

COURT FILE NUMBER

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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

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

February 18, 2026

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

MONITOR

FTI Consulting Canada Inc.
Suite 1610, 520 Fifth Avenue S.W.
Calgary, AB T2P 3R7
Dustin Olver / Lindsay Shierman
Telephone: (403) 454-6032 / (403) 454-6036
Fax: (403) 232-6116
E-mail: dustin.olver@fticonsulting.com
lindsay.shierman@fticonsulting.com

COUNSEL

MLT Aikins LLP
Suite 2100, Livingston Place
222 3rd Avenue S.W.
Calgary, AB T2P 0B4
Ryan Zahara
Telephone: (403) 693-5420
E-mail: rzahara@mltaikins.com

SIXTH 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. This report (“**Report**” or “**Sixth Report**”) is being delivered in connection with the application of KMC currently scheduled to be heard on February 24, 2026 (the “**Stay Extension Application**”), where KMC is seeking an order extending the stay of proceedings (“**Stay Period**”) up to and including June 30, 2026 (the “**Stay Extension Order**”) from the Court.
- 11. This Report should be read in conjunction with the fourth affidavit of Daniel Klemke sworn on February 15, 2026 (the “**Fourth Klemke Affidavit**”) which provides further background information concerning the Stay Period, current operations, and the status of the claims of KMC against Suncor.
- 12. 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

- 13. The purpose of this Sixth 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 Fifth Report dated November 20, 2025 (the “**Fifth Report**”);
- (b) The cash flow variance results for the 59-week period ended February 14, 2026;
- (c) An overview of KMC’s’ revised cash flow statement (the “**Seventh Cash Flow Statement**”) for the 20-week period ending July 5, 2026 (the “**Forecast Period**”) as well as the key assumptions on which the Seventh Cash Flow Statement is based; and
- (d) The Monitor’s conclusions and recommendations with respect to the Stay Extension Order.

TERMS OF REFERENCE

- 14. 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**”).
- 15. 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.
- 16. The Monitor has prepared this Report in connection with the Stay Extension Application. This Report should not be relied on for other purposes.
- 17. 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.
- 18. 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 Jones Affidavit, the Second Jones Affidavit, or the Third Jones Affidavit.

ACTIVITIES OF THE MONITOR

- 19. The Monitor’s activities since the date of the Monitor’s Fifth 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) Assisting KMC in preparing the Seventh Cash Flow Statement;
- (d) Responding to inquiries from stakeholders, suppliers and creditors who contacted the Monitor; and
- (e) Preparing this Report.

CASH FLOW VARIANCE ANALYSIS

- 20. KMC, in consultation with the Monitor, prepared the Sixth Cash Flow Statement for the CCAA Proceedings which was appended to the Monitor's Fifth Report.
- 21. KMC's actual cash flows as compared to those contained in the Sixth Cash Flow Statement for the 59-week period of December 29, 2024 to February 14, 2026, are summarized below:

