COURT FILE NO. B-260250
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE BANKRUPTCY AND INSOLVENCY ACT

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

FOURTH REPORT OF THE PROPOSAL TRUSTEE

SEPTEMBER 2, 2026

F T I

INTRODUCTION

1. This report ("**Fourth Report**") has been prepared by FTI Consulting Canada Inc. ("**FTI**") in its capacity as the Trustee (the "**Proposal Trustee**") under a Notice of Intention to File a Proposal ("**NOI**") filed by 1281805 B.C. Ltd. ("**1805**" or the "**Company**") dated March 26, 2026, pursuant to Part III, Division I of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**").

2. As noted in the First Report, 1805 was founded in December 2020 for the purpose of developing lands located at 23697 Fern Crescent in Maple Ridge, B.C. into a residential development known as the Everwood Project ("**Everwood**").

3. Everwood is a gated community comprising 35 townhomes, each with 3 or 4 bedrooms, a side-by-side garage, private patio and backyard.

4. The legal title to Everwood is held by the Company, which is part of an unincorporated joint venture between 1805, Wood Lock Developments Ltd. ("**Wood Lock**") and 1281826 B.C. Ltd.

5. Construction of Everwood is substantially advanced with the majority of its Phase I units either already sold and closed with one unit subject to a purchase agreement pending closing.

6. The Company experienced unanticipated construction delays resulting in cost overruns, including additional interest costs. Despite the Company's efforts to secure additional funding, trade creditors started to lien the site, stifling the Company's ability to attract additional financing.

7. Accordingly, on March 26, 2026, 1805 filed an NOI which was accepted by the Office of the Superintendent of Bankruptcy (the "**OSB**") as of the same date.

8. The Proposal Trustee's reports and other information in respect of these proceedings are posted on the Proposal Trustee's website at http://cfcanada.fticonsulting.com/1281805BC/.

PURPOSE

9. The purpose of this Fourth Report is to provide this Honourable Court with an update on the following:

   (a) The activities of the Company since the Third Report dated July 23, 2026;

   (b) A summary of the Company's receipts and disbursements since the commencement of the NOI;

   (c) Deatils of the proceeds held by the Proposal Trustee from purchase agreements closed subsequent to the filing of the NOI;

10. The Company's cash flow projection for the period covering the stay of proceedings extension being sought (the "**Fourth Cash Flow Projection**");

   (a) A summary of the legal opinion regarding the claims of secured creditors and the Company's request for an order to commence repayment of the debt due to the Company's existing secured lender; and

   (b) The Company's request for an extension of the current stay of proceedings under the NOI from September 4, 2026 to September 25, 2026.

TERMS OF REFERENCE

11. In preparing this report, the Proposal Trustee has relied upon unaudited financial information, other information available to the Proposal Trustee and, where appropriate, the Company's books and records and discussions with various parties (collectively, the "**Information**").

12. Except as described in this Fourth Report:

(a) The Proposal Trustee 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 Canadian Institute of Chartered Accountants Handbook; and

(b) The Proposal Trustee 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 Canadian Institute of Chartered Accountants Handbook.

13. 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.

14. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars.

UPDATE ON THE COMPANY'S ACTIVITIES

15. As indicated in previous reports of the Proposal Trustee, the Company's primary focus, subsequent to the filing of its NOI was completing the construction of the Phase I units so that the Company's pre-sale agreements could be closed.

16. As noted in the Third Report, the Company's sales and marketing firm, Breakside Real Estate Group ("**Breakside**") re-started its marketing and sales initiatives subsequent to filing the NOI and the Company filing its Amended Disclosure Statement with the BC Financial Services Authority. In consultation with the Company, Breakside sold the remaining three units in Phase I.

17. All of the Phase I purchase agreements have now been closed, except for one which is scheduled to close in early September 2026.

18. The Company has continued to communicate with its senior secured lender, trade creditors and other stakeholders, soliciting their on-going support to finalize construction on the Phase I units so that a proposal can be formulated for consideration by its creditors.

19. The Company has been working on its business plan for Phase 2 such that discussions can be held regarding the construction financing required for Phase 2. The Company's ability to formulate a proposal to its unsecured creditors will be contingent on its success in building out and selling the Phase 2 units.

SUMMARY OF THE RECEIPTS AND DISBURSEMENTS

20. The following summarizes the actual receipts and disbursements of the Company since the commencement of these proceedings to August 28, 2026:

