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COURT

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

EDMONTON

IN THE MATTER OF THE COMPANIES' CREDITORS' ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF KMC MINING CORPORATION

DOCUMENT

SEVENTH REPORT TO COURT OF FTI CONSULTING CANADA INC., IN ITS CAPACITY AS MONITOR OF KMC MINING CORPORATION

May 11, 2026

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

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SEVENTH REPORT OF THE MONITOR

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INTRODUCTION

1. On December 5, 2024, KMC Mining Corporation (“**KMC**” or the “**Company**”) filed a Notice of Intention to Make a Proposal (“**NOI**”) pursuant to subsection 50.4(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c B-3, as amended (the “**BIA**”). FTI Consulting Canada Inc. (“**FTI**”) consented to act as proposal trustee (the “**Proposal Trustee**”) in the NOI proceedings (the “**NOI Proceedings**”) of KMC.
2. On December 9, 2024, in the NOI Proceedings, KMC sought and obtained two orders from the Court of King’s Bench of Alberta (the “**Court**”):
 - (a) An order (the “**December 9 Order**”) which, among other things granted the following:
 - i. Approved an administrative charge, ranking in priority only to the claims of the Secured Lenders (as defined in the First Report of the Trustee as the syndicate entities, ATB, CWB, EDC and Laurentian) and the Klemke Foundation on all the Company’s present and after-acquired assets, property and undertakings, not to exceed \$0.5 million (the “**Administrative Charge**”);
 - ii. Authorized KMC to obtain and borrow under a credit facility provided by certain of the Secured Lenders (the “**Interim Lenders**”) to finance the Applicant’s working capital requirements and other such general corporate and capital expenditures, not to exceed \$6.0 million (the “**Interim Financing Facility**”), as set out in a loan agreement, dated December 6, 2024 (the “**Interim Financing Agreement**”). The Interim Financing Facility was secured by a charge (the “**NOI Interim Financing Charge**”) over all of KMC’s property, which initially ranked only in priority to the claims over the Company’s present and after-acquired assets, property and undertakings of the Secured Lender and the Klemke Foundation;

- iii. Authorized KMC, with approval from the Proposal Trustee, to sell and dispose of redundant or non-material assets not exceeding in aggregate \$1.0 million; and
 - iv. Extended the stay of proceedings and time within which the Company is required to file a proposal to its creditors to February 18, 2025; and
- (b) A sealing order in respect of the confidential affidavit of Daniel Klemke sworn on December 6, 2024 (the “**Klemke Sealing Order**”) which contained commercially sensitive valuation information with respect to KMC’s Property (defined as KMC’s current and future assets, undertakings, and properties, of every nature and kind whatsoever), that could be detrimental to the marketing efforts if disclosed.
3. On December 20, 2024, the Court granted an Order, which among other things, authorized the Company to execute on a letter of intent for an asset sales transaction with Gibraltar Mines Limited which exceeds the pre-authorized asset sale limit of \$1.0 million.
4. On January 10, 2025, (the “**CCAA Filing Date**”), KMC sought and obtained three Orders from the Court:
- (a) An initial order (the “**Initial Order**”) granting, among other things, the following relief:
 - i. A continuation of the NOI Proceedings under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c C-36, as amended (the “**CCAA**” and the “**CCAA Proceedings**”);
 - ii. An extension of the stay period until January 20, 2025;
 - iii. The appointment of FTI as monitor (the “**Monitor**”) in these CCAA Proceedings;