Cash Flow Variance Analysis			
For the Fifty-Ninth Week Period Ended February 14, 2026			
('000s)	Actual	Forecast	Variance
Receipts			
Customers	\$ 18,889	\$ 18,899	\$ (10)
Asset Sales	936	936	-
Misc Receipts	1,260	1,279	(19)
Total Receipts	21,085	21,114	(29)
Operating Disbursements			
KERP	(237)	(237)	-
Staff Labour	(2,882)	(2,892)	10
Union Labour	(5,452)	(5,493)	41
Utilities	(112)	(114)	2
Operations	(2,916)	(2,920)	4
Fuel	(35)	(35)	-
Rent / Property Tax	(171)	(171)	-
CRA Remittance	(527)	(526)	(1)
Insurance	(1,908)	(1,908)	-
Accounting Fees	(15)	(15)	-
Professional Fees	(1,640)	(1,776)	136
Legal Fees	(73)	-	(73)
Bank Fees	(41)	(41)	1
Komatsu Capital lease payments	(246)	(246)	-
Other Capital Lease Payments	(317)	(317)	-
Operating Deposits	(525)	(525)	0
Total Operating Disbursements	(17,097)	(17,216)	120
Financing			
DIP Fees	(150)	(150)	-
Interim Financing Interest	(101)	(101)	-
Total Disbursements	(17,347)	(17,467)	120
Net Cash Flow	3,737	3,647	90
Beginning Cash	400	400	-
Ending Cash, before DIP	\$ 4,137	\$ 4,047	\$ 90
Interim Financing			
Opening DIP Draw	3,000	3,000	-
Draws / (Repayments)	(3,000)	(3,000)	-
Cumulative DIP	-	-	-
Ending Cash, after DIP	\$ 4,137	\$ 4,047	\$ 90
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:
- i. Negative variance in customer receipts of approximately \$10,000 due to permanent variance of lower HME Projects billing; and
 - ii. Negative variance of approximately \$7,000 reflects a permanent variance for miscellaneous receipts offset by a \$10,000 temporary variance for receipt of a refund for fuel prepayments.
- (b) The positive variance for operating disbursements of approximately \$120,000 is mainly due to:
- i. Positive variances for staff and union labour of approximately \$51,000 is due to permanent positive variances resulting from a more efficient wind-down of operations than forecast;
 - ii. Positive timing variance for professional fees of approximately \$136,000 is due to delays in professional fee invoices and payments; and
 - iii. Negative permanent variance of approximately \$73,000 for legal fees is due to the payment of the retainer for legal counsel engaged with respect to the claims against Suncor.

22. As at February 14, 2026, KMC had approximately \$4.1 million cash on hand, reflecting a positive variance of \$90,000.

CASH FLOW STATEMENT

23. KMC, in consultation with the Monitor, has prepared the Seventh Cash Flow Statement to estimate the liquidity for the Forecast Period, a summary of which is presented below and attached hereto as Appendix “A”:

('000s)	Dec-29 to Feb-14 Actual	Feb-15 to Jul-05 Forecast	Total
Receipts			
Customers	\$ 18,889	-	\$ 18,889
Asset Sales	936	-	936
Misc Receipts	1,260	815	2,074
Total Receipts	21,085	815	21,899
Operating Disbursements			
KERP	(237)	-	(237)
Staff Labour	(2,882)	(195)	(3,077)
Union Labour	(5,452)	-	(5,452)
Utilities	(112)	(5)	(117)
Operations	(2,916)	(59)	(2,975)
Fuel	(35)	-	(35)
Rent / Property Tax	(171)	(2)	(173)
CRA Remittance	(527)	-	(527)
Insurance	(1,908)	-	(1,908)
Accounting Fees	(15)	-	(15)
Professional Fees	(1,640)	(110)	(1,750)
Legal Fees	(73)	(100)	(173)
Bank Fees	(41)	(2)	(43)
Komatsu Capital Lease Payments	(246)	-	(246)
Other Capital Lease Payments	(317)	(15)	(333)
Operating Deposits	(525)	(33)	(557)
Total Operating Disbursements	(17,097)	(520)	(17,617)
Financing			
DIP Fees	(150)	-	(150)
Interim Financing Interest	(101)	-	(101)
Total Disbursements	(17,347)	(520)	(17,868)
Net Cash Flow	3,737	294	4,032
Beginning Cash	400	4,137	400
Ending Cash	\$ 4,137	\$ 4,432	\$ 4,432
Interim Financing			
Opening DIP Draw	3,000	-	3,000
Repayments	(3,000)	-	(3,000)
Cumulative DIP Drawn	-	-	-
Ending Cash, after DIP	\$ 4,137	\$ 4,432	\$ 4,432
Monitor Trust Fund			
HME APA	\$ 100,866	-	\$ 100,866
Distribution	(100,866)	-	(100,866)
Monitor Trust Fund	-	-	-