Month Ending	Week 1 - 18 Aug-26 Actual	Aug-26 Forecast	Variance ($)	Variance (%)
Receipts				
Cash on Hand	$ 143	$ 143	$ -	-
Other Receipts	64,641	57,816	6,824	12%
Total Receipts	**64,784**	**57,959**	**6,824**	12%
Operating Disbursements				
Building 8 - Hard Costs	(107,959)	(107,959)	-	-
Building 1 - Hard Costs	(601,522)	(602,566)	1,044	0%
Common Areas - Hard Costs	(355,666)	(299,942)	(55,724)	(19)%
Deficiencies - Hard Costs	(60,644)	(40,206)	(20,438)	(51)%
Upgrades - Hard Costs	(67,432)	(82,987)	15,555	23%
Consultants - Soft Costs	(175,263)	(198,595)	23,332	12%
Project Management	(158,625)	(150,555)	(8,070)	(5)%
Insurance	(27,690)	(27,690)	-	-
Utilities	(9,256)	(9,256)	-	-
Property Tax	(50,000)	(50,000)	-	-
Strata	(41,763)	(41,763)	-	-
Other Legal, Finance & Accounting	(29,205)	(52,537)	23,332	44%
Bank Service Charge	(251)	(148)	(104)	(70)%
Total Operating Costs	**(1,685,275)**	**(1,664,203)**	**(21,072)**	(1)%
Net Change in Cash from Operations	**(1,620,492)**	**(1,606,244)**	**(14,248)**	**(1)%**
Non-Operating Disbursements				
Restructuring Professional Fees	(272,703)	(309,894)	37,191	12%
Other Non-Operating and Contingency Fees	(213,801)	(181,133)	(32,668)	(18)%
Net Change in Cash from Non-Operating Items	**(486,504)**	**(491,027)**	**4,523**	1%
Net Change in Cash	(2,106,995)	(2,097,271)	(9,724)	0%
Opening Cash	-	-	-	-
Ending Cash before Financing	**(2,106,995)**	**(2,097,271)**	**(9,724)**	**0%**
Financing Costs				
Envision DIP Draw	2,400,000	2,400,000	-	-
Commitment Fees	(55,500)	(55,500)	-	-
Interest Fees	(101,400)	(101,400)	-	-
Ending Cash after Financing	**136,105**	**145,829**	**(9,724)**	7%
Sale Receipts				
Sales Proceeds	8,693,504	8,732,837	(39,333)	(0)%
GST Remittance	(157,440)	(157,440)	-	-
Envision DIP Repayment	(2,414,519)	-	(2,414,519)	
Ending Cash held by the Proposal Trustee	**6,121,546**	**8,575,397**	**(2,453,852)**	**29%**

21. The variance column is based on the difference between the actual receipts and approved disbursements, as prepared by the Company and approved by the Proposal Trustee, and the receipts and disbursements indicated in the cash flow statement filed as Appendix A to the Third Report (the "**Third Cash Flow Forecast**").

22. Other Receipts include interest income earned on the Proposal Trustee's trust accounts and the proceeds from an insurance claim paid to 1281805 B.C. Ltd. in respect of a previously damaged unit.

23. Total Operating Costs and Non Operating Items are largely consistent with the Third Cash Flow Forecast, with an unfavourable net variance of $16.5 thousand, primarily attributable to tree removal and repairs to a damaged unit that were not anticipated in the Third Cash Flow Forecast. The total costs forecast in the Third Cash Flow Forecast were sufficient to complete construction of the Phase I units, and no further operating costs are expected to be incurred.

24. Sale proceeds relate to the net proceeds collected from the closing of Strata Lots 12, 13, 14, 15, 1, 3, 4, 5, and 6. The variance reflects finalized closing adjustments, including credits provided to purchasers of Strata Lots 1 and 5. Strata Lot 2 is expected to close on September 10, 2026. Accordingly, one additional collection of sale proceeds is anticipated before September 25, 2026.

25. The Proposal Trustee remitted GST collected on unit sales to the Canada Revenue Agency.

26. The Proposal Trustee, in consultation with the Company, repaid the DIP facility in full on August 26, 2026, which was not included in the Third Cash Flow Forecast. Envision has advised that a refund remains owing from the interest reserve account and is expected to provide the final refund amount in the near term.

27. As at September 2, 2026, the Proposal Trustee and Company hold approximately $6.25 million. This balance assumes that the remaining approved disbursement run and uncashed cheques clear the Company's accounts in the coming week.

PROJECTED CASH FLOW

28. The Fourth Cash Flow Forecast prepared by the Company that extends to September 25, 2026, is attached as Appendix A to this report.

29. The cash flow assumes the stay of proceedings being sought by the Company to September 25, 2026, is approved by this Honourable Court.

30. The Proposal Trustee and Company collectively hold $6.25 million, of which approximately $127,000 is held in the Company's accounts. The Company has advised that this remaining balance is sufficient to cover any costs incurred through the proposed stay extension period.

31. The Proposal Trustee has estimated the expected interest reserve refund at approximately $75 thousand.

32. GST remittances are payable one month following closing. Accordingly, the Fourth Cash Flow Forecast reflects the GST remittance related to the sale of Strata Lot 2 as being paid in September for illustrative purposes. However, the remittance is expected to be paid in October, which falls outside the NOI period.

33. Based on its review of the Fourth Cash Flow Forecast, nothing has come to the attention of the Proposal Trustee that causes it to believe that, in all material respects:

    (a) The hypothetical assumptions are not consistent with the purpose of the Fourth Cash Flow Forecast;

(b) As at the date of this report, the probable assumptions developed by the Company are not suitably supported and consistent with the plans of the Company or do not provide a reasonable basis for the Fourth Cash Flow Forecast, given the hypothetical assumptions; or

(c) The Fourth Cash Flow Forecast does not reflect the probable and hypothetical assumptions.