- iv. Approval and continuation of the priority and amount of the charges in favor of (i) the Monitor, the Monitor’s counsel, and KMCs’ legal counsel (the “**Administration Charge**”) in the amount of \$500,000; (ii) borrowings under the Interim Financing Agreement required to finance KMC’s working capital requirements and other general corporate purposes and capital expenditures, not to exceed \$6.0 million (the “**Interim Financing Charge**”); and (iii) KMCs’ obligations to indemnify KMC’s directors and officers for liabilities they may incur after the Filing Date (the “**Directors’ Charge**”) in the amount of \$500,000 (together, the “**Initial Order Charges**”); and
 - v. The Interim Financing Charge was also expanded to take priority over all Property of the Applicants;
- (b) A sales and investment solicitation process order (“**SISP Order**”), granting, among other things, the following relief:
- i. Approval of the sale and investment solicitation process (the “**SISP**”);
 - ii. Approval of the engagement letter, dated December 23, 2024, between KMC and Ernst & Young Orenda Corporate Finance Inc. (the “**Sales Agent**”); and
 - iii. Authorization to increase the aggregate limit of sales for redundant or non-material assets from \$1.0 million to \$6.0 million and authorization for KMC, with the approval of the Monitor, Interim Lenders, Secured Lenders, the Klemke Foundation, and any other applicable secured creditor whose rights may be directly impacted by the sale (as determined by the Monitor), to remove any Property or Business from the SISP and proceed to sell the same to a third party if KMC receives an unconditional offer to purchase; and

- (c) A sealing order in respect of the confidential supplementary affidavit of Bryn Jones sworn on December 31, 2024 which contained economically sensitive valuation information with respect to KMC's Property that could harm the proposed SISP process if disclosed.
5. On January 20, 2025, KMC sought and obtained three Orders from the Court:
- (a) The ARIO, approving the following:
 - i. Extending the stay of proceedings up to and including June 16, 2025; and
 - ii. Granting a fourth-ranking charge against KMC's Property for a key employee retention plan (the "**KERP**");
 - (b) The Lease Equipment Return Process Order, which approved a process for the return of certain equipment leased by KMC which KMC has determined has no available surplus equity;
 - (c) A declaration that pursuant to section 5(5) of the Wage Earner Protection Program Act, S.C. 2005, c. 47, s.1 ("**WEPPA**") that KMC meet the criteria established by section 3.2 of the Wage Earner Protection Program Regulations, SOR/2008-222 (the "**WEPP Regulations**") as of the date of the granting of the ARIO; and
 - (d) The sealing order sealing the Second Confidential Affidavit of Bryn Jones sworn January 14, 2025.
6. On April 17, 2025, KMC sought and obtained the following Orders from the Court:

- (a) A sale approval and vesting order (the “**SAVO**”) approving the asset purchase agreement for the sale of substantially all the assets of KMC to 2122256 Alberta Ltd. o/s Heavy Metal Equipment and Rentals (“**HME**”) (and the sale herein referred to as the “**HME APA**”);
- (b) An order modifying the KERP by providing for certain adjustments to the entitlements and payments with respect to the KERP without modifying the total amounts payable thereunder (the “**Adjusted KERP Order**”);
- (c) An order affirming the continued applicability of WEPPA as authorized in the ARIO (the “**WEPPA Order**”);
- (d) An interim distribution order (the “**Interim Distribution Order**”) approving the proposed interim distribution to Secured Lenders and equipment lessors of up to 66 2/3% of the net sale proceeds from the HME APA; and
- (e) A sealing order sealing the confidential supplementary report of the Monitor which contained commercially sensitive information in relation to the results of the SISP and the HME APA and the supplementary confidential affidavit of Bryn Jones as sworn on April 7, 2025 (the “**Jones Sealing Order**”).

7. On May 23, 2025, KMC sought and obtained the following Orders from the Court:

- (a) The Proposed Second Distribution Order;
- (b) An order extending the stay of proceedings up to and including July 31, 2025.

8. On July 30, 2025, KMC sought and obtained the following Orders from the Court:

- (a) The Proposed Third Distribution Order; and

- (b) An order extending the stay of proceedings up to and including November 30, 2025.
- 9. On November 28, 2025, KMC sought and obtained the following Orders from the Court:
 - (a) An order extending the stay of proceedings up to and including February 28, 2026; and
 - (b) An order extending Klemke Sealing Order and Jones Sealing Order until June 30, 2026.
- 10. On February 24, 2026, KMC sought and obtained an Order from the Court extending the stay of proceedings up to and including June 30, 2026.
- 11. This report (“**Report**” or “**Seventh Report**”) is being delivered in connection with the application of KMC currently scheduled to be heard on May 15, 2026 (the “**Enhanced Monitor’s Powers Application**”), where KMC is seeking the following Orders:
 - (a) an order (the “**Enhanced Monitor’s Powers Order**”) expanding the powers of the Monitor to facilitate the wind-down of the CCAA Proceedings through the completion of the Suncor claims;
 - (b) an order extending the stay of proceedings (“**Stay Period**”) up to and including June 30, 2027 (the “**Stay Extension Order**”) from the Court; and
 - (c) an order sealing (“**Sealing Order**”) the proposed litigation services retainer agreement to be entered into between MLT Aikins LLP and KMC, by and through the Monitor, as attached at confidential Appendix “**B**” (“**Litigation Services Retainer**”) to this report.

