



October 2, 2026

To the creditors of 1281805 B.C. Ltd.:

On September 24, 2026, 1281805 B.C. Ltd. (otherwise referred to as “**128**” or “**the Company**”) lodged with the proposal trustee, FTI Consulting Canada Inc. (the “**Proposal Trustee**”), a proposal pursuant to the Bankruptcy and Insolvency Act (the “**BIA**”) (the “**Proposal**”). On the same day the Proposal was filed with the Office of the Superintendent of Bankruptcy.

Attached to this notice are the following documents.

- A. The Proposal;
- B. Statement of Affairs;
- C. Proxy forms; and
- D. Voting letters.

Creditor Meeting

A general meeting of the Creditors (the “**Meeting**”) will be held on the 15th day of October 2026 at 11:00 AM PST, via Microsoft Teams Video Conference:

<https://teams.microsoft.com/meet/214156684917092?p=c9ll1ewtRXLHAJW437>

Meeting ID: 214 156 684 917 092, Passcode: Cf73eG7j

or

Dial In: (866) 840-8976, Conference ID: 755 775 282#

Proposal

This Notice is not a substitute for reading the Proposal and Creditors are strongly encouraged to review the Proposal in its entirety prior to voting on the Proposal.

As outlined in the Proposal, and subject to creditor approval and satisfaction of the condition's precedent set out in Article 6 of the Proposal, distributions to creditors will be made in two tranches:

Tranche 1 - Initial distribution of CA\$103,571.21

Each holder of a Proven Affected Claim (as defined in the Proposal) will receive:

- (1) 15% of the first \$10,000 of its Proven Affected Claim (or 15% of the entire claim where the claim is less than \$10,000); and
- (2) 1% of the balance of its Proven Affected Claim in excess of \$10,000.

Tranche 2 - Distribution from net sales proceeds realized from the completion and sale of the Phase 2 Units (the “**Net Sale Proceeds**”)

In addition to the initial distribution, Affected Creditors will receive a pro rata distribution equal to the lesser of:

- (1) \$200,000; and
- (2) the Net Sale Proceeds.

Proof of Claim

Pursuant to an order of the Supreme Court of British Columbia dated April 20, 2026, a claims process was conducted by the Proposal Trustee. The attached Statement of Affairs details the proven claim of each creditor pursuant to the claims process. Accordingly, there is no need for a Creditor to file new proof of claim with the Proposal Trustee.

Voting

The primary purpose of the Meeting is to permit Creditors to consider the acceptance or rejection of the Proposal. For the Proposal to be accepted, the BIA requires that at least two thirds (66 2/3%) of the Creditors by dollar value and more than fifty percent (50%) of Creditors by number of those who vote, vote in favour of the Proposal. The dollar value of your claim for voting purposes is set out in the Statement of Affairs attached to this notice.

Creditors can also appoint a proxy, including the Proposal Trustee, to represent them and vote on their behalf at the Meeting by submitting a completed proxy form to the Proposal Trustee.

If you do not wish to attend the meeting, you may provide the Proposal Trustee with a signed voting letter indicating how you wish to assign your vote.

Proxies and/or voting letters can be forwarded to the Proposal Trustee prior to the Meeting by scanning and emailing to tessa.chiricosta@fticonsulting.com

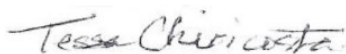
Further information with respect to this matter is available on the Proposal Trustee’s website: <https://cfcanada.fticonsulting.com/1281805BC/>

Should you have any queries in the interim, please do not hesitate to contact Tessa Chiricosta at (289) 681-7260.

Yours truly,

FTI CONSULTING CANADA INC.

In its capacity as Trustee under a Proposal of
1281805 B.C. Ltd.
and not in its personal capacity



Per: _____

Tessa Chiricosta

Province of British Columbia
Bankruptcy Division
Vancouver Registry
Court File No.VLC-S-B-260250
Estate No. 11-3352394

IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF
1281805 BC LTD.

PROPOSAL TO CREDITORS

SEPTEMBER 23, 2026

ARTICLE 1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Proposal, unless otherwise stated or unless the context otherwise requires:

- (a) **“Affected Claim”** means any Claim that is not an Unaffected Claim.
- (b) **“Affected Creditor”** means any Creditor of the Applicants with an Affected Claim, but only with respect to and to the extent of such Affected Claim.
- (c) **“Affected Creditor Class”** means the class consisting of the Affected Creditors established under and for the purposes of the Proposal, including voting in respect thereof.
- (d) **“Allowed Affected Claims”** means any Affected Claim of a Creditor against the Applicants, or such portion thereof, that is not barred by any provision of the Claims Procedure Order and which has been finally accepted and allowed for the purposes of voting at the Meeting and receiving distributions under the Proposal, in accordance with the provisions of the Claims Procedure Order or any other Final Order of the Court in the CCAA Proceedings.
- (e) **“Approval Order”** means the Order which, among other things, approves and directs the implementation of this Proposal and all actions and transactions set out herein, effective as at the Implementation Date in accordance with the terms of this Proposal.
- (f) **“BIA”** means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended.
- (g) **“Business Day”** means any day which is not a Saturday or Sunday, or a provincial or federal holiday in the province of British Columbia.
- (h) **“Cash Payment”** means the entitlement of an Eligible Voting Creditor to receive such share of the Creditor Cash Pool.
- (i) **“Claim”** means any right or claim of any Person against the Company that constitutes a “claim provable in bankruptcy” as that term is defined under the BIA, whether or not asserted in connection with any indebtedness, liability or obligation of any kind whatsoever owed to such Person, in each case which indebtedness, liability or obligation was in existence at the Filing Date and any interest that may accrue thereon, including any indebtedness, liability or obligation owed to such person as a result of any breach of duty (including, without limitation, any legal, statutory, equitable or fiduciary duty), any right of ownership of or title to, or to a trust or deemed trust against, any of the property or assets of the Company, whether or not such

right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including the right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose of action, whether existing at present or commenced in the future, which indebtedness, liability or obligation is based in whole or in part on facts which existed prior to the Filing Date and, for certainty, includes Priority Claims.

- (j) **"Claims Bar Date"** has the meaning provided for in the Claims Procedure Order.
- (k) **"Claims Procedure Order"** means the Order of the Court granted on April 20, 2026, establishing a claims procedure in respect of the Company, as same may be further amended, restated or varied from time to time.
- (l) **"Company"** means 1281805 BC Ltd.
- (m) **"Company's Solicitors"** means McEwan Cooper Kirkpatrick LLP.
- (n) **"Conditions Precedent"** means the conditions precedent to the implementation of this Proposal as defined and enumerated in Article 6.1 of this Proposal.
- (o) **"Court"** means the Supreme Court of British Columbia, in bankruptcy and insolvency.
- (p) **"Creditor"** means any Person having a Claim.
- (q) **"Creditors Meeting"** means the meeting of the Affected Creditors to be called and held pursuant to Section 51(1) of the BIA for the purpose of considering, and if thought fit, voting to approve the Proposal, as same may be amended at any such meeting, and agreeing to the compromise and arrangement constituted thereby, and any adjournment thereof.
- (r) **"Creditor Cash Pool"** means the amount of \$103,571.21 borrowed by the Company from a third party lender and related parties that is available for distribution to Creditors pursuant to the Proposal.
- (s) **"Crown"** means His Majesty the King in right of Canada or a province.
- (t) **"Crown Claim"** means a Claim of the Crown for amounts that are outstanding as at the Filing Date and are subject to a demand under:
 - (i) subsection 224(1.2) of the *Income Tax Act*;

- (ii) any provision of the *Canada Pension Plan* or of the *Employment Insurance Act* that refers to subsection 224(1.2) of the *Income Tax Act* and provides for the collection of a contribution, as defined in the *Canada Pension Plan*, an employee's premium, or employer's premium, as defined in the *Employment Insurance Act*, or a premium under Part VII.1 of that Act, and of any related interest, penalties or other amounts; or
 - (iii) any provision of provincial legislation that has a similar purpose to subsection 224(1.2) of the *Income Tax Act*, or that refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other amounts, where the sum:
 - (A) has been withheld or deducted by a Person from a payment to another Person and is in respect of a tax similar in nature to the income tax imposed on individuals under the *Income Tax Act*; or
 - (B) is of the same nature as a contribution under the *Canada Pension Plan* if the province is a "province providing a comprehensive pension plan" as defined in subsection 3(1) of the *Canada Pension Plan* and the provincial legislation establishes a "provincial pension plan" as defined in that subsection.
- (u) **"Development"** means the project known as "Everwood" located at located at 23697 Fern Crescent Maple Ridge, British Columbia.
- (v) **"Director"** means anyone who was, or is deemed to have been, a director of the Company at any time prior to the Implementation Date.
- (w) **"Directors and Officers"** means, collectively, all Directors and Officers.
- (x) **"Disallowed Claims"** means any Claim of a Creditor against the Applicant, or such portion thereof, that has been barred or finally disallowed in accordance with the Claims Procedure Order or any other Final Order of the Court.
- (y) **"Eligible Voting Creditors"** means Affected Creditors with Allowed Affected Claims.
- (z) **"Excluded Claim"** means, subject to further order of the Court:
 - (i) any Secured Creditor Claims;
 - (ii) any Priority Claims; and

