the exact same address (<https://www.aloefinance.com/cfo-solutions>) and suite number as the Delavaco Group's Toronto office.
- In September, DeFrancesco was named (<https://business.financialpost.com/cannabis/aphria-closes-deal-now-worth-up-to-300-million-to-acquire-scythians-latin-american-assets>) Scythian's Chairman of the Board and Chief Investment Officer. He is now in charge of allocating Scythian's fresh batch of money received from Aphria through the LatAm deals.

In short, DeFrancesco has played an integral role with Aphria, Scythian, and the LatAm transactions as outlined above. We view him as the architect of these questionable transactions.

Now, we will explore his background and associations.

Canadian Regulators: DeFrancesco Has “Little Regard for the Truth”

A 2009 IROC complaint (<https://docs.iroc.ca/DisplayDocument.aspx?DocumentID=A323E4C0B9FF468E8B09EA25AA7FBEDD&Language=en>) mentioned Andy DeFrancesco's prominent role in a scheme that led to the subsequent industry ban (<https://www.newswire.ca/news-releases/ontario-superior-court-of-justice-divisional-court-dismisses-appeal-of-julius-caesar-phillip-vitug-545334292.html>) of a broker. For context, IROC is the national self-regulatory association for Canadian investment dealers, similar to FINRA in the U.S.

IROC's complaint made several conclusions about Andy DeFrancesco and the broker, who both worked at Standard Securities Capital Corporation (SSCC (<https://www.bloomberg.com/research/stocks/private/person.asp?personId=27674722&privcapId=323113730>)):

“Both the respondent's and Andy DeFrancesco's conduct in this matter showed they have little regard for the truth.”

“Andy DeFrancesco was deceptive in his conduct with respect to his wife.”

“He was deceitful to his employer, SSCC, in managing (a client's) account by placing his own assets in her account.”

“Both the respondent and Andy DeFrancesco were involved with the SSCC new account application form of (the client) which contained the false signature of (the client).”

Per earlier SEC filings, DeFrancesco had served as the Managing Partner (<https://www.sec.gov/Archives/edgar/data/1283794/000095013406013609/a16366a5sv1za.htm>) at SSCC, a firm that was the recipient of multiple regulatory sanctions (1 (http://www.iroc.ca/Documents/2011/5ed5f24f-1d7f-49b4-9797-060c480ce967_en.pdf#search=standard%20securities%20capital%20corporation), 2 (http://www.iroc.ca/Documents/2006/8110DEC5-AA5A-407E-8D79-B91FF090CEFA_en.pdf#search=standard%20securities%20capital%20corporation), 3 (http://www.iroc.ca/Documents/2008/60CA5E47-F017-4908-9E23-342C7FDD7DC9_en.pdf#search=standard%20securities%20capital%20corporation), 4 (http://www.iroc.ca/Documents/2007/2746297D-B40C-442E-9C77-9336415635FE_en.pdf)).

SSCC was eventually absorbed by another brokerage firm
(<https://docs.iiroc.ca/DisplayDocument.aspx?DocumentID=7A668B13F54F4470AB674918CCB7F6D1&Language=en>).

DeFrancesco's Business Ties to Barry Honig, Who SEC Prosecutors Allege to Have Engaged in Multiple Pump and Dump Stock Schemes

DeFrancesco has several close business interests with Barry Honig, a controversial financier who was recently alleged by SEC prosecutors to have orchestrated multiple pump and dump schemes (<https://www.sec.gov/litigation/litreleases/2018/lr24262.htm>).

SEC and Canadian records show that Honig and Andrew DeFrancesco (along with family accounts) have cooperated on a slew of deals, including:

Riot Blockchain (formerly named Venaxis Inc.): DeFrancesco's spouse reported a key ownership stake in Venaxis Inc. and even joined Barry Honig (<https://www.sec.gov/Archives/edgar/data/1167419/000141588916007164/ex99-1.htm>) in an activist campaign to oust the prior board of directors.

DeFrancesco advocated for Honig's new director slate, which included John Stetson and John O'Rourke, two individuals who were later alleged by the SEC to have participated in multiple pump and dump schemes (<https://www.sec.gov/litigation/litreleases/2018/lr24262.htm>) along with Honig.

Venaxis later "pivoted" business models several times, ultimately becoming Riot Blockchain. Documents show that DeFrancesco had a key role in Riot as well...

(Source: Cap IQ)

As we alleged in an earlier report (<https://hindenburesearch.com/riot-blockchain-sudden-business-pivot-suspicious-acquisitions-questionable-special-dividend/>), Riot at one point made an irregular acquisition that is reminiscent of Aphria's LatAm transactions: the company bought equipment by purchasing it through a newly-formed privately-held shell entity rather than just buying it on the open market. The equipment cost ~\$2 million, but Riot paid ~\$12 million for the entity, netting holders of the shell a roughly \$10 million gain in about 2 weeks.

So, who owned the shell? None other than DeFrancesco's spouse together with Barry Honig (pg. 23 (https://www.sec.gov/Archives/edgar/data/1167419/000107997318000474/riot_10q-063018.htm)).

Real estate: According to Florida corporate records (<http://search.sunbiz.org/Inquiry/CorporationSearch/ConvertTiffToPDF?storagePath=COR%5C2017%5C0606%5C00148253.Tif&documentNumber=L17000061742>) and real estate records (http://www.bcpa.net/RecInfo.asp?URL_Folio=504212050060), the pair also invested together in the very building where Delavaco Holdings Florida office is headquartered:

DeFrancesco / Delavaco's Ties to a Stealth Stock Promotion Ring

Delavaco was recently named in an exposé by investigative reporter [Chris Carey](http://sharesleuth.com/) (<http://sharesleuth.com/>) relating to an “army of writers, both real and imaginary” that have produced hundreds of bullish articles on clients of investor relations firm IRTH and about companies backed by Barry Honig. The article is entitled “[Pretenders And Ghosts: Stealth Promotion Network Exploits Financial Sites To Tout Stocks](http://sharesleuth.com/investigations/2018/03/pretenders-and-ghosts-stealth-promotion-network-exploits-financial-sites-to-tout-stocks) (<http://sharesleuth.com/investigations/2018/03/pretenders-and-ghosts-stealth-promotion-network-exploits-financial-sites-to-tout-stocks>).” Per the article:

“The stealth promotion ring began posting stories last year about companies with financial ties to The Delavaco Group... The touting ring has spotlighted at least four companies in The Delavaco Group’s investment portfolio: MassRoots, Aphria Inc., Liberty Health Sciences Inc., and Breaking Data Corp.”

DeFrancesco's Business Ties to Bobby Genovese, Who SEC Prosecutors Allege to Have Engaged in a Manipulative Penny Stock Scheme

An [SEC complaint](https://www.sec.gov/litigation/complaints/2017/comp23895.pdf) (<https://www.sec.gov/litigation/complaints/2017/comp23895.pdf>) filed August 2017 accused an individual named Bobby Genovese of “a penny stock promotion, manipulation and unlawful distribution scheme”. The complaint was related to an Ontario-headquartered and TSX-listed company called Liberty Silver Corporation.

The IIROC complaint (<https://docs.iroc.ca/DisplayDocument.aspx?DocumentID=A323E4C0B9FF468E8B09EA25AA7FBEDD&Language=en>) mentioned earlier provided insight into DeFrancesco's business relationship with Bobby Genovese. Per the complaint, DeFrancesco had apparently illicitly deposited shares into a fake client account as payment for "services rendered from past transactions" that he had done with Bobby Genovese.

According to a 2010 deposition of Andy DeFrancesco in an unrelated matter, he similarly referenced his business relationship to both Bobby Genovese (and the banned broker, Phil Vitug) (Pg. 27 (<https://www.slideshare.net/secret/alEu2j103TvKZt>)).

In sum, when reviewing DeFrancesco's past associations and regulatory run-ins, we view his role in Aphria's irregular acquisitions as totally unsurprising.

Part III—Aphria's Side Business: ~~Low-Cost~~ Low-Quality Cannabis

As shown in our introduction, Aphria has dedicated much of its cash to international 'investments'

(Source: Cap IQ)

Aside from its questionable acquisitions, however, the firm has also made investments into its greenhouse operations in Canada which produce a variety of cannabis products. This would make it easier to distribute to cannabis business startups who are looking to get a foot on the cannabis business ladder under the private label CBD (<http://privatelabelcannabidiol.com/>) umbrella. However, there are still laws and regulations that cannabis start-up companies have

to follow if they want to stay in operations. There is software similar to this [cannabis compliance software](https://www.greenbits.com/system-features/) (https://www.greenbits.com/system-features/) by companies like Green Bits that could assist cannabis businesses and ensure they are up to date.