12. This Report should be read in conjunction with the fifth affidavit of Daniel Klemke sworn on May 4, 2026 (the “**Fifth Klemke Affidavit**”) which provides further background information concerning the Stay Period, current operations, and the status of the claims of KMC against Suncor.
13. Electronic copies of all materials filed by KMC in connection these CCAA Proceedings and other statutory materials are available on the Monitor’s website at: <http://cfcanada.fticonsulting.com/KMCMining> (the “**Website**”).

PURPOSE

14. The purpose of this Seventh Report is to provide this Honourable Court and KMC’s stakeholders with information and the Monitor’s comments with respect to the following:
 - (a) The activities of the Monitor since its Sixth Report dated February 18, 2026 (the “**Sixth Report**”);
 - (b) KMC’s request for the Enhanced Monitor’s Powers Order;
 - (c) The cash flow variance results for the 70-week period ended May 2, 2026;
 - (d) An overview of KMC’s’ revised cash flow statement (the “**Eighth Cash Flow Statement**”) for the 14-month period ending June 30, 2027 (the “**Forecast Period**”) as well as the key assumptions on which the Eighth Cash Flow Statement is based; and
 - (e) The Monitor’s conclusions and recommendations with respect to the Enhanced Monitor’s Powers Order, the Stay Extension Order and the Sealing Order.

TERMS OF REFERENCE

15. In preparing this Report, the Monitor has relied upon unaudited financial information, other information available to the Monitor and, where appropriate, KMC's books and records and discussions with various parties (collectively, the "**Information**").
16. Except as described in this Report:
 - (a) The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the *Chartered Professional Accountants of Canada Handbook*;
 - (b) The Monitor has not examined or reviewed financial forecasts and projections referred to in this report in a manner that would comply with the procedures described in the *Chartered Professional Accountants of Canada Handbook*; and
 - (c) Future oriented financial information reported or relied on in preparing this Report is based on assumptions regarding future events; actual results may vary from forecast and such variations may be material.
17. The Monitor has prepared this Report in connection with the Enhanced Monitor's Powers Application. This Report should not be relied on for other purposes.
18. Information and advice described in this Report that has been provided to the Monitor by its legal counsel, MLT Aikins LLP (the "**Monitor's Counsel**") and was provided to assist the Monitor in considering its course of action, is not intended as legal or other advice to, and may not be relied upon by, any other person.

19. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars. Capitalized terms used but not defined herein are given the meaning ascribed to them in previous Reports of the Monitor, the Second Klemke Affidavit, the Third Klemke Affidavit, the Fourth Klemke Affidavit, the Fifth Klemke Affidavit, the Jones Affidavit, the Second Jones Affidavit, or the Third Jones Affidavit.

ACTIVITIES OF THE MONITOR

20. The Monitor's activities since the date of the Monitor's Sixth Report include, among other things, the following:
- (a) Updating the Website where the Monitor has and will continue to post all court materials related to these CCAA Proceedings. The Monitor's website includes contact information where secured creditors, unsecured creditors, employees and other stakeholders can reach the Monitor to ask any questions they may have;
 - (b) Reviewed KMC's receipts and disbursements and monitored the Company's performance relative to its cash flow forecast;
 - (c) consulted with the Company and Secured Lenders, with respect to enhancing the Monitor's powers and engaging MLT Aikins LLP to proceed with the litigation of the Suncor Claim;
 - (d) Preparing the Eighth Cash Flow Statement;
 - (e) Responding to inquiries from stakeholders, suppliers and creditors who contacted the Monitor; and
 - (f) Preparing this Report.