34. Since the Fourth Cash Flow Forecast is based on assumptions regarding future events, actual results will vary from the information presented, even if the hypothetical assumptions occur, and the variations may be material. Accordingly, the Proposal Trustee expresses no assurance as to whether the Fourth Cash Flow Forecast will be achieved.

35. The Fourth Cash Flow Forecast has been prepared solely for the purpose described in the notes to the Fourth Cash Flow and readers are cautioned that it may not be appropriate for other purposes.

UPDATE ON THE COMPANY'S CLAIMS PROCESS

36. As detailed in the Third Report of the Proposal Trustee, a Claims Process Order (the "**Claims Process Order**") was granted by this Honourable Court on April 27, 2026. The Proposal Trustee subsequently administered the claims process in accordance with the terms of the Claims Process Order.

37. As a result of the claims process, 61 proofs of claim were accepted as proven claims, representing aggregate claims of approximately $3.0 million, as summarized below.

Claim Summary *CAD*	Creditors with Filed Liens	Unsecured Creditors	Total
Claims Accepted	20	41	61
Value of Claims Accepted	$ 2,101,988	$ 903,454	$ 3,005,441

38. Subsequent to the Third Report, the Proposal Trustee was advised by the Company that an additional creditor had been inadvertently excluded from the known creditor list. The creditor has since been provided with a claims package and an opportunity to submit a claim. The Company estimates the unsecured claim at approximately $1,575.

SUMMARY OF SECURITY REVIEW

39. The Proposal Trustee retained Clark Wilson LLP as independent legal counsel ("**CW**") to review the security registered against the property owned by 1805.

40. Attached as Appendix B is a copy of the legal opinion obtained in respect of the mortgage granted in favour of Envision Financial, a division of First West Credit Union (now known as Tru Cooperative Bank) ("**Envision**").

41. In summary, subject to the standard assumptions and qualifications, CW is of the opinion that:

    (a) Each of Envision's security documents constitutes a legal, binding and enforceable obligation of the Company in favour of Envision;

    (b) Each of Envision's security documents creates a valid security interest in favour of Envision with respect to the Everwood lands;

    (c) Each of Envision's security documents has been registered, perfected and filed in accordance with the laws of British Columbia; and

    (d) From a review of CW's searches, Envision is the first ranking security against the Everwood lands.

42. As a result, the Proposal Trustee understands that the Company intends to seek an Order in the next few weeks authorizing the Proposal Trustee to remit the proceeds held from the sale of units, to Envision in repayment of its mortgage debt.

COMPANY'S REQUEST FOR AN EXTENSION OF THE STAY OF PROCEEDINGS

43. The Company is seeking an extension of its stay of proceedings and the time to file a proposal to September 25, 2026. Absent an extension, the stay of proceedings would expire on September 4, 2026.

44. The Company is seeking an extension for the following reasons:

45. To provide the Company with the time required to close the sale of the remaining Phase 1 units; and

46. To provide the Company with the time required to prepare and file a proposal to its creditors for their consideration.

47. The Proposal Trustee supports the Company's request for an extension of its stay of proceedings based on the following:

    (a) The Proposal Trustee has observed that the Company is acting in good faith and with due diligence; and

48. The Company needs time to complete the sale of its remaining Phase I unit and allow the Company to make a proposal to its creditors.

All of which is respectfully submitted this 2nd day of September 2026.

FTI Consulting Canada Inc.,
in its capacity as Proposal Trustee under a NOI
filed by 1281805 B.C. Ltd.

Name: Craig Munro
Title: Managing Director,
FTI Consulting Canada Inc.

Appendix A
Fourth Cash Flow
Forecast

1281805 B.C. Ltd. - EVERWOOD PHASE 1

Cash Flow Statement

For the period ending September 25, 2026

Period Ending	Notes	Week 1-18 28-Aug-26 Actual	Week 19-22 25-Sep-26 Forecast	Total
Receipts				
Cash on Hand	[1]	$ 143	$ -	$ 143
Other Receipts	[2]	64,641	-	64,641
Total Receipts		**64,784**	-	**64,784**
Operating Disbursements				
Building 8 - Hard Costs		(107,959)	-	(107,959)
Building 1 - Hard Costs		(601,522)	-	(601,522)
Common Areas - Hard Costs		(355,666)	-	(355,666)
Deficiencies - Hard Costs		(60,644)	-	(60,644)
Upgrades - Hard Costs		(67,432)	-	(67,432)
Consultants - Soft Costs		(175,263)	-	(175,263)
Project Management		(158,625)	-	(158,625)
Insurance		(27,690)	-	(27,690)
Utilities		(9,256)	-	(9,256)
Property Tax		(50,000)	-	(50,000)
Strata		(41,763)	-	(41,763)
Other Legal, Finance & Accounting		(29,205)	-	(29,205)
Bank Service Charge		(251)	-	(251)
Total Operating Costs	[3]	**(1,685,275)**	-	**(1,685,275)**
Net Change in Cash from Operations		**(1,620,492)**	-	**(1,620,492)**
Non-Operating Disbursements				
Restructuring Professional Fees		(272,703)	(100,000)	(372,703)
Other Non-Operating and Contingency Fees	[4]	(213,800)	(25,000)	(238,800)
Net Change in Cash from Non-Operating Items		**(486,503)**	**(125,000)**	**(611,503)**
Net Change in Cash		(2,106,995)	(125,000)	(2,231,995)
Opening Cash		-	(2,106,995)	-
Ending Cash before Financing		**(2,106,995)**	**(2,231,995)**	**(2,231,995)**
Financing Costs				
Envision DIP Draw	[5]	2,400,000	-	2,400,000
Commitment Fees		(55,500)	-	(55,500)
Interest Reserve	[6]	(101,400)	75,000	(26,400)
Ending Cash after Financing		**136,105**	**86,105**	**86,105**
Sales Receipts				
Sales Proceeds	[7]	8,693,504	882,429	9,575,934
GST Collected	[8]	(157,440)	(232,225)	(389,665)
Envision DIP Repayment	[9]	(2,414,519)	-	(2,414,519)
Ending Cash held by the Proposal Trustee		**6,121,546**	**6,771,750**	**6,771,750**