The firm believes it has an edge in the competitive production space. They have repeatedly touted their ability to produce cannabis at lower cash costs than competitors, which enables them to deliver (https://seekingalpha.com/article/4193266-aphria-inc-aphqf-ceo-vic-neufeld-q4-2018-results-earnings-call-transcript?part=single) “one of the highest adjusted gross margin levels in the industry”.

We spoke with a former worker at Aphria’s facility which described the Aphria approach in rather different terms:

*“The motto should be quality over quantity, but it’s probably the other way around. **It’s more quantity over quality.**”*

As far as management:

“A lot of the people who are running the show are young, possibly not very experienced in what they are doing”

This has led to issues such as audit failures, mold, and bug infestations:

*“We were constantly **running into errors and not passing audits with Health Canada** and having issues with bugs...**it kind of became a bit of a circus.**”*

*“We had a lot of issues with mold and right now the facility is **infested with bugs.**”*

“Every single room that has product in it in that (Leamington) facility right now has bug problems.”

Another source with experience in Canadian and Colombian cannabis companies said the following:

'Aphria is a big company but is yet to deliver product. There is huge customer turnover. They get a lot of newbies to get prescriptions and get signed up, but first orders receive 3 times market value for low grade.'

It seems that Aphria could be sacrificing quality and its long-term brand in order to generate temporary high margins. Regardless, the strategy appears to be failing as Aphria is not generating positive cash flow from operations. A money-losing, poor-quality, low-cost operation does not strike us as a winning formula.

Additionally, competition is only intensifying as more producers come on-line. Aphria had an early-mover advantage with its licensing and facilities, but that advantage dissipates with every new entrant. With their best times behind them we don't think Aphria will ever generate meaningful positive cash flow from its Canadian growing operation.

The 'Blunt' Truth: Aphria is Uninvestable

All told, Aphria's international deal spree has resulted in over C\$700 million being deployed to its questionable "investments". Including the Brazilian purchase option this total could reach over C\$736 million:

(Source: Company filings, press releases, and user calculation)

We hope this information has been informative and has given readers a sense of what is going on at Aphria. We believe the conduct of Aphria's executives and deal partners has been deeply unethical and possibly criminal. With a slew of highly questionable transactions, negative operating cash flow, and a low-quality product, we ultimately see no credible path forward for this company.

We'll leave it at that (for now).

Disclosure: We are short APHA.

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[1] Note: To arrive at this number we apply the final deal value (based on Aphria's share price at closing) to the percentage allocated to Marigold per the transaction's formal valuation opinion

[2] Scythian purchased MMJ International for 6,176,320 (<https://globenewswire.com/news-release/2018/09/21/1574276/0/en/Scythian-Biosciences-Closes-Acquisition-of-MMJ-International-Investments-Inc.html>) shares of Scythian as of the closing price on the date immediately prior to the closing date (https://webfiles.thecse.com/Form_7_-

Monthly Progress Report - September.pdf?CtKOCDDWDQIJAEuCXpSEZwcw5NKv4IATf-494f
 September 21, 2018 Scythian's closing price on September 20, 2018 was 4.35, hence the transaction value of $6,176,320 * 4.35 = \text{C}\$26,866,992$

[3] See Scythian Biosciences Closes Acquisition of MMJ Colombia Partners (<https://globenewswire.com/news-release/2018/08/27/1556932/0/en/Scythian-Biosciences-Closes-Acquisition-of-MMJ-Colombia-Partners.html>) which includes US\$6,200,000 in cash advanced *prior* to deal closing, US\$5,000,000 in assumed debt (both converted to CAD at an exchange rate of 1.3 CAD/USD, and C\$24 million in Scythian shares.

Posted in Short Ideas (<https://hindenburesearch.com/category/short-ideas/>) ·

131 thoughts on “Aphria: A Shell Game with a Cannabis Business on the Side”



Andy says:

December 3, 2018 at 9:15 am (<https://hindenburesearch.com/aphria-a-shell-game-with-a-cannabis-business-on-the-side/#comment-21>)

Any facts tho ?



Tudor Balea says:

December 5, 2018 at 2:23 pm (<https://hindenburesearch.com/aphria-a-shell-game-with-a-cannabis-business-on-the-side/#comment-103>)

that was the biggest scam presentation iv seen in a while



P says:

December 3, 2018 at 10:16 am (<https://hindenburesearch.com/aphria-a-shell-game-with-a-cannabis-business-on-the-side/#comment-22>)

I hope this was made in bad faith and you get criminal charges made against you. 495

Pingback: [Hindeburg Research release short report: Aphria: a shell game with a cannabis business on the side. Report claims self-dealing and fraudulent transactions to rip off shareholders – Stock Trading NTS](https://basicsoftradingstocks.wordpress.com/2018/12/03/hindeburg-research-release-short-report-aphria-a-shell-game-with-a-cannabis-business-on-the-side-report-claims-self-dealing-and-fraudulent-transactions-to-rip-off-shareholders-%E2%80%93-Stock-Trading-NTS/)
([https://basicsoftradingstocks.wordpress.com/2018/12/03/hindeburg-research-release-short-report-aphria-a-shell-game-with-a-cannabis-business-on-the-side-report-claims-self-dealing-and-fraudulent-transactions-to-rip-off-shareholders – Stock Trading NTS](https://basicsoftradingstocks.wordpress.com/2018/12/03/hindeburg-research-release-short-report-aphria-a-shell-game-with-a-cannabis-business-on-the-side-report-claims-self-dealing-and-fraudulent-transactions-to-rip-off-shareholders-%E2%80%93-Stock-Trading-NTS/))



GoFuckYourself says:

December 3, 2018 at 10:27 am (<https://hindenburesearch.com/aphria-a-shell-game-with-a-cannabis-business-on-the-side/#comment-24>)

You lying pieces of shit lol.



Robert says:

December 5, 2018 at 11:12 am (<https://hindenburesearch.com/aphria-a-shell-game-with-a-cannabis-business-on-the-side/#comment-98>)

I owned APHA too, but sold it right away after this came out. I think you're in denial Go.....
Regardless, good luck to you and your APHA stock.



Ken B. says:

December 3, 2018 at 10:33 am (<https://hindenburesearch.com/aphria-a-shell-game-with-a-cannabis-business-on-the-side/#comment-25>)

Fantastic piece. It's refreshing to see some quality, in-depth research being done. This screams fraud.



cannabis hunter says:

December 16, 2020 at 2:29 pm (<https://hindenburesearch.com/aphria-a-shell-game-with-a-cannabis-business-on-the-side/#comment-43023>)

totally agree with this article. I did my own research and much of the same information checks out. This is basically a pump and dump scheme comingled with false advertising and marketing..

Pingback: [The marijuana producer Aphria is crashing after research firm alleges it's a 'shell game with a cannabis business on the side' \(APHA\) - Get the latest financial news. Free real time quotes, 25 Trading Tools, Technical analysis, and much mor \(https://www.biedex.com/the-marijuana-producer-aphria-is-crashing-after-research-firm-alleges-its-a-shell-game-with-a-cannabis-business-on-the-side-apha/\)](#)

Pingback: [The marijuana producer Aphria is crashing after research firm alleges it's a 'shell game with a cannabis business on the side' \(APHA\) \(https://declarenews.com/the-marijuana-producer-aphria-is-crashing-after-research-firm-alleges-its-a-shell-game-with-a-cannabis-business-on-the-side-apha/\)](#)

Pingback: [The marijuana producer Aphria is crashing after research firm alleges it's a 'shell game with a cannabis business on the side' \(APHA\) – 24 Hours Bangalore \(http://www.24hoursbanglore.com/the-marijuana-producer-aphria-is-crashing-after-research-firm-alleges-its-a-shell-game-with-a-cannabis-business-on-the-side-apha/\)](#)

Pingback: [The marijuana producer Aphria is crashing after research firm alleges it's a 'shell game with a cannabis business on the side' \(APHA\) | News Viral Zone \(https://newsviralzone.com/the-marijuana-producer-aphria-is-crashing-after-research-firm-alleges-its-a-shell-game-with-a-cannabis-business-on-the-side-apha/\)](#)



FU says:

December 3, 2018 at 12:13 pm (<https://hindenburesearch.com/aphria-a-shell-game-with-a-cannabis-business-on-the-side/#comment-30>)

**awesomesound** says:

December 3, 2018 at 12:28 pm (<https://hindenburesearch.com/aphria-a-shell-game-with-a-cannabis-business-on-the-side/#comment-31>)

I warned everyone years ago that the whole Cannabis stock “Sector” is criminal, and full of money laundering, tax evasion, and fat wallet criminals.

Tax havens fund Canadian pot companies

https://translate.google.com/translate?act=url&depth=1&hl=en&ie=UTF8&nv=1&prev=_t&rurl=translate.google.ca&sl=auto&sp=nmt4&tl=en&u=http://www.journaldequebec.com/2018/01/22/les-paradis-fiscaux-finacent-les-firmes-de-pot-canadiennes (https://translate.google.com/translate?act=url&depth=1&hl=en&ie=UTF8&nv=1&prev=_t&rurl=translate.google.ca&sl=auto&sp=nmt4&tl=en&u=http://www.journaldequebec.com/2018/01/22/les-paradis-fiscaux-finacent-les-firmes-de-pot-canadiennes) ...