24. The Seventh Cash Flow Statement is based on the following key assumptions:
- (a) Cash receipts of approximately \$815,000 primarily relate to the collection of insurance refund of approximately \$190,000 and an insurance claim of approximately \$600,000;
 - (b) Staff and union labour expenses of \$195,000 relates to staff required for on-going litigation support;
 - (c) Operations disbursements of \$39,000 relates to IT and cloud based services, and a pre-existing management contract with revised terms between the Company; and
 - (d) Professional fees are forecasted to be approximately \$110,000 over the Forecast Period and include KMC's legal counsel, the Monitor, and the Monitor's Counsel;
 - (e) Legal fees are forecasted to be approximately \$100,000 over the Forecast Period and include KMC's legal counsel with respect to the claims against Suncor; and
 - (f) Other Operating disbursements relate to the wind-down of operation.
25. Ending cash at the end of the Forecast Period is projected to be approximately \$4.4 million.
26. HME APA Proceeds held in trust by the Monitor were distributed in full as part of the Proposed Second Distribution Order.

STAY EXTENSION

27. The Monitor has considered KMCs' request to extend the Stay Period to June 30, 2026, 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) The Seventh 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;
 - (c) The length of the extension aligns with the time required to collect the outstanding refunds and receivables, continue to assess options with respect to potential claims against Suncor and wind-down the operations of KMC; and
 - (d) KMC have acted and are continuing to act in good faith and with due diligence.

CONCLUSIONS AND RECOMMENDATIONS

28. 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.
29. The Monitor is of the view that the relief sought pursuant to the Stay Extension Order is necessary, reasonable, appropriate and justified in the circumstances.
30. Based on the foregoing, the Monitor supports the relief being sought and respectfully recommends that the request for the Stay Extension Order be granted.

All of which is respectfully submitted this 18th day of February 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”