Notes:

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

[1] Cash balance per Envision Financial accounts, as provided by management.

[2] Other receipts include interest received on deposit funds and insurance claim proceeds payable to 1281805 B.C. Ltd.

[3] Forecasted operating costs have been prepared by management, based on a review of the remaining work to be completed.

[4] Consists of a $25,000 non-refundable commitment fee paid to Maynbridge, along with operating disbursements that were not foreseeable when preparing the original budget and have been allocated to the contingency reserve.

[5] The full $2.4 million available under the Envision DIP facility has been advanced.

[6] An interest reserve of $101,400 has been drawn by Envision Financial in accordance with the terms of the DIP Facility agreement.

[7] As of September 1, 2026, net proceeds, including GST, have been collected from the sale of 9 residential units, totaling $8.7 million. The remaining 1 unit is expected to close on September 10, 2026.

[8] GST collected on residential sale proceeds is filed and remitted to the Canada Revenue Agency in the month following each sale closing.

[9] Envision DIP facility was repaid in full on August 26, 2026 based on payout letter provided by Envision's counsel dated August 25, 2026.

Appendix B
Legal Opinion

CLARK WILSON LLP

File No: 43663-0005

CLARK WILSON LLP
Barristers & Solicitors
Trademark Agents
900-885 West Georgia Street
Vancouver, BC V6C 3H1 Canada
T. 604.687.5700 | F. 604.687.6314
cwilson.com

August 5, 2026

VIA ELECTRONIC MAIL

FTI Consulting Canada Inc.
1650-701 West Georgia Street
Vancouver, BC
V7Y 1B6

Attention: Craig Munro

Dear Mesdames/Sirs:

Re: Review of Certain Security Granted by 1281805 B.C. Ltd. ("805"), Wood Lock Development LTD ("Wood Lock"), 1281826 B.C. Ltd ("826"), Hello Holdings Ltd. ("Hello"), Black Vintage Media Inc. Ltd. ("Black"), Simple Multimedia Solutions Inc. ("Simple"), and Advanced Marketing Solutions Inc. ("Advanced") (collectively, the "Indemnitors" and with 805, the "Debtors") in favour of Envision Financial, a division of First West Credit Union, ("Envision")

In connection with your appointment as Proposal Trustee of 805 (you, in such capacity, the "**Proposal Trustee**"), you have asked us to provide an opinion in respect of the Security Documents (as defined below).

I. Scope and Documents Reviewed

This opinion is provided to you in the capacity of Trustee and is limited to our review of copies of the following documents:

(a) Form B Mortgage dated June 30, 2023, made between Envision, as the mortgagee and 805 as the mortgagor (the "**Mortgage**");

(b) Commercial Security Agreement dated June 30, 2023, made between Envision and Wood Lock;

(c) Commercial Security Agreement dated June 30, 2023, made between Envision 826;

(d) Commercial Security Agreement dated June 30, 2023, made between Envision and 805;

(e) Commercial Security Agreement dated June 30, 2023, made between Envision and Hello;

(f) Commercial Security Agreement dated June 30, 2023, made between Envision and Black;

(g) Commercial Security Agreement dated June 30, 2023, made between Envision and Simple; and

(h) Commercial Security Agreement dated June 30, 2023, made between Envision and Advanced;

The documents in (a)-(h) are collectively referred to herein as the "**Security Documents**". The undertaking, business, property, assets, interests, and rights of the Debtors subject to the Security Documents are collectively referred to herein as the "**Charged Property**".

We were also provided with additional documents and a zip file containing the security package between Envision and the Debtors, including the following, which we have not reviewed:

(i) An offer of credit dated June 27, 2023, between Envision and the Debtors; and

(j) An offer of credit dated January 28, 2025, between Envision and the Debtors

(the "**Loan Documents**")

In conducting our review and for the purposes of the opinions given herein, we have made the assumptions contained herein, as set out on Schedule A attached hereto. Additionally, our opinions herein are subject to the qualifications and limitations contained herein and as set out on Schedule A. We confirm that the restrictions and limitations on our opinion, as herein contained, are satisfactory to you.