Pingback: [The marijuana producer Aphria is crashing after research firm alleges it's a 'shell game with a cannabis business on the side' \(APHA\) - CihCih](https://www.cih.ro/the-marijuana-producer-aphria-is-crashing-after-research-firm-alleges-its-a-shell-game-with-a-cannabis-business-on-the-side-apha/) (<https://www.cih.ro/the-marijuana-producer-aphria-is-crashing-after-research-firm-alleges-its-a-shell-game-with-a-cannabis-business-on-the-side-apha/>)

Pingback: [The marijuana producer Aphria is crashing after research firm alleges it's a 'shell game with a cannabis business on the side' \(APHA\) | Andre Eger](https://andreeger.com/2018/12/03/the-marijuana-producer-aphria-is-crashing-after-research-firm-alleges-its-a-shell-game-with-a-cannabis-business-on-the-side-apha/) (<https://andreeger.com/2018/12/03/the-marijuana-producer-aphria-is-crashing-after-research-firm-alleges-its-a-shell-game-with-a-cannabis-business-on-the-side-apha/>)

Pingback: [The marijuana producer Aphria is crashing after research firm alleges it's a 'shell game with a cannabis business on the side' \(APHA\) – Andre Eger – Consulting und Business Development](http://andreeger.co/the-marijuana-producer-aphria-is-crashing-after-research-firm-alleges-its-a-shell-game-with-a-cannabis-business-on-the-side-apha/) (<http://andreeger.co/the-marijuana-producer-aphria-is-crashing-after-research-firm-alleges-its-a-shell-game-with-a-cannabis-business-on-the-side-apha/>)



Amir Houriani says:

December 3, 2018 at 1:43 pm (<https://hindenburgresearch.com/aphria-a-shell-game-with-a-cannabis-business-on-the-side/#comment-37>)

The fact that you spent so much time and effort on this research is outstanding.

Although I'm not long/short Aphria, this information is going to help investors steer clear of this mess. Unfortunately, a lot of investors will lose a lot of money, but you releasing this detailed report is going to prevent further loss from new investors.

Bravo



Larry Mackenzie says:

December 3, 2018 at 2:39 pm (<https://hindenburgresearch.com/aphria-a-shell-game-with-a-cannabis-business-on-the-side/#comment-38>)

Interesting.

Pingback: [Is Aphria lying to the shareholders about their overseas investments? – Ys Club](https://ysclub.ca/is-aphria-lying-to-the-shareholders-about-their-overseas-investments/) (<https://ysclub.ca/is-aphria-lying-to-the-shareholders-about-their-overseas-investments/>)

Pingback: [Aphria Stock Falls Off A Cliff...Company Is Reportedly Taking Legal Action](https://highenergytrading.com/aphria-stock-falls-off-a-cliff-company-is-reportedly-taking-legal-action/) (<https://highenergytrading.com/aphria-stock-falls-off-a-cliff-company-is-reportedly-taking-legal-action/>)

Pingback: [Finance: The marijuana producer Aphria is crashing after short seller alleges it's a 'shell game with a cannabis business on the side' \(APHA\)](https://updatenaija.com.ng/finance-the-marijuana-producer-aphria-is-crashing-after-short-seller-alleges-its-a-shell-game-with-a-cannabis-business-on-the-side-apha/) (<https://updatenaija.com.ng/finance-the-marijuana-producer-aphria-is-crashing-after-short-seller-alleges-its-a-shell-game-with-a-cannabis-business-on-the-side-apha/>)



G13Man says:

December 3, 2018 at 3:57 pm (<https://hindenburesearch.com/aphria-a-shell-game-with-a-cannabis-business-on-the-side/#comment-42>)

ouch , should have listened to the first warning



MD says:

December 3, 2018 at 4:22 pm (<https://hindenburesearch.com/aphria-a-shell-game-with-a-cannabis-business-on-the-side/#comment-43>)

“Lavar” is spanish “to wash”, a “machina de lavar” is a “washing machine”.

DeLavaCo?

It would appear this guy has some big huevos.



Lb says:

December 5, 2018 at 11:14 pm (<https://hindenburesearch.com/aphria-a-shell-game-with-a-cannabis-business-on-the-side/#comment-110>)

Aka 'laundering'.

Pingback: [Finance: The marijuana producer Aphria is crashing after short seller alleges it's a 'shell game with a cannabis business on the side' \(APHA\) » Sony247](http://www.sony247.com/index.php/2018/12/03/finance-the-marijuana-producer-aphria-is-crashing-after-short-seller-alleges-its-a-shell-game-with-a-cannabis-business-on-the-side-apha/)
(<http://www.sony247.com/index.php/2018/12/03/finance-the-marijuana-producer-aphria-is-crashing-after-short-seller-alleges-its-a-shell-game-with-a-cannabis-business-on-the-side-apha/>)

Pingback: [The marijuana producer Aphria is crashing after research firm alleges it's a 'shell game with a cannabis business on the side' \(APHA\) | Latest Free Investment Guides, Reports, Brochures & News](https://www.freeinvestmentguides.com/news/the-marijuana-producer-aphria-is-crashing-after-research-firm-alleges-it-s-a-shell-game-with-a-cannabis-business-on-the-side-apha/) ([https://www.freeinvestmentguides.com/news/the-marijuana-producer-](https://www.freeinvestmentguides.com/news/the-marijuana-producer-aphria-is-crashing-after-research-firm-alleges-it-s-a-shell-game-with-a-cannabis-business-on-the-side-apha/)

[aphria-is-crashing-after-research-firm-alleges-its-a-shell-game-with-a-cannabis-business-on-the-side-apha/](https://hindenburesearch.com/aphria-a-shell-game-with-a-cannabis-business-on-the-side-apha/)



Mk says:

December 3, 2018 at 6:24 pm (<https://hindenburesearch.com/aphria-a-shell-game-with-a-cannabis-business-on-the-side/#comment-46>)

You missed the 3 boys farm connection, who owned it, who it was registered to, and who then bought it and who is ceo of new owner company.... Also check whataw firm represents apha....

Pingback: [Marlboro maker reportedly eyeing pot producer Cronos as Aphria tumbles on short seller's attack – Finance Magazine](https://businessguideafrica.com/finance/2018/12/03/marlboro-maker-reportedly-eyeing-pot-producer-cronos-as-aphria-tumbles-on-short-sellers-attack/)
(<https://businessguideafrica.com/finance/2018/12/03/marlboro-maker-reportedly-eyeing-pot-producer-cronos-as-aphria-tumbles-on-short-sellers-attack/>)

Pingback: [Cannabis Watch: Marlboro maker reportedly eyeing pot producer Cronos as Aphria tumbles on short seller's attack – Retirement Cheat Sheet](https://retirementcheatsheet.com/cannabis-watch-marlboro-maker-reportedly-eyeing-pot-producer-cronos-as-aphria-tumbles-on-short-sellers-attack/)
(<https://retirementcheatsheet.com/cannabis-watch-marlboro-maker-reportedly-eyeing-pot-producer-cronos-as-aphria-tumbles-on-short-sellers-attack/>)

Pingback: [Hashish Watch: Marlboro maker Altria is speaking with pot producer Cronos about funding – Forex News Today](https://fxnews.xyz/hashish-watch-marlboro-maker-altria-is-speaking-with-pot-producer-cronos-about-funding/)
(<https://fxnews.xyz/hashish-watch-marlboro-maker-altria-is-speaking-with-pot-producer-cronos-about-funding/>)

Pingback: [The Financial Post - Just another WordPress site](https://thefinancialpost.co/cannabis-watch-marlboro-maker-altria-is-talking-with-pot-producer-cronos-about-investment/)
(<https://thefinancialpost.co/cannabis-watch-marlboro-maker-altria-is-talking-with-pot-producer-cronos-about-investment/>)



Peter says:

December 3, 2018 at 9:50 pm (<https://hindenburesearch.com/aphria-a-shell-game-with-a-cannabis-business-on-the-side/#comment-51>)

Keep me informed



nigger says:

December 3, 2018 at 10:28 pm (<https://hindenburesearch.com/aphria-a-shell-game-with-a-cannabis-business-on-the-side/#comment-52>)

PENIS

Pingback: [Marlboro maker Altria is talking with pot producer Cronos about investment | Easy life, Easy time](https://insuraze.info/2018/12/04/marlboro-maker-altria-is-talking-with-pot-producer-cronos-about-investment/) (<https://insuraze.info/2018/12/04/marlboro-maker-altria-is-talking-with-pot-producer-cronos-about-investment/>).