- (iii) any Crown Claims.
- (aa) **"Excluded Creditors"** means Creditors having Excluded Claims.
- (bb) **"Filing Date"** means March 26, 2026, the date on which the Company filed a Notice of Intention to File a Proposal with the Office of the Superintendent of Bankruptcy Canada.
- (cc) **"Final Order"** means any order, ruling or judgment of the Court, or any other court of competent jurisdiction: (a) that is in full force and effect; (b) that has not been reversed, modified or vacated and is not subject to any stay; and (c) in respect of which all applicable appeal periods have expired and any appeals therefrom have been finally disposed of, leaving such order, ruling or judgment wholly operable.
- (dd) **"Implementation Date"** means the Business Day on which the Proposal becomes effective.
- (ee) **"Inspectors"** has the meaning ascribed to it in Article 4.8 of this Proposal.
- (ff) **"Lien Claimants"** means all Creditors holding or asserting a Claim against the Company arising from work performed or materials supplied in connection with the development or construction of the Development and who hold or assert a lien under the *Builders Lien Act*, S.B.C. 1997, c. 45, against the lands and improvements comprising the Development, whether or not that lien has been filed, perfected or proven, but only in respect of such Claims. For the purposes of this Proposal, notwithstanding that Lien Claimants hold or assert a lien, the value of any security held by the Lien Claimants is deemed to be \$0, and the Lien Claimants shall not constitute Unaffected Creditors or have Unaffected Claims by reason of such lien.
- (gg) **"Net Sale Proceeds"** means the aggregate proceeds received by the Company from the sale of the Phase 2 Units, less amounts reasonably and properly required to pay, without duplication: (i) the costs of completing the Development; (ii) commissions, legal fees, taxes, adjustments and other costs directly attributable to the sales; (iii) indebtedness secured by security or Court-ordered charges having priority over the entitlement of Unsecured Creditors to the sale proceeds; and (iv) unpaid professional fees and other amounts required to be paid in priority under the BIA or the Proposal.
- (hh) **"Officers"** means, collectively, all current and former officers of the Company.
- (ii) **"Order"** means an order of the Court made in the Proposal Proceedings.
- (jj) **"Person"** means any individual, firm, partnership, joint venture, venture capital fund, association, trust, trustee, executor, administrator, legal personal representative, estate, group, body corporate (including a limited

liability company and an unlimited liability company), corporation, unincorporated association or organization, governmental authority, syndicate or other entity, whether or not having legal status.

- (kk) **“Phase 2 Units”** means the three strata townhouse units currently under construction at the Development.
- (ll) **“Post-Filing Claim”** means a Claim arising from the supply of goods or services to the Company after the Filing Date or a claim for sales or excise taxes, source deductions or assessments and premiums arising in relation to such Claims. Post-Filing Claims do not include claims in respect of an obligation incurred prior to the Filing Date but which is payable after the Filing Date.
- (mm) **“Post-Filing Creditor”** means a Creditor having a Post-Filing Claim.
- (nn) **“Priority Claims”** means all Claims, including Crown Claims, that are Proven Claims and which, in accordance with the BIA, must be paid in priority to all other Claims of Secured Creditors and Affected Creditors.
- (oo) **“Priority Creditor”** means a Creditor having a Priority Claim.
- (pp) **“Proof of Claim”** means the Proof of Claim referred to in the Claims Procedure Order.
- (qq) **“Proposal”** means this proposal made pursuant to the BIA, among the Company and the Affected Creditors, as from time to time amended, modified or supplemented pursuant to an Order, or pursuant to an agreement among the Company and the Affected Creditors as provided for herein, or at any Meeting.
- (rr) **“Proposal Proceedings”** means the proceedings under the BIA commenced under Supreme Court of British Columbia Action No. VLC-S-B-260250, Vancouver Registry.
- (ss) **“Proposal Trustee”** means FTI Consulting Canada Inc., in its capacity as proposal trustee of the Company.
- (tt) **“Proven Claim”** means a Claim which, in accordance with the Claims Procedure Order, has been
 - (i) admitted by the Proposal Trustee in whole or in part; or
 - (ii) disallowed by the Proposal Trustee and such disallowance has subsequently been (i) resolved by agreement among the claimant, the Company and the Proposal Trustee; or (ii) not disputed within the timeline allowed for Notices of Dispute to be filed as set out in the

Claims Procedure Order; or (iii) set aside in whole or in part by the Court,

provided that a Proven Claim shall not include any amount due to a Post-Filing Creditor in respect of a Post-Filing Claim. Proven Claims shall not include any interest for the period subsequent to the Filing Date.

- (uu) **“Required Majority”** means a mortgage, hypothec, prior claim, pledge, charge, lien, or other security interest on or against the property of the Company (including, without limitation, a security interest in all present and after-acquired assets and property of the Company).
- (vv) **“Secured Claim”** means a Claim that is secured by a Security Interest, excluding Lien Claimants.
- (ww) **“Secured Creditor”** means a Person having a Secured Claim.
- (xx) **“Security Interest”** means a mortgage, hypothec, prior claim, pledge, charge, lien, or other security interest on or against the property of the Company (including, without limitation, a security interest in all present and after-acquired assets and property of the Company).
- (yy) **“Unaffected Claim”** means a Claim of an Unaffected Creditor.
- (zz) **“Unaffected Creditor”** means: (a) a Post-Filing Creditor; (b) a Secured Creditor, other than a Lien Claimant whose security has been valued at \$0 for the purposes of this Proposal; and (c) the Crown (to the extent of any Crown Claims), but only in respect of and to the extent of such Unaffected Claim. For certainty, Lien Claimants are not Unaffected Creditors for the purposes of this Proposal solely by reason of holding or asserting a lien.
- (aaa) **“Unsecured Creditor Claim”** means an unsecured Proven Claim of a Creditor against the Company.
- (bbb) **“Unsecured Creditors”** means those Creditors with an Unsecured Creditor Claim.

