

MTL CANNABIS CORP.
FORM 8937 ATTACHMENT
REPORT OF ORGANIZATIONAL ACTIONS AFFECTING BASIS OF SECURITIES

Disclaimer

This Form 8937 including all attachments or related documents do not constitute tax advice. None of the documents analyses any specific shareholder's facts and circumstances. Shareholders should seek independent counsel from qualified tax advisors regarding the U.S. tax consequences of the transaction described within this statement and its impact on their U.S. taxes.

The form may be viewed at <https://canopygrowth.com/investors/#tax-forms>.

Form 8937, Part II, Line 14: Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action.

On March 16, 2026, at 12:01 AM, pursuant to the consummation of the arrangement agreement, dated as December 14, 2025, and as amended ("Arrangement Agreement"), by and among Canopy Growth Corporation ("Canopy Growth"), and MTL Cannabis Corp. ("MTLC"), Canopy Growth acquired all of the issued and outstanding common shares of MTLC.

Under the terms of the Arrangement Agreement, each issued and outstanding common share of MTLC was acquired in exchange for 0.32 Canopy Growth common shares ("Canopy Growth Shares") and C\$0.144 cash.

Form 8937, Part II, Line 15: Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis.

For U.S. federal income tax purposes, the receipt of Canopy Growth Shares and cash pursuant to the Arrangement Agreement is intended to be treated as a taxable exchange under section 1001 of the Internal Revenue Code ("Code"). Accordingly, a U.S. shareholder's tax basis in its MTLC common shares is expected to be extinguished given the shares of its MTLC common shares were exchanged.

A U.S. shareholder's basis in its Canopy Growth Shares received pursuant to the Arrangement Agreement is expected to equal the fair market value of the Canopy Growth Shares received.

Form 8937, Part II, Line 16: Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates.

While there is no definition of fair market value in the Code, Canopy Growth intends for Canopy Growth Shares exchanged for the MTLC common shares to be valued at C\$1.41 per one (1) Canopy Growth Shares received.

For example, if a U.S. shareholder held one (1) MTLC common share, it received 0.32 Canopy Growth Shares and C\$0.144 pursuant to the Arrangement Agreement. The U.S. shareholder's considerations received for its one (1) MTLC common share would be equal to C0.5952 consisting of 0.32 Canopy

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Growth Shares valued at C\$0.4512 and C\$0.144 cash. The U.S. shareholder would be expected to have basis in its 0.32 Canopy Growth Shares of \$0.4512.

Form 8937, Part II, Line 17: List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based.

The applicable Code section upon which the tax treatment is based is section 1001.

Form 8937, Part II, Line 18: Can any resulting loss be recognized.

The applicable Code section upon which the tax treatment of the Arrangement Agreement is based is section 1001. The deductibility of loss, if any, of a U.S. shareholder of MTLC common shares exchanged because of the Arrangement Agreement may be subject to limitations.

Form 8937, Part II, Line 19: Provide any other information necessary to implement the adjustment, such as the reportable tax year.

The action occurred on March 16, 2026. The basis adjustment should be reported in the U.S. shareholder's taxable year that includes this date. For example, a U.S. shareholder who is a calendar year taxpayer, the action is reportable in the tax year ending December 31, 2026.