Christopher Horton says:

December 3, 2018 at 10:55 pm (<https://hindenburesearch.com/aphria-a-shell-game-with-a-cannabis-business-on-the-side/#comment-54>)

In April of 2017I contacted Dave Smiley of the Miami Herald and sent him material on Andy's firm stating this guy and company Aphria were frauds. There were people on the ground in Columbia that tipped Andy off.

I can send you what I have if you want it. Glad I can feel vindicated.

THANKS

Pingback: [Cannabis Watch: Marlboro maker Altria is talking with pot producer Cronos about investment – Financial Knife and Fork](http://www.financialknifeandfork.com/cannabis-watch-marlboro-maker-altria-is-talking-with-pot-producer-cronos-about-investment/) (<http://www.financialknifeandfork.com/cannabis-watch-marlboro-maker-altria-is-talking-with-pot-producer-cronos-about-investment/>)

Pingback: [Aphria Stock Tumbles After Research Company says Business Full Of Fraudulent Reporting & Overvalued Buyouts – Hanfinbayern](http://www.hanfinbayern.de/aphria-stock-tumbles-after-research-company-says-business-full-of-fraudulent-reporting-overvalued-buyouts/) (<http://www.hanfinbayern.de/aphria-stock-tumbles-after-research-company-says-business-full-of-fraudulent-reporting-overvalued-buyouts/>)

Pingback: [The marijuana producer Aphria is crashing after research firm alleges it's a "shell game with a cannabis business on the side" \(APHA\) – Pulse Nigeria | Netcrawler247](https://netcrawler247.com/2018/12/03/the-marijuana-producer-aphria-is-crashing-after-research-firm-alleges-it-s-a-shell-game-with-a-cannabis-business-on-the-side/) (<https://netcrawler247.com/2018/12/03/the-marijuana-producer-aphria-is-crashing-after-research-firm-alleges-it-s-a-shell-game-with-a-cannabis-business-on-the-side/>)

[research-firm-alleges-its-a-shell-game-with-a-cannabis-business-on-the-side-apha-pulse502nigeria/](#)



Suzanne says:

December 4, 2018 at 2:20 am (<https://hindenburesearch.com/aphria-a-shell-game-with-a-cannabis-business-on-the-side/#comment-58>)

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Pingback: [Aphria Stock Tumbles After Research Company says Business Full Of Fraudulent Reporting & Overvalued Buyouts \(https://www.greenmarketreport.com/aphria-stock-tumbles-after-research-company-says-business-full-of-fraudulent-reporting-overvalued-buyouts/\)](#)

Pingback: [Aphria keeps tumbling after short seller alleged its Latin American acquisition is a 'shell game' \(APHA\) - CihCih \(https://www.cih.ro/aphria-keeps-tumbling-after-short-seller-alleged-its-latin-american-acquisition-is-a-shell-game-apha/\)](#)

Pingback: [Finance: Aphria keeps tumbling after short seller alleged its Latin American acquisition is a 'shell game' \(APHA\) – Clint Gist \(https://www.clintgist.com/aphria-keeps-tumbling-after-short-seller-alleged-its-latin-american-acquisition-is-a-shell-game-apha-id9165942-html/\)](#)

Pingback: [Aphria keeps tumbling after short seller alleged its Latin American acquisition is a 'shell game' \(APHA\) | Andre Eger \(https://andreeger.com/2018/12/04/aphria-keeps-tumbling-after-short-seller-alleged-its-latin-american-acquisition-is-a-shell-game-apha/\)](#)

Pingback: [Aphria Inc. \(NYSE: APHA\) stock bleed following the short-seller report | AlphaStreet \(https://news.alphastreet.com/aphria-apha-stock-plummets-following-hindenburg-quintessential-capital-management-short-seller-report/\)](#)

Pingback: [Aphria Halts Trades After Short Seller Says it is 'Part of a Scheme'](https://greenrushdaily.com/culture/aphria-halts-trades/)
(<https://greenrushdaily.com/culture/aphria-halts-trades/>)

503

**Sam** says:

December 4, 2018 at 12:23 pm (<https://hindenburesearch.com/aphria-a-shell-game-with-a-cannabis-business-on-the-side/#comment-66>)

great exposition!!

**Mikkel** says:

December 4, 2018 at 12:33 pm (<https://hindenburesearch.com/aphria-a-shell-game-with-a-cannabis-business-on-the-side/#comment-69>)

I sold my small portion of shares today which I lost money on. I am done with investing in cannabis companies and small stocks. I sincerely hope that this unethical fraud Andy de francesco will face criminal charges and jail time. I hope there will be a lawsuit on behalf of investors.

Pingback: [Why Cannabis Stocks CRON & APHA Are Moving in Opposite Directions – Retirement Cheat Sheet](https://retirementcheatsheet.com/why-cannabis-stocks-cron-apha-are-moving-in-opposite-directions/) (<https://retirementcheatsheet.com/why-cannabis-stocks-cron-apha-are-moving-in-opposite-directions/>)

**M D** says:

December 4, 2018 at 1:11 pm (<https://hindenburesearch.com/aphria-a-shell-game-with-a-cannabis-business-on-the-side/#comment-72>)

Scythian BioSciences?

The mans sense of humor here is not to be underestimated.

Symbolism and the Scythe: “the Grim Reaper carries a scythe because it reflects the roots of the character in agrarian society ... it is said that Death uses a scythe to separate a person from their soul when they die. It’s symbolic on several levels.”



Robert says:

December 5, 2018 at 11:18 am (<https://hindenburesearch.com/aphria-a-shell-game-with-a-cannabis-business-on-the-side/#comment-99>)

Your comment tells me that you never read any APHRIA’s SEC filings, MD. I don’t think you’ll be laughing if you are still holding APHA shares. Good Luck!!!



M D says:

December 11, 2018 at 9:40 pm (<https://hindenburesearch.com/aphria-a-shell-game-with-a-cannabis-business-on-the-side/#comment-188>)

Amigo, thinking you got me a bit off here. A) I’m not holding (long) any shares, nor making any calls for higher or lower price. B) You seem to be bearish on the name (I will neither contest nor affirm support for this because I dont know who to believe yet). C) Look at my previous reply and you will see my comments on the DeLavaCO.

All I’m doing is pointing out what appears to be a brazen pattern of thinly disguised efforts to name companies in a cryptic yet amusing fashion. The amusement in this instance comes from a (spanish) laundry company and an entity to reaps (the interpretation of who’s reaping and what is open to dispute).

There’s ALOT to laugh at here.



PFA says:

December 4, 2018 at 2:49 pm (<https://hindenburgresearch.com/aphria-a-shell-game-with-a-cannabis-business-on-the-side/#comment-76>) 505

This is just the beginning. Look at Canopy's buyout of Hiku earlier this year.

Pingback: [Aphria Inc \(TSE:APHA\) Affair Shines Limelight on Corporate Governance Practices | Midas Letter \(https://midasletter.com/2018/12/aphria-inc-tseapha-affair-shines-limelight-on-corporate-governance-practices/\)](https://midasletter.com/2018/12/aphria-inc-tseapha-affair-shines-limelight-on-corporate-governance-practices/)

Pingback: [Why Cannabis Stocks CRON & APHA Are Moving in Opposite Directions - Emerging Markets Movers Provides the Latest News Across The Biggest Emerging Markets \(https://emergingmarketmovers.com/why-cannabis-stocks-cron-apha-are-moving-in-opposite-directions/\)](https://emergingmarketmovers.com/why-cannabis-stocks-cron-apha-are-moving-in-opposite-directions/)

Pingback: [エフィリアの下げが止まらない！？ - Cannabistock.JP \(https://cannabistock.jp/news/sell-off-aphria-hindenburg-research-press-release/\)](https://cannabistock.jp/news/sell-off-aphria-hindenburg-research-press-release/)

Pingback: [Aphria Inc \(TSE:APHA\) Affair Shines Limelight on Corporate Governance Practices - Midas Letter | admin \(http://worldnewsnetwork.club/2018/12/05/aphria-inc-tseapha-affair-shines-limelight-on-corporate-governance-practices-midas-letter/\)](http://worldnewsnetwork.club/2018/12/05/aphria-inc-tseapha-affair-shines-limelight-on-corporate-governance-practices-midas-letter/)



Fist Yourself says:

December 5, 2018 at 10:00 am (<https://hindenburgresearch.com/aphria-a-shell-game-with-a-cannabis-business-on-the-side/#comment-97>)

You guys are about to get fucked hard lol.

Enjoy getting fucked in the ass by big bubba when you're in jail you white collar beta cuck faggots.

Bow down to your king plebs.

Lol incomming sentencing and prosecution. Get rekt.