Seventh Cash Flow Statement

(\$'000s)	Week Beginning Notes	Dec-29 to	Week 60	Week 61	Week 62	Week 63	Week 64	Week 65	Week 66	Week 67	Week 68	Week 69	Week 70	Week 71	Week 72	Week 73	Week 74	Week 75	Week 76	Week 77	Week 78	Week 79	Feb-15 to	Total	
		Feb-14	Feb-15	Feb-22	Mar-01	Mar-08	Mar-15	Mar-22	Mar-29	Apr-05	Apr-12	Apr-19	Apr-26	May-03	May-10	May-17	May-24	May-31	Jun-07	Jun-14	Jun-21	Jun-28	Jul-05		
Receipts																									
Customers		\$ 18,889	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 18,889	
Asset Sales		936	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	936	
Misc Receipts	1	1,260	-	191	10	11	-	-	-	-	-	-	-	-	3	-	-	-	-	600	-	-	815	2,074	
Total Receipts		21,085	-	191	10	11	-	-	-	-	-	-	-	-	3	-	-	-	-	600	-	-	815	21,899	
Operating Disbursements																									
KERP		(237)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(237)	
Staff Labour	2	(2,882)	-	(20)	-	(19)	-	(20)	-	(19)	-	(20)	-	(19)	-	(20)	-	(19)	-	(19)	-	(19)	(195)	(3,077)	
Union Labour		(5,452)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(5,452)	
Utilities	3	(112)	-	(1)	-	-	-	(1)	-	-	-	(1)	-	-	-	(1)	-	-	-	-	-	(1)	-	(5)	
Operations	4	(2,916)	-	(11)	-	(9)	-	(11)	-	(9)	-	(1)	-	(1)	(8)	(1)	-	-	(9)	-	(1)	-	(59)	(2,975)	
Fuel		(35)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(35)	
Rent / Property Tax		(171)	-	(1)	-	-	-	-	-	(1)	-	-	(1)	-	-	-	-	(1)	-	-	-	-	(2)	(173)	
CRA Remittance		(527)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(527)	
Insurance		(1,908)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,908)	
Accounting Fees		(15)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(15)	
Professional Fees	5	(1,640)	-	-	-	(14)	-	-	-	-	(14)	-	-	-	(14)	-	-	-	(14)	-	-	(54)	(110)	(1,750)	
Legal Fees	6	(73)	-	-	-	(20)	-	-	-	-	(20)	-	-	-	(20)	-	-	-	(20)	-	-	(20)	(100)	(173)	
Bank Fees		(41)	-	(1)	-	-	-	-	(1)	-	-	-	(1)	-	-	-	-	(1)	-	-	-	-	(2)	(43)	
Komatsu Capital Lease Payments		(246)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(246)	
Other Capital Lease Payments	7	(317)	-	(4)	-	-	-	-	(4)	-	-	-	(4)	-	-	-	-	(4)	-	-	-	-	(15)	(333)	
Operating Deposits	8	(525)	-	-	(7)	-	-	-	-	(7)	-	-	(7)	-	-	-	-	(7)	-	-	-	(7)	(33)	(557)	
Total Operating Disbursements		(17,097)	-	(37)	(7)	(62)	-	(32)	(5)	(34)	(34)	(22)	(5)	(26)	(42)	(22)	-	(30)	(43)	(19)	(2)	(100)	(520)	(17,617)	
Financing																									
DIP Fees		(150)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(150)	
Interim Financing Interest		(101)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(101)	
Total Disbursements		(17,347)	-	(37)	(7)	(62)	-	(32)	(5)	(34)	(34)	(22)	(5)	(26)	(42)	(22)	-	(30)	(43)	(19)	(2)	(100)	(520)	(17,868)	
Net Cash Flow		3,737	-	154	4	(51)	-	(32)	(5)	(34)	(34)	(22)	(5)	(26)	(39)	(22)	-	(30)	(43)	581	(2)	(100)	294	4,032	
Beginning Cash		400	4,137	4,137	4,291	4,295	4,244	4,244	4,212	4,207	4,173	4,139	4,117	4,112	4,086	4,047	4,025	4,025	3,995	3,952	4,533	4,531	4,432	4,137	400
Ending Cash		\$ 4,137	\$ 4,137	\$ 4,291	\$ 4,295	\$ 4,244	\$ 4,244	\$ 4,212	\$ 4,207	\$ 4,173	\$ 4,139	\$ 4,117	\$ 4,112	\$ 4,086	\$ 4,047	\$ 4,025	\$ 4,025	\$ 3,995	\$ 3,952	\$ 4,533	\$ 4,531	\$ 4,432	\$ 4,432	\$ 4,432	
Interim Financing																									
Opening DIP Draw		3,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,000	
Repayments		(3,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(3,000)	
Cumulative DIP Drawn		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Ending Cash, after DIP		\$ 4,137	\$ 4,137	\$ 4,291	\$ 4,295	\$ 4,244	\$ 4,244	\$ 4,212	\$ 4,207	\$ 4,173	\$ 4,139	\$ 4,117	\$ 4,112	\$ 4,086	\$ 4,047	\$ 4,025	\$ 4,025	\$ 3,995	\$ 3,952	\$ 4,533	\$ 4,531	\$ 4,432	\$ 4,432	\$ 4,432	
Monitor Trust Fund																									
HME APA		\$ 100,866	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 100,866	
Distribution		(100,866)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(100,866)	
Monitor Trust Fund		-																							



KMC Mining Corporation
Per: Dan Klemke, Chief Executive Officer

Notes:

Management of KMC Mining Corporation ("KMC") has prepared this Cash Flow Statement solely for the purposes of determining the liquidity requirements of the Company during the CCAA Proceedings. The Cash Flow Statements is based on probable and hypothetical assumptions detailed in the notes below. Consequently, actual results will likely vary due to actual performance and such variances may be material.

- Misc Receipts relate to insurance policy refund, WCB refund, and possible 830 Haul Truck insurance claim recovery costs.
- Staff Labour includes salary, benefit costs and source deductions for three employees. These employees will be responsible for maintaining continuity in the litigation process and managing ongoing financial and litigation obligations.
- Utilities relate to head office location costs and data center management.
- Operations includes costs for tax filing, IT, cloud based services and management fee.
- Professional Fees includes the Applicants' legal counsel, the Monitor, the Monitor's Counsel.
- Legal Fees includes the Applicants' legal counsel with respect to the claims against Suncor.
- Other Capital Leases relate to light trucks and other smaller assets have ceased, only two trucks remaining with Jim Pattison for ongoing work.
- Operating Deposits is an estimated amount payable to maintain the corporate credit card.