We have made no investigation of the laws of any jurisdiction other than, and the opinions hereinafter expressed are restricted to, the laws of the Province of British Columbia and the federal laws of Canada applicable therein as of the date hereof and, insofar as the laws of other jurisdictions are relevant, we express no opinion thereon.

Without limiting the generality of the foregoing, we express no opinion with respect to the laws of any other jurisdiction to the extent that those laws may govern the validity, perfection, effect of perfection or non-perfection, priority or enforcement of the security interests created by the Security Documents as a result of the application of the conflict of laws rules of British Columbia. In addition, we express no opinion whether, pursuant to those conflict of laws rules, the laws of British Columbia would govern the validity, perfection, effect of perfection or non-perfection, priority or enforcement of such security interests.

We have considered such questions of law as we have considered relevant and necessary as a basis for the opinions hereinafter expressed.

II. Searches

We have conducted, caused to be conducted, and/or have been provided with such public registration searches for filings or registrations made in British Columbia, in the applicable offices of public record, against the Debtors as we have deemed appropriate. These searches include corporate searches, *Personal Property Security Act* ("**BC PPSA**") searches in British Columbia, *Land Title Act* ("**LTA**") searches, litigation searches, execution searches, bankruptcy searches, and *Bank Act* searches, all as more specifically set out in Schedule B attached hereto, in each case as of the dates set forth in Schedule B. The results of the searches are set out in Schedule B.

We confirm your advice that our review based upon these searches, and our reliance upon such searches in giving the opinions set out herein, is satisfactory for your purposes at this time.

III. Opinions

Subject to the assumptions and qualifications set forth on Schedule A hereto and comments we have made herein, including, without limitation, those related to foreign laws, we are of the opinion that:

1. Each of the Security Documents constitutes a legal, binding and enforceable obligation of the Debtors in favour of Envision;

2. Each of the Security Documents creates, in favour of Envision, a valid security interest in the Charged Property identified therein to which the LTA or BC PPSA applies;

3. Each of the Security Documents has been registered, filed or recorded in all public offices where the registration, filing or recording thereof is required under the laws of the Province of British Columbia to perfect the security interest or register the registrable LTA interests created by the Security Documents in the applicable Charged Property to which the LTA or BC PPSA applies; and

4. From our review of searches in Schedule B, the Mortgage is the first-ranking security on the Lands (defined in Schedule B).

IV. Disclaimer

This opinion letter speaks only as of the date hereof. We expressly disclaim any obligation to update this letter or otherwise to advise the addressee or any agent of the addressee, or any such successor, assignee or participant of any matters (including, but not limited to, any subsequently enacted, published or reported laws, rules, regulations or judicial decisions having retroactive effect) which may come to our attention after the date of this opinion letter and which affect any of the opinions expressed in this letter, or to provide the addressee with any subsequent opinion for any other reason.

This opinion may not be relied on by any person(s) other than the addressee and their successors without our express prior written consent.

Yours truly,

CLARK WILSON LLP

SCHEDULE A

ASSUMPTIONS

A. Loan Documents and Security Documents

We have assumed that the Loan Documents constitute a legal, binding and enforceable obligation on the Debtors party thereto in favour of Envision and that, other than as identified herein, none of the Loan Documents or Security Documents have been assigned, released, discharged or otherwise impaired, either in whole or in part, and there are no agreements that are relevant to the matters discussed in this letter other than those identified herein.

B. Authority, Existence of Debt and Security Matters

We have assumed that:

(a) each of the Security Documents or Loan Documents submitted to us as originals are complete and authentic, and all photostatic, electronic, certified, notarial, telecopied or other copies conform to the originals;

(b) all signatures are genuine, and seals have been affixed where indicated;

(c) each of the Security Documents and Loan Documents was duly authorized, executed and delivered by each of the parties thereto;

(d) the Debtors were a duly incorporated and validly existing corporation at the time that each of the Security Documents and Loan Documents was authorized, executed and delivered, and that the Debtors has continued to be duly incorporated and validly existing since that time;

(e) the Debtors had the requisite corporate power, capacity and authority to enter into and perform its obligations under each of the Security Documents and Loan Documents at the time each of the Security Documents and Loan Documents was authorized, executed and delivered;

(f) value, including any consideration required to be given under the Security Documents or Loan Documents, was provided, transferred, or given, as the case may be, to the Debtors, and the parties have not entered into any agreement to postpone the time for attachment of the personal property security interests under the applicable Security Documents;

(g) all conditions precedent to the Security Documents and Loan Documents, if any, have been satisfied or waived;

(h) none of the Security Documents or Loan Documents have been terminated;

(i) attachment of the personal property security interests created by the Security Documents has occurred within the meaning of the PPSA;

(j) the Debtors have an interest in the Charged Property expressed to be subject to the Security Documents;

(k) insofar as any obligation under any of the Security Documents and the Loan Documents is to be performed in any jurisdiction outside the Province of British Columbia, its performance will not be illegal or unenforceable by virtue of the laws of that other jurisdiction; and

(l) you have requested our opinion on the validity of the Security Documents as a whole and not the enforceability of any document on a paragraph-by-paragraph basis.