Tudor Balea says:

December 5, 2018 at 2:22 pm (<https://hindenburesearch.com/aphria-a-shell-game-with-a-cannabis-business-on-the-side/#comment-102>)

that was the biggest scam presentation iv seen in a while

Pingback: [Aphria Part 2: We Believe This Rot Runs Deep - Hindenburg Research](https://hindenburesearch.com/aphria-part-2-we-believe-this-rot-runs-deep/)
(<https://hindenburesearch.com/aphria-part-2-we-believe-this-rot-runs-deep/>)

Pingback: [Aphria Part 2: We Believe This Rot Runs Deep - Seeking Alpha | World News Network](https://worldnewsnetwork.co.in/2018/12/06/aphria-part-2-we-believe-this-rot-runs-deep-seeking-alpha/)
(<https://worldnewsnetwork.co.in/2018/12/06/aphria-part-2-we-believe-this-rot-runs-deep-seeking-alpha/>)

Pingback: [Aphria Part 2: We Believe This Rot Runs Deep - Aphria Inc. \(NYSE:APHA\) - Get the latest financial news. Free real time quotes, 25 Trading Tools, Technical analysis, and much more.](https://www.biedex.com/aphria-part-2-we-believe-this-rot-runs-deep-aphria-inc-nyseapha/) (<https://www.biedex.com/aphria-part-2-we-believe-this-rot-runs-deep-aphria-inc-nyseapha/>)

Pingback: [Aphria's Stock Price: Can It Fight Its Way Back Up? - Make More Capital](https://makemorecapital.com/2018/12/07/aphrias-stock-price/)
(<https://makemorecapital.com/2018/12/07/aphrias-stock-price/>)



Dane says:

December 7, 2018 at 10:57 pm (<https://hindenburesearch.com/aphria-a-shell-game-with-a-cannabis-business-on-the-side/#comment-154>)

I live down the road from aphria and nobody I have met buy there product...of course they are goin to be greedythey dont care about quality cause they prob dont even smoke...n if they do im sure they have there own cronic personal plants to enjoyu want good weed fukin buy it somewhere different and mind your fukin business like fuk wat satifaction do you get by wasting your time busting balls...let them grow shit weed if they want all investors take a risk when investing.

Just try and enjoy it finally being legal go smoke a spliff of fire bud eat something n shut the fuck up and mind your business fukin nothin better to do eh...

Pingback: [Citron Research Provides Aphria Inc \(TSE:APHA\) The Ideal Diversion | Midas Letter](https://midasletter.com/2018/12/citron-research-provides-aphria-inc-tseapha-the-ideal-diversion/) (https://midasletter.com/2018/12/citron-research-provides-aphria-inc-tseapha-the-ideal-diversion/)

Pingback: [Citron Research Provides Aphria Inc \(TSE:APHA\) The Ideal Diversion - Midas Letter | admin](http://worldnewsnetwork.network/2018/12/08/citron-research-provides-aphria-inc-tseapha-the-ideal-diversion-midas-letter/) (http://worldnewsnetwork.network/2018/12/08/citron-research-provides-aphria-inc-tseapha-the-ideal-diversion-midas-letter/)

Pingback: [Markets Futures Stocks Cannabis Watch: Marlboro maker reportedly eyeing pot producer Cronos as Aphria tumbles on short seller's attack - Elite Investor](https://www.elite-investor.com/markets-futures-stocks-cannabis-watch-marlboro-maker-reportedly-eyeing-pot-producer-cronos-as-aphria-tumbles-on-short-sellers-attack/) (https://www.elite-investor.com/markets-futures-stocks-cannabis-watch-marlboro-maker-reportedly-eyeing-pot-producer-cronos-as-aphria-tumbles-on-short-sellers-attack/)

Pingback: [大麻ビジネス・ニュース—2018年12月 - PotNavi](https://potnavi.com/2018/12/cannabis-business-news/) (https://potnavi.com/2018/12/cannabis-business-news/)

Pingback: [Aphria keeps tumbling after short seller alleged its Latin American acquisition is a 'shell game' \(APHA\) - trawl](http://www.trawl.com/aphria-keeps-tumbling-after-short-seller-alleged-its-latin-american-acquisition-is-a-shell-game) (http://www.trawl.com/aphria-keeps-tumbling-after-short-seller-alleged-its-latin-american-acquisition-is-a-shell-game)

Pingback: [GRAPHRIA: Hindenburg Smacks APHA. Marijuana Datajam picks up the pieces - Fundamental Hype](http://www.fundamentalthype.com/graphria-hindenburg-smacks-apha-marijuana-datajam-picks-up-the-pieces/) (http://www.fundamentalthype.com/graphria-hindenburg-smacks-apha-marijuana-datajam-picks-up-the-pieces/)

Pingback: [Scotiabank Finds Hindenburg's Aphria Inc \(TSE:APHA\) Research Not "Fully Contextualized" | Midas Letter](https://midasletter.com/2018/12/scotiabank-finds-hindenburgs-aphria-inc-tseapha-research-not-fully-contextualized/) (https://midasletter.com/2018/12/scotiabank-finds-hindenburgs-aphria-inc-tseapha-research-not-fully-contextualized/)

Pingback: [The APHologists - Fundamental Hype](http://www.fundamentalthype.com/the-aphologists/) (http://www.fundamentalthype.com/the-aphologists/)

Pingback: [Aphria is facing a lawsuit for failing to disclose material information - Ys Club](https://ysclub.ca/aphria-is-facing-a-lawsuit-for-failing-to-disclose-material-information/) (https://ysclub.ca/aphria-is-facing-a-lawsuit-for-failing-to-disclose-material-information/)

Pingback: [Why Tilray Stock Shouldn't Take the Heat for Aphria's Problem - CannaBoomers](http://cannaboomers.com/2018/12/18/why-tilray-stock-shouldnt-take-the-heat-for-aphrias-problem/) (http://cannaboomers.com/2018/12/18/why-tilray-stock-shouldnt-take-the-heat-for-aphrias-problem/)

Pingback: [Aphria Inc \(TSE:APHA\) Likely Letting Its Actions Do The Talking | Midas Letter](https://midasletter.com/2018/12/aphria-inc-tseapha-likely-letting-its-actions-do-the-talking/)⁵⁰⁸
(<https://midasletter.com/2018/12/aphria-inc-tseapha-likely-letting-its-actions-do-the-talking/>)

Pingback: [The Latest Act in The Aphria Circus: A Very Obviously Related-Party 'Hostile' Takeover Offer - Hindenburg Research](https://hindenburesearch.com/the-latest-act-in-the-aphria-circus-a-very-obviously-related-party-hostile-takeover-offer/) (<https://hindenburesearch.com/the-latest-act-in-the-aphria-circus-a-very-obviously-related-party-hostile-takeover-offer/>)

Pingback: [The Latest Act In The Aphria Circus: A Very Obviously Related-Party 'Hostile' Takeover Offer – ValueWalk Premium](https://valuwalkpremium.com/2018/12/the-latest-act-in-the-aphria-circus-a-very-obviously-related-party-hostile-takeover-offer/) (<https://valuwalkpremium.com/2018/12/the-latest-act-in-the-aphria-circus-a-very-obviously-related-party-hostile-takeover-offer/>)

Pingback: [Terugblik maand december – Cannabis Invest](https://cannabisaandelen.nl/archieven/392)
(<https://cannabisaandelen.nl/archieven/392>)



Jonas Vig (<http://hinditool.com/solar-panel-in-hindi/>) says:

January 4, 2019 at 11:57 am (<https://hindenburesearch.com/aphria-a-shell-game-with-a-cannabis-business-on-the-side/#comment-270>)

Exactly what I was looking for, appreciate it for posting .



Marc Simonett (<http://hinditool.com/bodhidharma-history-hindi/>) says:

January 4, 2019 at 1:22 pm (<https://hindenburesearch.com/aphria-a-shell-game-with-a-cannabis-business-on-the-side/#comment-271>)

Almost everyone has missed this key idea. these writing are supporting me in discovering some required pieces of information. I hope for an additional post around these topics soon!



Randy Decraene (<http://hinditool.com/solved-iphone-x-bluetooth-not-working-issue/>) says:

January 5, 2019 at 8:52 am (<https://hindenburesearch.com/aphria-a-shell-game-with-a-cannabis-business-on-the-side/#comment-272>)

Thanks for that magnificent write-up, great site to! It makes be want to get a weblog. What software do you have to get started? I hear a good deal about this WordPress?!!