ENHANCED MONITOR'S POWERS ORDER

21. Pursuant to the Sale Approval and Vesting Order, all of KMC's heavy equipment has been sold and the majority of their operations have been wound down. Remaining operations include pursuing the Suncor Claim and collecting on any final insurance refunds or outstanding account receivables.
22. The Monitor has held preliminary meetings with Management and discussions with stakeholders to discuss its proposed expanded role, including the Secured Lenders, who are supportive of the Enhanced Monitor's Powers Application.
23. The Monitor has reviewed the Enhanced Monitor's Powers Order and notes the enhanced powers and protections proposed to be afforded to the Monitor pursuant to the proposed form of Enhanced Monitor's Powers Order will allow for the estate of KMC to pursue the Suncor Claim along with the wind down of KMC's estate in an efficient manner. If approved by this Honourable Court, the Monitor confirms it is prepared to act in accordance with the expanded duties and powers as outline in the Enhanced Monitor's Powers Order.

CASH FLOW VARIANCE ANALYSIS

24. KMC, in consultation with the Monitor, prepared the Seventh Cash Flow Statement for the CCAA Proceedings which was appended to the Monitor's Sixth Report.
25. KMC's actual cash flows as compared to those contained in the Seventh Cash Flow Statement for the 70-week period of December 29, 2024 to May 2, 2026, are summarized below:

Cash Flow Variance Analysis			
For the Seventieth Week Period Ended May 2, 2026			
('000s)	Actual	Forecast	Variance
Receipts			
Customers	\$ 18,889	\$ 18,889	-
Asset Sales	936	936	-
Misc Receipts	1,461	1,471	(11)
Total Receipts	21,285	21,296	(11)
Operating Disbursements			
KERP	(237)	(237)	-
Staff Labour	(2,986)	(2,981)	(5)
Union Labour	(5,452)	(5,452)	-
Utilities	(113)	(115)	2
Operations	(2,932)	(2,936)	3
Fuel	(35)	(35)	-
Rent / Property Tax	(172)	(172)	0
CRA Remittance	(527)	(527)	-
Insurance	(1,908)	(1,908)	-
Accounting Fees	(15)	(15)	-
Professional Fees	(1,774)	(1,748)	(26)
Bank Fees	(41)	(42)	1
Komatsu Capital lease payments	(246)	(246)	-
Other Capital Lease Payments	(329)	(329)	-
Operating Deposits	(535)	(538)	3
Total Operating Disbursements	(17,302)	(17,281)	(21)
Financing			
DIP Fees	(150)	(150)	-
Interim Financing Interest	(101)	(101)	-
Total Disbursements	(17,553)	(17,531)	(21)
Net Cash Flow	3,733	3,765	(32)
Beginning Cash	400	400	-
Ending Cash, before DIP	\$ 4,133	\$ 4,165	\$ (32)
Interim Financing			
Opening DIP Draw	3,000	3,000	-
Draws / (Repayments)	(3,000)	(3,000)	-
Cumulative DIP	-	-	-
Ending Cash, after DIP	\$ 4,133	\$ 4,165	\$ (32)
Proceeds Held in Trust			
Proceeds from HME APA	\$ 100,866	100,866	-
Initial Distribution	(100,866)	(100,866)	-
Remaining Proceeds held in Trust	-	-	-

- (a) The negative variance for receipts is due to a temporary variance for miscellaneous receipts for a vehicle lease refund; and

- (b) The negative variance for operating disbursements is mainly due to higher than expected legal fees for Company's counsel relating to an insurance claim pending on a piece of heavy equipment.

26. As at April 25, 2026, KMC had approximately \$4.1 million cash on hand, reflecting a negative variance of \$32,000.

CASH FLOW STATEMENT

27. The Monitor has prepared the Eighth Cash Flow Statement to estimate the liquidity for the Forecast Period, a summary of which is presented below and attached hereto as Appendix "A":