1.2 Interpretation

For the purposes of this Proposal:

- (a) the division of this Proposal into Articles and Sections and the insertion of headings are for convenience only and do not form part of this Proposal and will not be used to interpret, define or limit the scope, extent or intent of this Proposal;
- (b) all references to time herein are to the local time in Vancouver, British Columbia, Canada unless otherwise stipulated, and where the time for anything to be done

on a particular date pursuant to this Proposal is unspecified herein, the time shall be deemed to be 5:00 p.m. local time in Vancouver, British Columbia, Canada;

- (c) unless otherwise specified, the words “hereof”, “herein”, “hereunder” and “hereto” refer to this Proposal in its entirety rather than any particular portion of this Proposal;
- (d) when the context requires, a word or words importing the singular shall include the plural and vice versa and a word or words importing one gender shall include all genders;
- (e) the deeming provisions are not rebuttable and are conclusive and irrevocable;
- (f) a reference to any agreement, indenture or other document is to that document as amended, supplemented, restated or replaced from time to time; and
- (g) the words “includes” and “including”, and similar terms of inclusion shall not, unless expressly modified by the words only or solely, be construed as terms of limitation, but rather shall mean “includes without limitation”, or “including without limitation”, as applicable, so that references to included matters shall be regarded as illustrative without being either characterizing or exhaustive; and
- (h) the word “or” is not exclusive.

1.3 Statutory Reference

Unless otherwise specified, each reference to a statute in this Proposal is deemed to be a reference to that statute and to the regulations made under that statute, as amended or re-enacted from time to time.

1.4 Date for Any Action

In the event that any date on which any action is required to be taken under this Proposal is not a Business Day, that action shall be required to be taken on the next succeeding date that is a Business Day.

1.5 Currency

All references in this Proposal to dollars, monetary amounts or to \$ are expressed in the lawful currency of Canada unless otherwise specifically indicated.

1.6 Schedules

- Schedule “A” – Consent to Release Guarantee

ARTICLE 2 PURPOSE AND EFFECT OF PROPOSAL

2.1 Purpose of this Proposal

The purpose of the Proposal is to facilitate the continued construction, completion and orderly sale of the Development, preserve and maximize its value for the benefit of all stakeholders, and effect a compromise, settlement, release and discharge of all Affected Claims in exchange for distributions to Affected Creditors with Allowed Affected Claims in two phases: (a) an initial distribution from the Creditor Cash Pool upon implementation of the Proposal; and (b) subsequent distributions pursuant to the Promissory Notes following the completion and sale of the Development, in each case in accordance with the terms of the Proposal.

If the Proposal is not accepted by the requisite majority of Affected Creditors, the Company will be deemed bankrupt. A liquidation and sale of the Company’s assets in bankruptcy is expected to result in lower distributions to Affected Creditors than those contemplated by the Proposal.

2.2 Persons Affected by this Proposal

This Proposal provides for, among other things, the compromise, discharge, and release of all Affected Claims against, among others, the Company and against the Directors and Officers. Accordingly, on the Implementation Date, this Proposal will become effective and shall be binding on the Company, the Affected Creditors, and the Directors and Officers, and all other Persons named or referred to in, or subject to, this Proposal.

2.3 Release of Company, Affiliates, and Directors and Officers

On the Implementation Date, each Affected Creditor hereby, and without the need for any further action, releases:

- (a) the Company from all Claims that arose before the Filing Date and that relate to the obligations of the Company prior to the Filing Date, regardless of the date of crystallization of such Claims;
- (b) the Directors and Officers from all Claims that arose before the Filing Date and that relate to the obligations of the Company prior to the Filing Date,

regardless of the date of crystallization of such Claims, where Directors and Officers are, by law, liable in such capacity, provided however that nothing herein shall release any of Directors from claims that may not be compromised under a proposal as set out in subsection 50(14) of the BIA;

- (c) Wood Lock Developments Ltd. and 1281826 B.C. Ltd. from all Claims that that relate to the Development that arose before the Filing Date and that relate to the Development or the obligations of the Company prior to the Filing Date, regardless of the date of crystallization of such Claims;

No Affected Creditor shall have any right, remedy or claim against the Proposal Trustee or the Company, and each of their respective past and present Directors and Officers, employees, financial advisors, legal counsel, representatives and agents, for anything arising in connection with this Proposal or these Proposal Proceedings, provided that nothing herein shall release or discharge a released party for gross negligence, criminal, fraudulent or other wilful misconduct, if any such party is found liable or guilty, as the case may be, for such misconduct by the express terms of a judgment rendered on a final determination on the merits.

2.4. Release of Director's Personal Guarantees

An Affected Creditor may separately agree to release a Director from liability under a personal guarantee or indemnity by executing and delivering to the Company a Release of Guarantee substantially in the form attached as Schedule "C". Each such release shall:

- (a) apply only to the Creditor, Director and guarantee or indemnity expressly identified in the executed release;
- (b) take effect only upon satisfaction of the conditions specified in that consent; and
- (c) operate as a separate consensual agreement between that Creditor and the released director.

Voting in favour of this Proposal, filing a proof of claim, accepting a distribution or failing to object shall not, without the executed release, constitute agreement to release a personal guarantee or indemnity.

2.5 Release of Liens

As a condition precedent to receiving any distribution or payment under the Proposal, each Lien Claimant shall execute and deliver to the Proposal Trustee a release of each claim of lien filed by or on behalf of that Lien Claimant against the Development or any constituent unit thereof and shall execute and deliver any further documents and take any further steps reasonably required to discharge and cancel the registration of each such claim of lien. No distribution or payment shall be made to a Lien Claimant under the Proposal unless and until the Lien Claimant has complied with this Article.

ARTICLE 3

CLASSIFICATION OF CREDITORS AND TREATMENT OF CLAIMS

3.1 Classes of Creditors

There will be one class of Creditors for the purpose of considering and voting upon the Proposal, being the Affected Creditor Class.

For the purposes of this Proposal, the security held by the Lien Claimants shall be valued at \$0 such that each of the Lien Claimants shall be included in the class of Affected Creditors and Unsecured Creditors for the purposes of voting on and receiving any distribution under this Proposal.

3.2 Affected Claims

An Affected Creditor shall receive distributions as set forth below only to the extent that such Affected Creditor's Claim is an Allowed Affected Claim and has not been paid, released, or otherwise satisfied prior to the Implementation Date. Under the supervision of the Monitor, and in full and final satisfaction of all Affected Claims, each Affected Creditor with an Allowed Affected Claim will receive the consideration provided for in Article 5.

All Affected Claims shall be fully, finally, irrevocably and forever compromised, released, discharged, cancelled and barred on the Implementation Date.

3.3 Unaffected Claims

Unaffected Claims are not included under or in any way affected by this Proposal. Unaffected Claims that are not Post-Filing Claims will be paid in accordance with alternative arrangements with the Company to be negotiated concurrently with the filing and implementation of this Proposal.

Unaffected Claims that are Post-Filing Claims will be unaffected by this Proposal and will be paid by the Company in the ordinary course of business.

3.4 Crown Claims and Priority Claims

Crown Claims that are Proven Claims shall be paid in their entirety, without interest, within six (6) months after the granting of the Approval Order.

All Claims of former employees of the Company for severance or termination pay, including compensation payable pursuant to Part 8 of the *Employment Standards Act*, R.S.B.C. 1996, c. 113, as amended, are Affected Claims under this Proposal to the extent of such Claims.

3.5 No Other Entitlements

Following the implementation of the Proposal in accordance herewith, no Creditor shall be entitled to any payment on or with respect to their Claims other than as provided pursuant to this Proposal.

ARTICLE 4 THE MEETING OF CREDITORS

4.1 Meeting

Unless otherwise ordered by the Court, tThe Meeting shall be held on a date and time as approved by the Office of the Superintendent of Bankruptcy (the “**OSB**”).

4.2 Conduct of Meeting

Unless otherwise directed by the OSB, the Meeting shall be chaired by a representative of the Office of the Superintendent in Bankruptcy, or the nominee thereof. The Meeting shall be conducted in accordance with Part III, Division I of the BIA and the Electronic Meeting Protocol.

The only Persons entitled to attend the Meeting are the Affected Creditors, including the holders of proxies, and their legal counsel, if any, and the Directors and Officers, auditors, advisors and legal counsel of the Company, together with such representatives of the Proposal Trustee as the Proposal Trustee may appoint in its discretion, legal counsel for the Proposal Trustee, and such scrutineers as may be duly appointed by the chair of the Meeting. Any other person may be admitted only on invitation of the chair of the Meeting.

For certainty, attendance by a Creditor or proxyholder at the Meeting by electronic means (or by proxy, as applicable) in accordance with the Electronic Meeting Protocol shall constitute attendance at the Meeting for all purposes, including quorum and voting.

4.3 Adjournment of the Meeting

The Meeting may be adjourned in accordance with Section 52 of the BIA. If the Meeting is adjourned, no further Proof of Claims nor proxies shall be filed with or accepted by the Proposal Trustee or the Company for the purpose of voting at any reconvening of the Meeting.

4.4 Voting at the Meeting

Each Voting Creditor will be entitled to vote the full amount of its Proven Claim at the Meeting. Each Voting Creditor shall have one (1) vote for the purposes of determining a majority in number, and each Voting Creditor shall be entitled to one vote for every \$1.00 of its Proven Claim for the purposes of determining a majority in value.

4.5 Parties Not Entitled to Vote

Unaffected Creditors (to the extent of their Unaffected Claims) shall not be entitled to vote at the Meeting.

4.7 Proxies and Voting Letters

Voting Creditors will be entitled to vote at the Meeting by proxy or voting letter. The particulars with respect to voting by proxy or voting letter will be detailed in the Proof of Claim package and will be binding upon all Affected Creditors.

4.8 Inspectors

At the Meeting, the Voting Creditors may appoint one or more, but not more than five, inspectors (the “**Inspectors**”). The Inspectors shall have only the following powers:

- (a) to advise the Trustee in connection with its actions under the Proposal or any amendment thereto as the Trustee may, from time to time, request;
- (b) the power to extend the dates of payments provided for under this Proposal including, for clarity, the Implementation Date; and
- (c) to advise the Trustee in respect of such other matters as may be referred to the Inspectors by the Trustee.

In the event Creditors do not elect to appoint Inspectors under the Proposal, the Trustee shall be entitled to proceed as if authorized by the Inspectors and, subject to taxation thereof, to be paid by the Company for services rendered by it pursuant and in relation to the Proposal.

The Proposal Trustee and the Inspectors, should any be appointed, shall be exempt from all personal liability in fulfilling any duties or exercising any powers conferred upon them by this Proposal or generally in carrying out of the terms of this Proposal by reason of any wrongful act, default or neglect by any of them.

ARTICLE 5 DISTRIBUTIONS AND PAYMENTS

5.1 Distributions Generally

Subject to approval of the Proposal by the Required Majority and the granting of the Proposal Approval Order, all distributions under the Proposal shall be made in accordance with this Article 5.

5.2 Distribution of Creditor Cash Pool

Subject to Articles 5.2(c) and 5.5, each holder of a Proven Affected Claim shall be entitled to an initial distribution calculated as the aggregate of:

- (a) fifteen percent (15%) of the first \$10,000 of its Proven Affected Claim, or of the whole of its Proven Affected Claim if less than \$10,000; and
- (b) one percent (1%) of the balance of its Proven Affected Claim remaining after deduction of the amount calculated under Article 5.2(b)(i).

The aggregate amount available for the initial distribution shall be limited to the Creditor Cash Pool. If the aggregate entitlements calculated under Article 5.2(b), exceed the Creditor Cash Pool, those entitlements shall be reduced proportionately. If those entitlements are less than the Creditor Cash Pool, the surplus shall be distributed pro rata among holders of Proven Affected Claims according to the balances of their respective Proven Affected Claims remaining after the payments calculated under Article 5.2(b).

Subject to Article 5.5 and satisfaction of the applicable statutory payment requirements, the Proposal Trustee shall make the Initial Distribution as soon as reasonably practicable after receiving the Creditor Cash Pool.

5.3 Distribution of Net Sale Proceeds

In addition to the distribution in Article 5.2, the Company shall pay to the Proposal Trustee, for distribution *pari passu* to all Affected Creditors with Proven Affected Claims, notwithstanding any distribution received by any such Affected Creditor under Article 5.2, an amount equal to the lesser of:

- (a) \$200,000; and
- (b) the Net Sale Proceeds.

The Company shall remit the Net Sales Proceeds to the Proposal Trustee within thirty (30) days after completion of sale of the Phase 2 Units. Pending that date, the Company shall preserve any Net Sale Proceeds received, up to the amount required to satisfy its obligation under this Article.

5.4 Distributions, Payments and Settlements of Unaffected Claims

Subject to the terms and conditions of this Proposal, the Company intends to pay the further following amounts:

- (a) **Professional Fees.** The Company shall pay professional fees in full as they become due, subject to any applicable taxation or Court approval requirements and with the priority required by the BIA and applicable Court orders.
- (b) **Post-Filing Claims.** The Company shall pay Post-Filing Claims in full in the ordinary course of business and on regular trade terms, or as otherwise agreed with the applicable Creditor.

- (c) **Crown Claims.** Unless the Crown agrees otherwise, the Company shall provide for payment in full of Crown Claims required to be paid under subsection 60(1.1) of the BIA within six (6) months after the granting of the Proposal Approval Order.
- (d) **Priority Claims.** The Company shall provide for payment of Priority Claims within the periods and in the order required by the BIA.
- (e) **Secured Claims.** Secured Claims that are Unaffected Claims shall be paid or otherwise satisfied in accordance with the existing agreements governing those Claims or any subsequent agreements between the Company and the applicable Secured Creditors.
- (f) **Other Unaffected Claims.** Unaffected Claims shall not be compromised, settled, released or discharged by the Proposal and shall be dealt with in accordance with the applicable legal obligations of the Company or any agreement with the applicable Creditor.

ARTICLE 6

CONDITIONS PRECEDENT AND IMPLEMENTATION DATE

The implementation of this Proposal by the Company on the Implementation Date is subject to the satisfaction of the following conditions precedent (collectively, the “**Conditions Precedent**”):

- (a) this Proposal shall have been approved by the Affected Creditors Class by the Required Majority;
- (b) the Approval Order sanctioning this Proposal shall have been made, and the effect of the Approval Order shall not have been stayed, revised, modified, reversed or amended, and the Approval Order shall, among other things:
 - (i) declare that: (i) this Proposal has been approved by the Required Majority of the Affected Creditors Class in conformity with the BIA; and (ii) this Proposal and the transactions contemplated hereby, are fair and reasonable, and in the best interest of the Company, the Affected Creditors, and the other stakeholders;
 - (ii) order that this Proposal is sanctioned and approved pursuant to the BIA; and
 - (iii) authorize and direct the Company and the Proposal Trustee to issue, execute and deliver any agreements, documents, securities and instruments contemplated by this Proposal in order to effect all actions contemplated by this Proposal; and

- (c) all other actions, documents and agreements necessary to implement this Proposal as required herein shall have been effected and executed.

The non-fulfilment or non-satisfaction of any of the Conditions Precedent set forth in Article 5.1(a)-(c) shall constitute a default under this Proposal for the purposes of Section 62.1 of the BIA and otherwise under this Proposal.

ARTICLE 7 AMENDMENTS AND MODIFICATIONS

7.1 Amendment of Proposal before or at Meeting

The Company reserves the right, with the consent of the Proposal Trustee, to amend, modify, supplement or restate this Proposal at any time prior to the Meeting, or at the Meeting, in which case the amended, modified, supplemented or restated proposal will be put before the Affected Creditors Class for approval at the Meeting.

7.2 Modification of Proposal after Meeting

After the Meeting, this Proposal may be modified from time to time:

- (a) by the Company if the amendment is considered by the Proposal Trustee and the Inspectors (if any) to be non-substantive in nature, and with the approval of the Proposal Trustee, and the majority of the Inspectors (if any); and
- (b) by the Court on application of the Company or the Proposal Trustee and upon notice to those determined by the applicant to be directly affected by the proposed modification.

ARTICLE 8 APPLICATION FOR COURT APPROVAL

8.1 Application for Court Approval

After the Proposal has been approved by the Required Majority of the Affected Creditor Class, the Proposal Trustee will set a hearing date before the Court for a hearing of the application of the Approval Order in accordance with Section 58 of the BIA.

8.2 Continuation of Stay of Proceedings

The stay of proceedings provided for in Subsection 69.1(1) of the BIA will be continued in full force and effect from the date of filing of the Proposal until the later of the date of the completion of the distributions to the Creditors in accordance with the Proposal, or if the Company becomes bankrupt, the date of bankruptcy.

ARTICLE 9 NOTICE, UNDELIVERABLE DISTRIBUTIONS AND THE LEVY

9.1 Notices and Payments to Creditors

Any notices, correspondence and distributions to Affected Creditors under or in relation to this Proposal shall be delivered to the address provided by each Affected Creditor unless the Company and the Proposal Trustee are notified by an Affected Creditor in writing of an alternative address for delivery.

9.2 Undeliverable Distributions

If any distribution, delivery or correspondence to an Affected Creditor under this Proposal is returned to the sender as undeliverable, no further distributions, deliveries or correspondence shall be made to that Affected Creditor unless and until the sender is notified by such Creditor, in writing, of their current address, at which time any missed deliveries, distributions (without interest) and correspondence shall be delivered to such Affected Creditor. Undeliverable distributions shall be retained by the sender until they are claimed or until six months after the date of such distribution, after which they shall revert to the Company, free of any restrictions or claims thereon.

9.3 Withholding Taxes and Superintendent's Levy

All distributions to the Affected Creditors under this Proposal shall be made net of the levy imposed by the OSB under the BIA.

Notwithstanding any other provision of this Proposal, each Affected Creditor that receives a distribution pursuant to this Proposal shall have the sole and exclusive responsibility for the satisfaction and payment of any taxes or tax obligations imposed by any governmental entity (including income, withholding and other tax obligations on account of such distribution).

ARTICLE 10 GENERAL

10.1 Capacity of Proposal Trustee

FTI Consulting Canada Inc. is acting in its capacity as Proposal Trustee and not in its personal capacity, and shall not incur any liabilities or obligations in connection with this Proposal or in respect of the business or obligations of the Company, whether existing as at the Filing Date or incurred subsequent thereto and no Person shall have any Claim against FTI Consulting Canada Inc. in respect thereof. The foregoing is in addition to, and not substitution for, and in no way affects any protections afforded FTI Consulting Canada Inc. under the BIA or elsewhere.

10.2 Certificate of Completion

As soon as practicable after the Implementation Date, upon the Proposal Trustee making the last distributions by and to the Affected Creditors as contemplated by this Proposal,

the terms of this Proposal shall be deemed to be fully performed and the Proposal Trustee shall provide to the OSB a certificate pursuant to Section 65.3 of the BIA and the Proposal Trustee shall thereupon be entitled to be discharged.

10.3 Further Assurances

Each of the Persons named or referred to in, or subject to, this Proposal will execute and deliver all such documents and instruments and do all such acts and things as may be necessary or desirable to carry out the full intent and meaning of this Proposal and to give effect to the transactions contemplated herein.

10.4 Claims Bar Date

Nothing in this Proposal extends or shall be interpreted as extending or amending the Claims Bar Date or gives or shall be interpreted as giving any rights to any Person in respect of Affected Claims that have been barred or extinguished pursuant to the Claims Procedure Order.

10.5 Governing Law

This Proposal will be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

10.6 Notice to Company or Proposal Trustee

All notices, Proofs of Claim, and other correspondence relating to this Proposal shall be delivered to the Company or the Proposal Trustee in writing and shall be delivered either personally, by email, by regular mail, by registered mail or by certified mail, return receipt requested, at the following address:

To the Company

1281805 B.C. Ltd.
13450 102 Ave.
Surrey, BC V3T 5X3

Attention: Talbir Mann and Jag Mann

Email: tal@woodlockdevelopments.ca
jag@woodlockdevelopments.ca

with a copy to:

McEwan Cooper Kirkpatrick LLP
Vancouver Centre II, 733 Seymour St Suite 1500,
Vancouver, BC V6B 0S6

with a copy to:

McEwan Cooper Kirkpatrick LLP
Vancouver Centre II, 733 Seymour St Suite 1500,
Vancouver, BC V6B 0S6

Attention: David Gruber and William Stransky

Emails: dgruber@mcewanpartners.com
wstransky@mcewanpartners.com

To the Proposal Trustee

FTI Consulting Canada Inc.
701 W. Georgia St.
Suite 1650, PO Box 10089
Vancouver, BC V7Y 1B6

Attention: Craig Munro and Tessa Chiricosta

Email: craig.munro@fticonsulting.com
tessa.chiricosta@fticonsulting.com

10.7 Successors and Assigns

This Proposal is binding upon the Company, the Creditors and their respective heirs, executors, administrators, successors and assigns.

10.8 Date and Reference

This Proposal may be referred to as being the Proposal of the Company dated for reference the 25th day of September, 2026.

1281805 B.C. LTD.

Per: Tal Mann
TALBIR MANN
(Authorized Signatory)

SCHEDULE "A"
CONSENT TO RELEASE GUARANTEE

Creditor: [●]

Guarantor: [●]

Guarantee or indemnity, including date and guaranteed obligations: [●]

In consideration of the agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned creditor expressly agrees that it releases and forever discharges the guarantor identified above from all obligations, duties or liabilities of whatever nature arising under or in connection with the guarantee.

This consent does not release any other person or any claim arising independently of the identified guarantee or indemnity.

Creditor: _____

By its authorized signatory: _____

Name and title: _____

Date: _____

District of: British Columbia
Division No. 03 - Vancouver
Court No. 11-3352394
Estate No. 11-3352394

FORM 36
Proxy
(Subsection 102(2) and paragraphs 51(1)(e) and 66.15(3)(b) of the Act)

In the Matter of the Proposal of
1281805 B.C. Ltd.
of the city of Surrey
in the Province of British Columbia

I, _____, of _____, a creditor in the above matter, hereby
appoint _____, of _____, to be
my proxyholder in the above matter, except as to the receipt of dividends, _____ (with or without)
power to appoint another proxyholder in his or her place.

Dated at _____, this _____ day of _____, _____.

Witness

Individual Creditor

Witness

Name of Corporate Creditor

Per _____
Name and Title of Signing Officer

Return To:

FTI Consulting Canada Inc. - Licensed Insolvency Trustee

1650 – 701 W. Georgia St.
Vancouver BC V7Y 1B6

E-mail: craig.munro@fticonsulting.com

District of: British Columbia
Division No. 03 - Vancouver
Court No. 11-3352394
Estate No. 11-3352394

FORM 37

Voting Letter
(Paragraph 51(1)(f) of the Act)

In the Matter of the Proposal of
1281805 B.C. Ltd.
of the city of Surrey
in the Province of British Columbia

I, _____, creditor (or I, _____, representative
of _____, creditor), of _____, a creditor in the above matter
for the sum of \$ _____, hereby request the trustee acting with respect to the proposal of 1281805
B.C. Ltd., to record my vote _____ (for or against) the acceptance of the proposal as made on the
_____ day of _____, _____.

Dated at _____, this _____ day of _____.

Witness

Individual Creditor

Witness

Name of Corporate Creditor

Per _____

Name and Title of Signing Officer

Return To:
FTI Consulting Canada Inc. - Licensed Insolvency Trustee
Per:

Craig Munro - Licensed Insolvency Trustee
1650 – 701 W. Georgia St.
Vancouver BC V7Y 1B6

E-mail: craig.munro@fticonsulting.com