Pingback: [Pot Plants Thrive on Jamaica Farm Aphria That Short Sellers Doubted — B-Updated](https://b-updated.com/2019/01/06/pot-plants-thrive-on-jamaica-farm-aphria-that-short-sellers-doubted/) (<https://b-updated.com/2019/01/06/pot-plants-thrive-on-jamaica-farm-aphria-that-short-sellers-doubted/>)

Pingback: [Facing Controversy and a Takeover, Canadian Cannabis Company Names Organic Products Mogul as Chairman – highwaterfinancial](http://highwaterfinancial.com/facing-controversy-and-a-takeover-canadian-cannabis-company-names-organic-products-mogul-as-chairman) (<http://highwaterfinancial.com/facing-controversy-and-a-takeover-canadian-cannabis-company-names-organic-products-mogul-as-chairman>)



Jayson Rodina (<https://proxies-free.com/18-04-computer-id-already-enabled-with-other-key-or-not-unique-when-setting-up-livepatch/>) says:

January 8, 2019 at 7:16 pm (<https://hindenburgresearch.com/aphria-a-shell-game-with-a-cannabis-business-on-the-side/#comment-281>)

I gotta favorite this internet site it seems handy very useful

Pingback: [Hindenburg vs. Aphria Fortsetzung - Marihuana Aktien](https://www.marihuana-aktien.de/hindenburg-vs-aphria-fortsetzung) (<https://www.marihuana-aktien.de/hindenburg-vs-aphria-fortsetzung>)

Pingback: [It's Time to Hit Pause on Aphria Stock Until It Clears This Issue - All Stocks News](https://allstocksnews.com/its-time-to-hit-pause-on-aphria-stock-until-it-clears-this-issue/) (<https://allstocksnews.com/its-time-to-hit-pause-on-aphria-stock-until-it-clears-this-issue/>)

Pingback: [It's Time to Hit Pause on Aphria Stock Until It Clears This Issue - Stocks Ace](http://stocksace.com/2019/01/23/its-time-to-hit-pause-on-aphria-stock-until-it-clears-this-issue/) (<http://stocksace.com/2019/01/23/its-time-to-hit-pause-on-aphria-stock-until-it-clears-this-issue/>)

Pingback: [It's Time to Hit Pause on Aphria Stock Until It Clears This Issue - Stocks Updates](http://royalflippers.club/stocks2/its-time-to-hit-pause-on-aphria-stock-until-it-clears-this-issue/) (<http://royalflippers.club/stocks2/its-time-to-hit-pause-on-aphria-stock-until-it-clears-this-issue/>)

Pingback: [Aphria Inc \(TSE:APHA\) Slams Through Hindenburg Gap, Effectively Ending "Crisis" | Midas Letter](https://midasletter.com/2019/01/aphria-inc-slams-through-hindenburg-gap) (<https://midasletter.com/2019/01/aphria-inc-slams-through-hindenburg-gap>)

[effectively-ending-crisis/](#)

510

Pingback: [Why DeFranseco-Cobb's Mega Million Florida Cannabis Farm Deal Fell Apart: \\$SOL](http://www.teribuhl.com/2019/04/01/why-defranseco-cobbs-mega-million-florida-cannabis-farm-deal-fell-apart-sol/)
(<http://www.teribuhl.com/2019/04/01/why-defranseco-cobbs-mega-million-florida-cannabis-farm-deal-fell-apart-sol/>)

Pingback: [Terugblik maart – Cannabis Invest](https://cannabisaandelen.nl/archieven/549) (<https://cannabisaandelen.nl/archieven/549>)



Flora Schrott ([https://www.sdsdsoft.com/upload/home.php?](https://www.sdsdsoft.com/upload/home.php?mod=space&uid=313268&do=profile&from=space)

mod=space&uid=313268&do=profile&from=space) says:

April 8, 2019 at 12:46 am (<https://hindenburgresearch.com/aphria-a-shell-game-with-a-cannabis-business-on-the-side/#comment-10605>)

Hello there, I discovered your web site by way of Google whilst looking for a related topic, your site got here up, it seems to be good. I have bookmarked it in my google bookmarks.



Cannabis (<https://nutrindoideas.com/>) says:

April 10, 2019 at 12:52 pm (<https://hindenburgresearch.com/aphria-a-shell-game-with-a-cannabis-business-on-the-side/#comment-10906>)

This is amazing!! Thnks

Pingback: [Green Growth Brands Gains \\$19 Million In Profits on Aphria Share Sale](https://potstocknews.com/green-growth-brands-aphria-expiration/)
(<https://potstocknews.com/green-growth-brands-aphria-expiration/>)

Pingback: [Green Growth Brands Ends Aphria Takeover Attempt](https://microsmallcap.com/green-growth-brands-aphria-takeover-ends/)
(<https://microsmallcap.com/green-growth-brands-aphria-takeover-ends/>)

Pingback: [Bullet-Dodging Aphria Stock Is a Risky, But Rewarding Trade – Forex News 24](https://forex24.site/bullet-dodging-aphria-stock-is-a-risky-but-rewarding-trade/)
(<https://forex24.site/bullet-dodging-aphria-stock-is-a-risky-but-rewarding-trade/>)

Pingback: [Ultimate Cannabis Stock Guide 2019 - Strain Insider](#)

Pingback: [Our Concern](#) - - - - - .

**THIS IS EXHIBIT “15” REFERRED
TO IN THE AFFIDAVIT OF ANDREW RUDENSKY
SWORN BEFORE ME THIS
25TH DAY OF FEBRUARY, 2024.**



Connor Allison

| | |
|--|---|
| <p>98</p> <p>1 as such, we sold our long position. 2 And eventually, after some time, we 3 wanted to be short the sector, and Aphria was 4 one of the largest component. So we were short 5 all of the large components, the large liquid 6 public cannabis companies. 7 331 Q. Now, can you tell me, how many 8 cannabis companies were you long on, other than 9 Aphria? 10 A. Dozens of them. You know, we 11 were very involved in the sector for a very long 12 time. So, you know, given it was a 4- or 13 5-year-period, you know, we were long a whole 14 bunch of, a whole array of companies. 15 332 Q. Counsel, I want an undertaking 16 for the plaintiffs to identify the companies 17 that Anson Group was long on in the cannabis 18 space? 19 R/F MR. STALEY: Yeah, it's not clear to 20 me, Won, why their long positions in the 21 cannabis sector are relevant to anything that's 22 pleaded here. 23 You can treat that as a refusal. 24 BY MR. KIM: 25 333 Q. Your client has clearly advised</p> | <p>100</p> <p>1 They' are obviously some various Does 2 in the title of proceeding. I'm not sure it's 3 proper to ask why you've chosen not to name 4 people or entities who you may believe were also 5 responsible, at least not having it named them 6 yet. 7 BY MR. KIM: 8 336 Q. To the extent of your knowledge, 9 did Mr. Rudensky, was he a principal of 10 Delavaco? Did he have equity shares? 11 A. I don't know. 12 337 Q. Okay. Do you know what his role 13 at Delavaco what? 14 A. I don't know. You know, it's a 15 small shop, so there weren't that many people. 16 They were very involved with all their doings. 17 338 Q. So other than his posting at 18 Delavaco, is there any other reason why 19 Mr. Rudensky would be acting against you and 20 other plaintiffs? 21 A. Again, I don't understand the 22 question. Like, he's at the company, and the 23 company has a problem with us. That's the main 24 reason. What other reason could there be? 25 339 Q. Well, given the fact that --</p> |
| <p>99</p> <p>1 that at one time Anson Group and the plaintiffs 2 were long on cannabis companies, and then 3 suddenly they had a change in strategy to short 4 these companies. 5 So you can refuse that question. 6 MR. STALEY: Yes, I refuse. To me 7 that -- the fact that he gave that answer 8 doesn't mean that it's relevant to anything or 9 that asking for details of his position is 10 something I should be doing. 11 BY MR. KIM: 12 334 Q. Mr. Kassam, can you tell me, 13 other than working at Delavaco, why would 14 Mr. Rudensky have an animus against you and 15 other plaintiffs? 16 A. Other than working -- that's the 17 main point. He worked at the entity that we 18 sort of had an acrimonious relationship with. 19 335 Q. Okay. Why wouldn't 20 Mr. DeFrancesco and/or Delavaco be named as a 21 defendant? 22 MR. STALEY: Well, you're asking 23 questions that may go to matters of 24 lawyer-client privilege in terms of why some 25 defendants were named or not named.</p> | <p>101</p> <p>1 would you agree with me, it's a reasonable 2 proposition that you have shorted multiple 3 companies? 4 A. In my history? 5 340 Q. Yes. 6 A. Yes, that's fine. 7 341 Q. And would individual members of 8 those companies, would they have a reason to act 9 against you? 10 A. Generally speaking, you know, 11 most -- sorry. 12 MR. STALEY: No, go ahead. 13 THE WITNESS: Generally speaking, most 14 companies, you know, if you went to short 15 Microsoft or Apple, they really wouldn't care if 16 you shorted the company. And the people within 17 those companies realize that the stock market 18 will have long players, they'll have short 19 players, and they realize the efficiency in the 20 market will win out over time. 21 When you start to delve in this retail 22 world of, you know, companies that are acting a 23 little more untoward, using stock promotion or 24 trying to obfuscate what's really going on, 25 those are the people that have a problem with</p> |

TAB D

Court File No. CV-20-00653410-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