Eighth Cash Flow Statement	
('000s)	Total Forecast
Receipts	
Misc Receipts	\$ 534
Total Receipts	534
Operating Disbursements	
Staff Labour	(61)
Management Contractors - Hourly	(75)
Management Contractors - Benefits	(17)
Operations	(37)
Professional Fees	(137)
Litigation Fees	(410)
Bank Fees	(7)
Other Capital Lease Payments	(4)
Operating Deposits	(49)
Total Operating Disbursements	(796)
Financing	
Syndicate Distributions	(1,013)
Total Disbursements	(1,809)
Net Cash Flow	(1,275)
Beginning Cash	4,133
Ending Cash	\$ 2,858

28. The Eighth Cash Flow Statement is based on the following key assumptions:

- (a) Cash receipts primarily relate to the collection of an insurance claim from a piece of heavy equipment (approximately \$500,000);
 - (b) Staff and union labour expenses of \$61,000 relates to final remaining staff maintained to support the CCAA Proceedings, all of which are expected to be released by May 31, 2026;
 - (c) Management contractor expenses and benefits relate to the retention of key management as contractors for on-going litigation support pursuant to the Management Retention Agreement;
 - (d) Operations disbursements of approximately \$37,000 relates tax filings and a final payment under the current management services agreement. The remaining amount relates to ongoing IT and cloud based services;
 - (e) Professional fees are forecasted to be approximately \$137,000 over the Forecast Period and include KMC's legal counsel, the Monitor, and the Monitor's Counsel;
 - (f) Litigation fees are forecasted to be approximately \$410,000 over the Forecast Period and include fees for legal counsel engaged with respect to the claims against Suncor; and
 - (g) Syndicate distributions relate to a payout for the pro-rata share of the cash-on-hand to a senior secured lender opting out of the Suncor Claim litigation.
29. Ending cash at the end of the Forecast Period is projected to be approximately \$2.9 million.

STAY EXTENSION

30. The Monitor has considered KMCs' request to extend the Stay Period to June 30, 2027, and has the following comments:
- (a) There will be no material prejudice to KMCs' creditors and stakeholders as a result of the proposed extension of the Stay Period;
 - (b) It will allow the progression of the claims against Suncor under the expanded oversight of the Monitor during the period of the extension pursuant to the relief being sought under the Enhanced Monitors' Powers Order;
 - (c) The Eighth Cash Flow Statement indicates that KMC will have sufficient liquidity to wind-down operations and fund the cost of these CCAA Proceedings for the duration of the proposed extension of the Stay Period;
 - (d) The extension will allow the Monitor to collect the outstanding refunds and receivables and wind-down the operations of KMC;
 - (e) KMC have acted and are continuing to act in good faith and with due diligence;
and
 - (f) An extension of the Stay Period is in the best interests of KMC's stakeholders.

MLT ENGAGEMENT AGREEMENT AND SEALING ORDER

31. As noted above the only material remaining asset of the KMC estate is the Suncor Claim. In consultation with the Applicant and the Secured Lenders. It was determined that the most efficient way to advance the Suncor Claim was to enhance the powers of the Monitor and authorize the engagement of the Monitor's Counsel in accordance with the terms of the Litigation Services Agreement to litigate the Suncor Claim. The Litigation Services Agreement is attached as confidential Appendix B to this Report. The Monitor has reviewed the terms of the Litigation Services Agreement and determined that they are reasonable. The Monitor understands the Applicants and the Secured Lenders are also supportive of the Litigation Services Agreement.
32. The Applicants have requested the Sealing Order to seal the Litigation Services Agreement. In the Monitor's view sealing the Litigation Services Agreement is reasonable as it contains information solicitor-client privileged information and information that could negatively impact KMC's litigation of the Suncor Claim and therefore potential recoveries to the creditors if the details became public.

CONCLUSIONS AND RECOMMENDATIONS

33. KMC and their management have acted and continue to act in good faith and with due diligence in taking steps to facilitate the completion of the remaining matters under the CCAA and a wind down of the operations of the business.
34. In Monitor is of the view
 - (a) the relief sought pursuant to the Enhanced Monitor's Powers Order is appropriate in the circumstances and will provide a sufficient level of oversight over KMC's remaining interests and obligations;

- (b) the relief sought pursuant to the Stay Extension Order is necessary, reasonable, appropriate and justified in the circumstances; and
- (c) the Litigation Services Agreement should be approved and sealed.