C. Factual Matters

We have assumed that no fact exists, or has existed, that would entitle the Debtors to assert or obtain a remedy at law or in equity (such as, without limitation, rectification, rescission, or release from a contract through frustration) affecting the validity, legality, binding effect or enforceability of any of the Security Documents or Loan Documents.

D. Entire Agreement

We have assumed that there is no written or oral agreement or other facts or understanding and there is no trade usage or course of conduct or prior dealing, that would vary the interpretation, application or enforceability of any term or condition of any of the Security Documents or Loan Documents and that, except as expressly noted herein, there have been no amendments, restatements, deletions or other modifications to any of the Security Documents or Loan Documents.

E. Choice of Law

We have assumed that the choice of law of the Province of British Columbia as the governing law of the Security Documents and the Loan Documents (where such choice has been made) will be given effect to in any legal proceedings.

F. Authenticity and Accuracy

We have also assumed the accuracy and currency of: (i) all indices, filing and registration systems maintained at the public offices where we have searched or inquired or have caused searches or inquiries to be conducted, as set forth herein; (ii) all search results obtained by electronic transmission; and (iii) the results of any printed or computer search of any office of public record.

QUALIFICATIONS

1. **Title:** We express no opinion concerning:

   (a) title to any property that is purportedly subject to any security interest created by the Security Documents, and such title has been assumed to the full extent necessary to express the opinions contained herein; and

   (b) the effectiveness of the Security Documents as security, where effectiveness depends on title or description of the property purported to be charged or assigned, as the case may be.

2. **Enforceability:** All opinions that expressly or by necessity relate to the enforceability of the Security Documents (which, as used in this Schedule and as the context may require, includes validity, legality and binding effect) are subject to:

   (a) applicable bankruptcy, insolvency, winding up, arrangement, liquidation, fraudulent preference and conveyance, reorganization, moratorium and realization laws and other similar laws (including, without limitation and notwithstanding any specific references herein, provisions of the PPSA affecting the rights and remedies of creditors generally);

   (b) equitable limitations on, and defences against, the availability of remedies and equitable principles of application to particular proceedings at law or in equity, and no opinion is expressed regarding the availability of any equitable remedy (including those of specific performance and injunction), which remedies are only available in the discretion of a court of competent jurisdiction;

   (c) the availability of factual defences arising from the circumstances surrounding the execution of the Security Documents, including but not limited to, duress, undue influence, *non est factum*, mistake, unconscionability, or any other equitable remedies that would impinge upon the validity of the Security Documents;

   (d) the power of a court to grant relief from forfeiture;

   (e) applicable laws regarding limitations of action;

   (f) the court's powers to stay proceedings and execution of judgments;

   (g) the court's discretion to decline to hear any action or give effect to an obligation if to do so would be contrary to public policy or if it is not the proper forum to hear such action;

   (h) limitations that may be imposed by law or equity on the effectiveness of terms exculpating a party from a liability or limiting the liability of a party;

   (i) limitations upon the right of a creditor to receive immediate payment of amounts stated to be or which may become payable on demand;

   (j) limitations upon the right of a party to enforce a provision based upon a minor or non-substantive default;

(k) implied obligations requiring good faith, fair-dealing and reasonableness in performance and enforcement of a contract; and

(l) the following limitations:

(i) provisions that purport to establish evidentiary standards, such as provisions stating that certain calculations or certificates will be conclusive and binding, may not be enforceable or may be limited in application;

(ii) limits on interest on a judgment debt arising under the judgment of a court of competent jurisdiction located in British Columbia to rates prescribed by regulation from time to time;

(iii) the *Currency Act* (Canada) precludes a court in Canada from rendering a judgment in any currency other than Canadian currency;

(iv) rights of indemnity may be limited by applicable law;

(v) determinations or demands made in the exercise of discretion may be unenforceable if made in an unreasonable or arbitrary fashion;

(vi) provisions for recovery of fees and expenses may be restricted by a court to a reasonable amount, and counsel fees are subject to taxation;

(vii) no opinion is expressed as to the validity and enforceability of the Loan Documents;

(viii) no opinion is expressed as to the enforceability of any provision that purports to provide for a higher rate of interest after default than before;

(ix) no opinion is expressed as to the enforceability of a provision of any of the Security Documents that provides that the provisions of another document govern in the event of any conflict or inconsistency between the provisions of the other document and such Security Documents;

(x) the validity and enforceability of provisions that purport to sever from the Security Documents any provision that is prohibited or unenforceable under applicable law without affecting the enforceability or validity of the remainder of the agreement or instrument may be subject to the discretion of a court of competent jurisdiction;

(xi) no opinion is expressed as to the enforceability of any provision purporting to exclude unwritten variations, amendments, waivers or consents;

(xii) no opinion is expressed as to the enforceability of any provision that purports to restrict the access to, or waive the benefit of, legal or equitable rights, remedies or defences, including any right to receive notice (including notice of enforcement) or that purport to consent in advance to the taking of any action or the exercise of any right, remedy or defence;

(xiii) no opinion is expressed as to the enforceability of any power of attorney or non-judicial remedies provided for in any of the Security Documents;