ANSON ADVISORS INC., ANSON FUNDS MANAGEMENT LP, ANSON
INVESTMENTS MASTER FUND LP and MOEZ KASSAM

Plaintiffs

- and -

JAMES STAFFORD, ANDEW RUDENSKY, ROBERT LEE DOXTATOR,
JACOB DOXTATOR, and JOHN DOE 1, JOHN DOE 2, JOHN DOE 3, JOHN
DOE 4 and OTHER PERSONS UNKNOWN

Defendants

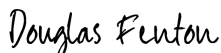
**SUPPLEMENTARY AFFIDAVIT OF DOCUMENTS
Sworn March 11, 2024**

I, Moez Kassam, of the City of TORONTO, in the Province of Ontario, MAKE OATH
AND SAY:

1. I am the founder of the Plaintiffs, Anson Advisors Inc., Anson Funds Management LP and Anson Investments Master Fund LP as well an individual Plaintiff in this action. This Affidavit supplements my Affidavit of Documents sworn January 25, 2023, and my previous Supplementary Affidavit of Documents sworn April 4, 2023.
2. I have conducted a diligent search of my records and made appropriate enquiries of others to inform myself in order to make this Affidavit. This Affidavit discloses, to the full extent of my knowledge, information and belief, all documents relevant to any matter in issue in this action that are or have been in my possession, control or power not otherwise detailed in my Affidavit of Documents sworn January 25, 2023, or in my previous Supplementary Affidavit of Documents sworn April 4, 2023.
3. I have listed in Schedule "A" those additional documents that are in my possession, control or power and that I do not object to producing for inspection.

SWORN remotely by Moez Kassam at the City of Palm Beach, Florida before me on the 11th day of March 2024, in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:



92D9E24C2FAE4D6

Commissioner for Taking Affidavits
(or as may be)

Douglas Fenton (LSO #: 750011)

DocuSigned by:



11914BE40C70434...

MOEZ KASSAM

LAWYER'S CERTIFICATE

I CERTIFY that I have explained to the deponent,

- (a) the necessity of making full disclosure of all documents relevant to any matter in issue in the action;
- (b) what kinds of documents are likely to be relevant to the allegations made in the pleadings; and
- (c) if the action is brought under the simplified procedure, the necessity of providing the list required under rule 76.03.

Date: March 11, 2024

DocuSigned by:



92D9F24C2FAF4D6...

Douglas A. Fenton

SCHEDULE "A"

Documents in my possession, control or power that I do not object to producing for inspection.

| Doc ID | Parent Date | Doc Date | Family ID | Parent/Attachment | Type | Title | Author | Recipient |
|-------------|-------------|------------|-------------|-------------------|-------------|--|-----------------|-----------|
| AAI00026751 | 1/1/1900 | 1/1/1900 | AAI00026751 | P | WAVE Audio | Sep 30 Phone Recording.WAV | | |
| AAI00014754 | 10/8/2022 | 10/8/2022 | AAI00014754 | P | CSV file | IP Logs | | |
| AAI00014753 | 11/18/2022 | 11/18/2022 | AAI00014753 | P | CSV file | Check File | | |
| AAI00014755 | 11/18/2022 | 11/18/2022 | AAI00014755 | P | CSV file | linked_phone_number.csv | | |
| AAI00014757 | 11/18/2022 | 11/18/2022 | AAI00014757 | P | CSV file | checkfile.csv | | |
| AAI00014758 | 11/18/2022 | 11/18/2022 | AAI00014758 | P | CSV file | checkfile.csv | | |
| AAI00014759 | 11/18/2022 | 11/18/2022 | AAI00014759 | P | CSV file | checkfile.csv | | |
| AAI00014760 | 11/18/2022 | 11/18/2022 | AAI00014760 | P | CSV file | checkfile.csv | | |
| AAI00014761 | 11/18/2022 | 11/18/2022 | AAI00014761 | P | CSV file | IP logs | | |
| AAI00014762 | 11/18/2022 | 11/18/2022 | AAI00014762 | P | CSV file | IP Logs | | |
| AAI00014763 | 11/18/2022 | 11/18/2022 | AAI00014763 | P | CSV file | IP Logs | | |
| AAI00014764 | 11/18/2022 | 11/18/2022 | AAI00014764 | P | CSV file | linked_phone_number.csv | | |
| AAI00014765 | 11/18/2022 | 11/18/2022 | AAI00014765 | P | CSV file | linked_phone_number.csv | | |
| AAI00014766 | 11/18/2022 | 11/18/2022 | AAI00014766 | P | CSV file | linked_phone_number.csv | | |
| AAI00014767 | 11/18/2022 | 11/18/2022 | AAI00014767 | P | CSV file | IP Logs | | |
| AAI00014771 | 11/18/2022 | 11/18/2022 | AAI00014771 | P | CSV file | linked_phone_number.csv | | |
| AAI00014773 | 11/18/2022 | 11/18/2022 | AAI00014773 | P | CSV file | checkfile.csv | | |
| AAI00014774 | 11/18/2022 | 11/18/2022 | AAI00014774 | P | CSV file | IP Logs | | |
| AAI00014775 | 11/18/2022 | 11/18/2022 | AAI00014775 | P | CSV file | linked_phone_number.csv | | |
| AAI00014777 | 11/18/2022 | 11/18/2022 | AAI00014777 | P | CSV file | checkfile.csv | | |
| AAI00014778 | 11/18/2022 | 11/18/2022 | AAI00014778 | P | CSV file | IP Logs | | |
| AAI00014779 | 11/18/2022 | 11/18/2022 | AAI00014779 | P | CSV file | linked_phone_number.csv | | |
| AAI00014781 | 11/18/2022 | 11/18/2022 | AAI00014781 | P | CSV file | checkfile.csv | | |
| AAI00014782 | 11/18/2022 | 11/18/2022 | AAI00014782 | P | CSV file | IP Logs | | |
| AAI00014783 | 11/18/2022 | 11/18/2022 | AAI00014783 | P | CSV file | linked_phone_number.csv | | |
| AAI00014785 | 11/18/2022 | 11/18/2022 | AAI00014785 | P | CSV file | checkfile.csv | | |
| AAI00014786 | 11/18/2022 | 11/18/2022 | AAI00014786 | P | CSV file | IP Logs | | |
| AAI00014787 | 11/18/2022 | 11/18/2022 | AAI00014787 | P | CSV file | linked_phone_number.csv | | |
| AAI00014756 | 11/19/2022 | 11/19/2022 | AAI00014756 | P | CSV file | Statistics re christophergeorge@live.ca email address | | |
| AAI00014768 | 11/19/2022 | 11/19/2022 | AAI00014768 | P | CSV file | Statistics re Rubarbarbara@yahoo.com email address | | |
| AAI00014769 | 11/19/2022 | 11/19/2022 | AAI00014769 | P | CSV file | Statistics re Faimoh12@hayoo.com email address | | |
| AAI00014770 | 11/19/2022 | 11/19/2022 | AAI00014770 | P | CSV file | Statistics re sacox56485@qatw.net email address | | |
| AAI00014772 | 11/19/2022 | 11/19/2022 | AAI00014772 | P | CSV file | Statistics re pikah34553@yutongdt.com email address | | |
| AAI00014776 | 11/19/2022 | 11/19/2022 | AAI00014776 | P | CSV file | Statistics re kelly_melonie@hotmail.com email address | | |
| AAI00014780 | 11/19/2022 | 11/19/2022 | AAI00014780 | P | CSV file | Statistics re mhbdt+fgzbyaw9l2bt4@guerrillamail.de email address | | |
| AAI00014784 | 11/19/2022 | 11/19/2022 | AAI00014784 | P | CSV file | Statistics re larry25111@yahoo.com email address | | |
| AAI00014788 | 11/19/2022 | 11/19/2022 | AAI00014788 | P | CSV file | Statistics re GorskyPavelSerg@sharklasers.com email address | | |
| AAI00014746 | 5/12/2023 | 5/12/2023 | AAI00014746 | P | Web capture | Tweets with replies by Betting Bruiser | Betting Bruiser | |