All of which is respectfully submitted this 11th day of May 2026.

FTI Consulting Canada Inc.
Licensed Insolvency Trustee
in its capacity as Monitor of
KMC Mining Corporation and not in its personal
or corporate capacity



Name: Dustin Olver, CPA, CA, CIRP, LIT
Title: Senior Managing Director,
FTI Consulting Canada Inc.

Appendix “A”

Eighth Cash Flow Statement

Eighth Cash Flow Statement		Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Month 13	Month 14	Total
<i>(000s)</i>	<i>Month Beginning</i>	<i>May-26</i>	<i>Jun-26</i>	<i>Jul-26</i>	<i>Aug-26</i>	<i>Sep-26</i>	<i>Oct-26</i>	<i>Nov-26</i>	<i>Dec-26</i>	<i>Jan-27</i>	<i>Feb-27</i>	<i>Mar-27</i>	<i>Apr-27</i>	<i>May-27</i>	<i>Jun-27</i>	<i>Total</i>
	<i>Notes</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>
Receipts																
Misc Receipts	1	\$ 34	\$ 500	-	-	-	-	-	-	-	-	-	-	-	-	\$ 534
Total Receipts		34	500	-	-	-	-	-	-	-	-	-	-	-	-	534
Operating Disbursements																
Staff Labour	2	(61)	-	-	-	-	-	-	-	-	-	-	-	-	-	(61)
Management Contractors - Hourly	3	-	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(75)
Management Contractors - Benefits	4	-	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(17)
Operations	5	(30)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(37)
Professional Fees	6	(75)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(9)	(137)
Litigation Fees	7	(29)	(29)	(29)	(29)	(29)	(29)	(29)	(29)	(29)	(29)	(29)	(29)	(29)	(29)	(410)
Bank Fees		(1)	-	(1)	(1)	(1)	-	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(7)
Other Capital Lease Payments	8	(4)	-	-	-	-	-	-	-	-	-	-	-	-	-	(4)
Operating Deposits	9	(10)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(49)
Total Operating Disbursements		(210)	(44)	(45)	(45)	(45)	(44)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(49)	(796)
Financing																
Syndicate Distributions	10	(1,013)	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,013)
Total Disbursements		(1,223)	(44)	(45)	(45)	(45)	(44)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(49)	(1,809)
Net Cash Flow		(1,189)	456	(45)	(45)	(45)	(44)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(49)	(1,275)
Beginning Cash		4,133	2,944	3,400	3,355	3,310	3,265	3,220	3,176	3,131	3,086	3,041	2,996	2,951	2,907	4,133
Ending Cash		\$ 2,944	\$ 3,400	\$ 3,355	\$ 3,310	\$ 3,265	\$ 3,220	\$ 3,176	\$ 3,131	\$ 3,086	\$ 3,041	\$ 2,996	\$ 2,951	\$ 2,907	\$ 2,858	\$ 2,858

Notes:

The Cash Flow Statement is based on the probable and hypothetical assumptions detailed below. Actual results will likely vary from performance and such variations may be material.

- 1 Misc. Receipts relates to insurance claim on piece of heavy equipment and other miscellaneous receipts.
- 2 Staff Labour includes salary, benefit costs and source deductions for two employees. The employees will be released as of May 31, 2026.
- 3 Management contractors - hourly relates to hourly costs for management retained for litigation support pursuant to the Management Retention & Value Realization Agreement.
- 4 Management contractors - benefits relates to monthly benefit expense for two management contractors pursuant to the Management Retention & Value Realization Agreement.
- 5 Operations includes costs for IT support.
- 6 Professional fees includes the Applicants' legal counsels for the May 15 Application, the Monitor, and the Monitor's Counsel.
- 7 Litigation fees includes the fees for Phase 1 and miscellaneous expenses for MLT Aikins as counsel engaged to litigate the Suncor Claims.
- 8 Other capital lease payments relate to two trucks remaining with Jim Pattison, leases for which will be disclaimed pursuant to the Lease Equipment Return Order.
- 9 Operating Deposits is an estimated amount payable to maintain the corporate credit card and includes monthly payments for IT services and support of the online server.
- 10 Syndicate distributions to be made to Syndicate members.