(xiv) no opinion is expressed as to any licences, permits or approvals that may be required in connection with the enforcement or performance of each of the Security Documents, or by any person on its behalf, whether such enforcement involves the operation of the business of the Debtors or a sale, transfer or disposition of any of their property or assets;

(xv) no opinion is expressed as to the enforceability of any provision in any of the Security Documents that purports to constitute a receiver or receiver and manager thereunder as agent of the Debtors or absolve a receiver or receiver and manager of responsibility for its acts;

(xvi) no opinion is expressed as to the enforceability of any provision in any of the Security Documents that purports to grant a security interest or hypothec in federal Crown debts to which the *Financial Administration Act* (Canada) applies;

(xvii) no opinion is expressed as to the enforceability of any provision that contemplates or provides for agreement at a later date;

(xviii) no opinion is expressed as to the enforceability of any provision that purports to relieve any party thereto, or its agents, from liability for its own acts;

(xix) no opinion is expressed as to the enforceability of any provision that purports to bind or affect, or confer a benefit upon, persons who are not parties to the Security Documents; and

(xx) remedies exercisable upon default in any of the Security Documents must be exercised in good faith and in a commercially reasonable manner.

3. **Searches:** We have only conducted those searches described in Schedule B hereto. We have only searched against the names set out in Schedule B hereto and have not done any investigations into whether or not the Debtors operate under a name in French.

4. **Priority:** No opinion is expressed as to the rank or priority, or as to the effect of perfection or opposability to third parties on the rank or priority, of the Mortgage or any security interest created by the Security Documents.

5. **Reviewable Transactions:** No opinion is given as to whether any security interest given under the Security Documents constitutes a fraudulent preference or other reviewable transaction pursuant to the provisions of the *Bankruptcy and Insolvency Act* (Canada) or a fraudulent preference or fraudulent conveyance pursuant to any applicable provincial legislation.

6. **Security Interests and Registrations:** We express no opinion:

(a) as to the validity, enforceability, creation, attachment or perfection of a security interest in:

(i) property consisting of a receivable, licence, approval, privilege, contractual right, franchise, permit or lease (collectively, the **"Special Property"**) to the extent that the terms of the Special Property, any applicable law or the nature of the business of the Debtors prohibit its charging, assignment or hypothecation or require, as a condition of its charging, assignability or hypothecation, a consent, approval or other authorization or registration that has not been made or given;

(ii) any collateral to the extent that security agreements, hypothecs or assignments with respect to such collateral are governed by the laws of the Parliament of Canada, including, without limitation, any vessel registered under the *Canada Shipping Act*, any rolling stock and any trademark, trade name, copyright, patent, industrial design or other intellectual property right;

(iii) permits, quotas, licences, privileges, governmental authorizations or other property that are not personal property and that are held by or issued to or in favour of the Debtors;

(iv) any interest in a right to damages in tort or at law;

(v) any interest in deposits / deposit accounts;

(vi) property for which, pursuant to applicable conflicts rules (including, without limitation, the conflicts rules of the PPSA and the *Securities Transfer Act* (British Columbia)), the validity, perfection and the effect of perfection or non-perfection or enforcement are governed by the laws of a jurisdiction other than British Columbia;

(vii) property that is now or hereafter becomes a fixture, crop, timber, minerals, petroleum, natural gas or other deposits located therein or thereon, or any right of payment that arises in connection with an interest in land;

(viii) property or rights of a nature listed in section 4 of the PPSA except those granted under the Mortgage; or

(ix) property that is Consumer Goods or Investment Property (as each is defined in the PPSA);

(b) as to any registrations or filings by way of fixtures notice, floating charge on land or otherwise in any land title office in the Province of British Columbia;

(c) as to the effect of registration or non-registration, whether of any security interests or otherwise, in the Canadian Intellectual Property Office; and

(d) regarding the creation, validity, enforceability, attachment or perfection of any mortgage, charge, hypothec, security interest or other interest expressed to be created by or under the Security Documents with respect to any property of the Debtors or any proceeds of such property that are not identifiable or traceable.

7. **Specific Collateral:** A security interest in a motor vehicle or serial-numbered equipment may be ineffective as against certain third parties under the PPSA unless the vehicle identification number or serial number, as the case may be, is set out in the corresponding PPSA registration. No security interest granted by the Security Documents has been registered so as to protect and preserve any security interest, mortgage or charge thereof against nor have we searched for any encumbrances

created by the Debtors on any ship, or as against any coal, mineral, placer, mining or petroleum and natural gas lease, license or claim, owned or which may be acquired by the Debtor. Accordingly, any hypothecs, security interests and mortgages on such property will be subject to the rights of third parties who at any time acquire and perfect or render opposable to third parties an interest in those assets.

8. **Maintaining Perfection:** We express no opinion with respect to maintaining perfection of any security interest created by the Security Documents.

SCHEDULE B

LIST OF SEARCHES

As described below, searches were conducted against the Debtors.