| Doc ID | Parent_Date | Doc_Date | Family ID | Parent/Attachment | Type | Title | Author | Recipient |
|-------------|-------------|-----------|-------------|-------------------|---------------|---|-----------------|---------------------|
| AAI00014747 | 5/12/2023 | 5/12/2023 | AAI00014747 | P | Web capture | Web capture of Betting Bruiser tweets | Betting Bruiser | |
| AAI00014748 | 5/12/2023 | 5/12/2023 | AAI00014748 | P | Web capture | Web capture of Betting Bruiser tweets | Betting Bruiser | |
| AAI00014749 | 5/12/2023 | 5/12/2023 | AAI00014749 | P | Web capture | Web capture of Betting Bruiser tweets | Betting Bruiser | |
| AAI00014750 | 5/12/2023 | 5/12/2023 | AAI00014750 | P | Web capture | Web capture of Betting Bruiser tweets | Betting Bruiser | |
| AAI00014751 | 5/25/2023 | 5/25/2023 | AAI00014751 | P | Web capture | Web capture of Betting Bruiser tweets | Betting Bruiser | |
| AAI00014752 | 5/29/2023 | 5/29/2023 | AAI00014752 | P | Web capture | Web capture of Betting Bruiser tweets | Betting Bruiser | |
| AAI00026753 | 6/16/2023 | 6/16/2023 | AAI00026753 | P | Email Message | FW: Anson | Miranda Spence | Matthew Milne-Smith |
| AAI00026732 | 6/29/2023 | 6/29/2023 | AAI00026732 | P | Web capture | Betting Bruiser Twitter Page - June 29, 2023 | | |
| AAI00026735 | 6/29/2023 | 6/29/2023 | AAI00026735 | P | Web capture | Betting Bruiser Tweet | Betting Bruiser | |
| AAI00026713 | 7/4/2023 | 7/4/2023 | AAI00026713 | P | CSV file | IT Activity of aladdin003@yahoo.com | | |
| AAI00026714 | 7/4/2023 | 7/4/2023 | AAI00026714 | P | HTML file | IT Activity of aladdin003@yahoo.com | | |
| AAI00026715 | 7/4/2023 | 7/4/2023 | AAI00026715 | P | CSV file | IT Activity of bobbellaboats@yahoo.com | | |
| AAI00026717 | 7/4/2023 | 7/4/2023 | AAI00026717 | P | HTML file | IT Activity of bobbellaboats@yahoo.com | | |
| AAI00026719 | 7/4/2023 | 7/4/2023 | AAI00026719 | P | CSV file | IT Activity of bpultra@yahoo.com | | |
| AAI00026720 | 7/4/2023 | 7/4/2023 | AAI00026720 | P | HTML file | IT Activity of bpultra@yahoo.com | | |
| AAI00026721 | 7/4/2023 | 7/4/2023 | AAI00026721 | P | CSV file | IT Activity brenthillstree@yahoo.com | | |
| AAI00026724 | 7/4/2023 | 7/4/2023 | AAI00026724 | P | HTML file | IT Activity of brenthillstree@yahoo.com | | |
| AAI00026725 | 7/4/2023 | 7/4/2023 | AAI00026725 | P | CSV file | IT Activity of craigmartinmachines@yahoo.com | | |
| AAI00026726 | 7/4/2023 | 7/4/2023 | AAI00026726 | P | HTML file | IT Activity of craigmartinmachines@yahoo.com | | |
| AAI00026728 | 7/4/2023 | 7/4/2023 | AAI00026728 | P | CSV file | IT Activity of james.thurston79@yahoo.com | | |
| AAI00026729 | 7/4/2023 | 7/4/2023 | AAI00026729 | P | HTML file | IT Activity of james.thurston79@yahoo.com | | |
| AAI00026730 | 7/4/2023 | 7/4/2023 | AAI00026730 | P | CSV file | IT Activity of monedeal@yahoo.com | | |
| AAI00026731 | 7/4/2023 | 7/4/2023 | AAI00026731 | P | HTML file | IT Activity of monedeal@yahoo.com | | |
| AAI00026738 | 7/4/2023 | 7/4/2023 | AAI00026738 | P | CSV file | IT Activity of shawn.quinlan@yahoo.com | | |
| AAI00026741 | 7/4/2023 | 7/4/2023 | AAI00026741 | P | CSV file | IT Activity of wmstockemail@yahoo.ca | | |
| AAI00026742 | 7/4/2023 | 7/4/2023 | AAI00026742 | P | HTML file | IT Activity of shawn.quinlan@yahoo.com | | |
| AAI00026743 | 7/4/2023 | 7/4/2023 | AAI00026743 | P | HTML file | IT Activity of wmstockemail@yahoo.ca | | |
| AAI00026744 | 7/4/2023 | 7/4/2023 | AAI00026744 | P | CSV file | IT Activity of whoknowsbest2003@yahoo.com | | |
| AAI00026746 | 7/4/2023 | 7/4/2023 | AAI00026746 | P | HTML file | IT Activity of whoknowsbest2003@yahoo.com | | |
| AAI00026716 | 8/17/2023 | 8/17/2023 | AAI00026716 | P | HTML file | Subscriber Details of aladdin003@yahoo.com | | |
| AAI00026718 | 8/17/2023 | 8/17/2023 | AAI00026718 | P | HTML file | Subscriber Details of bobbellaboats@yahoo.com | | |
| AAI00026722 | 8/17/2023 | 8/17/2023 | AAI00026722 | P | HTML file | Subscriber Details of craigmartinmachines@yahoo.com | | |
| AAI00026723 | 8/17/2023 | 8/17/2023 | AAI00026723 | P | HTML file | Subscriber Details of bpultra@yahoo.com | | |
| AAI00026727 | 8/17/2023 | 8/17/2023 | AAI00026727 | P | HTML file | Subscriber Details of brenthillstree@yahoo.com | | |
| AAI00026736 | 8/17/2023 | 8/17/2023 | AAI00026736 | P | HTML file | Subscriber Details of monedeal@yahoo.com | | |
| AAI00026737 | 8/17/2023 | 8/17/2023 | AAI00026737 | P | HTML file | Subscriber Details of james.thurston79@yahoo.com | | |

| Doc ID | Parent_Date | Doc_Date | Family ID | Parent/Attachment | Type | Title | Author | Recipient |
|-------------|-------------|------------|-------------|-------------------|---------------------|--|--|-----------|
| AAI00026739 | 8/17/2023 | 8/17/2023 | AAI00026739 | P | HTML file | Subscriber Details of shawn.quinlan@yahoo.com | | |
| AAI00026740 | 8/17/2023 | 8/17/2023 | AAI00026740 | P | HTML file | Subscriber Details of wmstockemail@yahoo.ca | | |
| AAI00026745 | 8/17/2023 | 8/17/2023 | AAI00026745 | P | HTML file | Subscriber Details of whoknowsbest2003@yahoo.com | | |
| AAI00026706 | 8/27/2023 | 8/27/2023 | AAI00026706 | P | Web capture | Was Anson Funds Involved In The Hindenburg Report On The Adani Group - Market Frauds | marketfrauds.to | |
| AAI00026733 | 10/20/2023 | 10/20/2023 | AAI00026733 | P | Web capture | Betting Bruiser Tweet - October 20, 2023 | | |
| AAI00026747 | 10/23/2023 | 10/23/2023 | AAI00026747 | P | Web capture | Anson Funds Fined by SEC - Just The Beginning | marketfrauds.to | |
| AAI00026748 | 11/2/2023 | 11/2/2023 | AAI00026748 | P | Web capture | Betting Bruiser Tweets | Betting Bruiser | |
| AAI00026749 | 11/2/2023 | 11/2/2023 | AAI00026749 | P | Web capture | Betting Bruiser Tweet | Betting Bruiser | |
| AAI00026750 | 11/19/2023 | 11/19/2023 | AAI00026750 | P | Web capture | Betting Bruiser Tweets | Page Vault | |
| AAI00026752 | 12/19/2023 | 12/19/2023 | AAI00026752 | P | Response to Request | 2023-12-19 Response to request re Protonmail | Federal Department of Justice of Switzerland | |

ANSON ADVISORS INC. et al.
Plaintiffs

-and-

JAMES STAFFORD et al.
Defendants

Court File No. CV-20-00653410-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
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TORONTO

SUPPLEMENTARY AFFIDAVIT OF DOCUMENTS

BENNETT JONES LLP

3400 One First Canadian Place
P.O. Box 130
Toronto, ON M5X 1A4

Robert W. Staley (#27115J)

Telephone: (416) 777-4857
Email: staleyr@bennettjones.com

Douglas A. Fenton (#75001I)

Telephone: (416) 777-6084
Email: fentond@bennettjones.com

Dylan Yegendorf (#85016M)

Telephone: (416) 777-7837
Email: yegendorfd@bennettjones.com

Lawyers for the Plaintiffs,
Anson Advisors Inc., Anson Funds Management LP,
Anson Investments Master Fund LP and Moez Kassam

ANSON ADVISORS INC. ET AL

Plaintiffs

and

Court File No. CV-20-00653410-00CL
JAMES STAFFORD ET AL

Defendants

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

**RESPONDING RECORD OF ANDREW RUDENSKY
(UNDERTAKINGS MOTION RETURNABLE MAY 7, 2024)**

BLANEY MCMURTRY LLP

Lawyers

2 Queen Street East, Suite 1500

Toronto ON M5C 3G5

John Polyzogopoulos (LSO #43150V)

Tel: (416) 593-2953

jpolyzogopoulos@blaney.com

Steven Kelly (LSO #87293B)

Tel: (416) 593-3904

skelly@blaney.com

Lawyers for the defendant, Andrew Rudensky