I. LTA SEARCH

We conducted, or caused to be conducted, searches from the registries maintained under the LTA in order to determine whether registrations or filings have been made in connection with the Mortgage, against the following land at the following times

> 23697 Fern Cres, Maple Ridge, British Columbia as legally known and described as Lot 1, Section 28, Township 12, New Westminster District, Plan EPP 113344, Except Phase 1 Strata Plan ESP11476 (PID 031-618-511) (the "**Lands**") on July 24, 2026 at 15:28:11.

These searches have disclosed that Envision holds a registered mortgage under registration number CB737591 and an assignment of rents under registration number CB737592 on title to this land, each registered on July 6, 2023 at 10:55. There are also a number of builders' liens registered after the Mortgage. From our review of these searches, the Mortgage is the first-ranking security on the Lands.

II. CORPORATION SEARCH

BC Company Summaries were obtained from the Province of British Columbia Registry Services on July 30, 2026, in respect of the Debtors:

Debtor	Current standing	Date of incorporation	Incorporation #	Registered Office
1281805 B.C. LTD.	Active	December 30, 2020	BC1281805	602-13737 96 AVENUE SURREY BC V3V 0C6 CANADA
1281826 B.C. LTD.	Active	December 30, 2020	BC1281826	220-7565 132ND STREET SURREY BC V3W 1K5 CANADA
WOOD LOCK DEVELOPMENTS LTD.	Active	December 6, 2010	BC0897124	602-13737 96 AVENUE SURREY BC V3V 0C6 CANADA
HELLO HOLDINGS LIMITED	Active	June 03, 2015	BC1038640	2ND FLOOR, 343-13988 CAMBIE ROAD RICHMOND BC V6V 2K4 CANADA
BLACK VINTAGE MEDIA INC.	Active	June 21, 2013	BC0973270	1201 - 2378 ALPHA AVENUE BURNABY BC V5C 0K2 CANADA

SIMPLE MULTIMEDIA SOLUTIONS INC.	Active	September 11, 2013	BC0980184	2310 VENABLES STREET VANCOUVER BC V5L 2J7 CANADA
ADVANCED MARKETING SOLUTIONS INCORPORATED	Active	October 28, 2013	BC0984088	UNIT 804 - 5171 BRIGHOUSE WAY RICHMOND BC V7C 0A6 CANADA

The BC Company Summary indicates that the Wood Lock changed its name on September 11, 2015; its previous company name was 0897124 B.C. LTD.

III. BANK ACT SEARCH

Bank Act Security – Section 427 reports were obtained on July 30, 2026, in respect of the Debtors. Such a report indicates that there are no notices of intention to give security under the *Bank Act* (Canada) registered in the Province of British Columbia as of July 30, 2026.

IV. BANKRUPTCY SEARCH

Bankruptcy and Insolvency Records Search reports were obtained via email on July 30, 2026. The searches indicated that they were obtained from the Government of Canada on July 30, 2026, in respect of the Debtors.

They revealed that, from 1978 to July 30, 2026, a Notice of Intention was filed with respect to 805 and the licensed insolvency trustee or administrator is the Proposal Trustee.

V. LITIGATION SEARCH

We conducted, or caused to be conducted, litigation searches in respect of the Debtors on July 30, 2026. British Columbia Court Registry Search Reports conducted in and covering the province of British Columbia, with a currency date of July 30, 2026, found the following:

Debtor	Style of Cause	Classification	File #	Date Filed Opened
805	1281805 B.C. Ltd., 1285768 B.C. Ltd. v 1191471 B.C. Ltd	Supreme Civil (General)	260135	October 10, 2025
	1281805 B.C. Ltd.,1308367 B.C. Ltd. v Mann, Jagdeep	Supreme Civil (General)	261374	January 8, 2026
	1281805 B.C. Ltd.	Supreme Bankruptcy	260250	April 17, 2026
Wood Lock	Wood Lock Developments Ltd., 1285768 B.C. Ltd. v.1191471 B.C. Ltd.	Supreme Civil (General)	260135	October 10, 2025

	Wood Lock Developments Ltd.,1308367 B.C. Ltd. v Mann, Jagdeep	Supreme Civil (General)	261374	January 8, 2026

VI. EXECUTION SEARCH

We conducted, or caused to be conducted, a search for outstanding executions filed against the Debtors in the Province of British Columbia. This search revealed no active writs of execution as of July 30, 2026.

VII. PPSA SEARCHES

We conducted, or caused to be conducted, searches on July 24, 2026 at 3:31:21 pm Pacific time against the Debtors and the corporate indemnitors from the registries maintained under the BC PPSA in order to determine whether registrations or filings have been made in connection with the Security Documents.

DEBTOR(S)	SECURED PARTY	REGISTRATION DATE AND NUMBER	REGISTRATION EXPIRY DATE	COLLATERAL CLASSIFICATION
1281805 B.C. Ltd. 1281826 B.C. Ltd. Wood Lock Developments Ltd.	First West Credit Union	2023/07/04 Base Reg # 641422P	2033/07/04	ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY.
HELLO HOLDINGS LIMITED BLACK VINTAGE MEDIA INC. SIMPLE MULTIMEDIA SOLUTIONS INC. ADVANCED MARKETING SOLUTIONS INCORPORATED	First West Credit Union	2023/07/04 Base Reg # 641462P	2033/07/04	ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY.