No.
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

AND

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF WESTERN POTASH CORP., WESTERN POTASH HOLDINGS CORP., AND 0907414 B.C. LTD.

AND

WPC (JERSEY) LIMITED

Petitioner

PRE-FILING REPORT OF FTI CONSULTING CANADA INC., AS PROPOSED MONITOR

August 20, 2026

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A. INTRODUCTION

1. FTI Consulting Canada Inc. ("**FTI**" or the "**Proposed Monitor**") understands that WPC (Jersey) Limited ("**Appian**"), in its capacity as the senior secured creditor of Western Potash Corp. ("**WPC**"), Western Potash Holdings Corp. ("**WPHC**"), and 0907414 B.C. Ltd. ("**090 Ltd.**", and collectively, the "**Company**") intends to make an application (the "**Initial Application**") under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") for an initial order (the "**Proposed Initial Order**") in respect of the Company, among other things, granting a stay of proceedings (the "**Stay of Proceedings**") in favour of the Company until and including August 31, 2026, appointing FTI as Monitor of the Company with certain enhanced powers set forth in the Proposed Initial Order, and approving the DIP Facility (as defined below). The proceedings to be commenced by Appian will be referred to herein as the "**CCAA Proceedings**".

2. The purpose of this pre-filing report of the Proposed Monitor (the "**Pre-Filing Report**") is to provide the Court with information pertaining to:

   (a) FTI's qualifications to act as Monitor, if appointed;

   (b) the activities of FTI and its counsel, Stikeman Elliott LLP ("**Stikeman**"), to date;

   (c) consolidated cash flow projections of the Company's receipts and disbursements to 13-week period ending November 22, 2026 (the "**Cash Flow Projection**") and the reasonableness thereof, in accordance with section 23(1)(b) of the CCAA;

   (d) key terms of the DIP Facility and a corresponding charge in respect thereof (the "**DIP Charge**");

   (e) the proposed administration charge (the "**Administration Charge**");

   (f) a discussion of the intended next steps in the CCAA Proceedings, including relief that the Proposed Monitor understands Appian intends to seek at a comeback hearing (the "**Comeback Hearing**") on August 31, 2026, if the Proposed Initial Order is granted; and

   (g) FTI's views with respect to the proposed CCAA Proceedings and certain of the relief sought in the Proposed Initial Order.

B. TERMS OF REFERENCE

3. In preparing this Pre-Filing Report, the Proposed Monitor has relied upon unaudited financial information of the Company's books and records, certain financial information and forecasts prepared by the Company, discussions with various parties, and information and documentation provided by Norton Rose Fulbright Canada LLP ("**Norton Rose**"), counsel to Appian (collectively, the "**Information**").

4. Except as otherwise described in this Pre-Filing Report:

   (a) the Proposed 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; and

   (b) the Proposed Monitor has not examined or reviewed the financial forecasts or projections referred to in this Pre-Filing Report in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.

5. Future-oriented financial information reported in, or relied on, in preparing this Pre-Filing Report is based on information and assumptions regarding future events provided by the Chief Financial Officer of the Company, George Gao, to Appian in or around the beginning of August 2026. Actual results will vary from these forecasts and such variations may be material.

6. The Proposed Monitor has prepared this Pre-Filing Report in connection with the Initial Application. The Pre-Filing Report should not be relied on for any other purpose.

7. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.

8. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the affidavit of Timothy Mister, filed in support of the Initial Application (the "**Mister Affidavit**"). The Mister Affidavit sets out detailed information with respect to the Company's business and operations, as well as the causes of its ongoing financial distress that led to Appian's application for the Proposed Initial Order.

C. PRE-FILING STRATEGIC PROCESS

9. FTI Capital Advisors Canada ULC ("**FTI Capital Advisors**"), an entity affiliated to FTI, was retained by the Company at the suggestion of Appian on October 18, 2025, to assist in a structured solicitation process for potential strategic transactions (the "**Strategic Process**"). The Strategic Process was overseen by Dean Mullett, a Senior Managing Director at FTI.

10. The Strategic Process commenced shortly after FTI Capital Advisors' engagement in October 2025. Based on FTI Capital Advisors' experience and market knowledge of parties who may be interested in pursuing a sale, investment or restructuring transaction in respect of the Company, it conducted a targeted outreach to 110 parties.

11. FTI Capital Advisors and the Company held discussions with multiple parties who expressed interest in learning about the opportunity over a six-month period. Engaged parties expressed interested in potential strategic partnerships and/or financing opportunities and conducted diligence using the information in the confidential data room and meetings with management. While FTI Capital Advisors pushed the interested parties to submit an offer for a transaction, ultimately no parties provided an offer acceptable to the Company.

12. As a result of no parties having provided an offer acceptable to the Company and limited activity and interest from third parties, the Strategic Process officially terminated on August 14, 2026, at the request of the Company's Chief Financial Officer, Mr. Gao.

D. BACKGROUND

13. WPC's principal asset is the Milestone project (the "**Milestone Project**"), a potash mine located approximately 35 kilometers southeast of Regina, Saskatchewan. Potash is a naturally occurring potassium-bearing mineral, primarily composed of potassium chloride (KCl), that is widely used as a key agricultural fertilizer and in various industrial applications. WPC is engaged in the exploration and development of potash deposits at the Milestone Project, with the objective of extracting and processing potash for commercial sale.

14. As described in further detail in the Mister Affidavit and summarized below, all mining and development activities have been suspended since May 2024. The Milestone Project

remains in a care and maintenance phase pending the securing of sufficient financing to resume development.

Corporate Structure

15. The Company are private companies, but the ultimate parent company of the Company is Western Resources Corp. ("**WRC Parent**"), a public company. WRC Parent is not subject to these CCAA Proceedings.

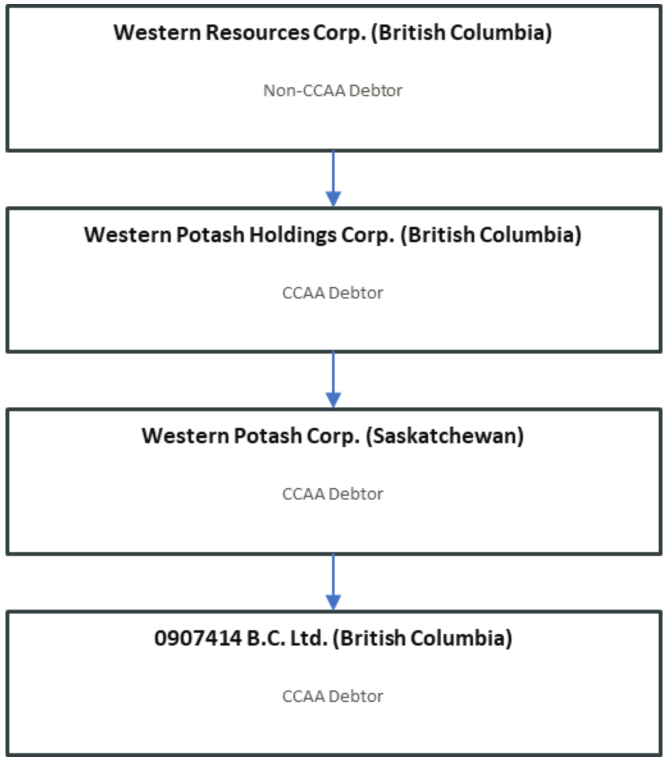
16. WRC Parent became subject to a cease trade order on March 4, 2025, due to its delay in filing its annual information form, annual audited financial statements and related management's discussion and analysis and certifications for the financial year ended September 30, 2024, as well as interim financial statements, management's discussion and analysis, and certifications for the period ended December 31, 2024.

17. WPHC is a holding company that is incorporated under the laws of British Columbia and is a wholly owned subsidiary of WRC Parent. WPHC's registered office is located in Vancouver, British Columbia.

18. WPC is an operating company that is incorporated under the laws of Saskatchewan and is a wholly owned subsidiary of WPHC. WPC's registered office is located in Regina, Saskatchewan.

19. 090 Ltd. is an operating company that is incorporated under the laws of British Columbia and is a wholly owned subsidiary of WPC. Together, WPC and 090 Ltd. are the operating companies holding the Company's interest in the Milestone Project assets. 090 holds real property interests / leases. 090 Ltd.'s registered office is located in Vancouver, British Columbia.

20. The corporate structure of WRC Parent and the Company described above is shown immediately below:



Business Operations

21. As noted above, WPC's principal asset is the Milestone Project, which includes 84,557 acres of mineral leases and 65,405 acres of freehold leases. The mineral leases are 21-year renewable Crown leases.

22. WPC has completed drilling of 11 potash exploration wells on the property and conducted various seismic studies on the Milestone Project. The reported life-of-mine for the Milestone Project is approximately 40 years and production is targeted at 146,000 tonnes per annum.

23. Substantial construction had been completed on the Milestone Project by September 30, 2023, but the Milestone Project was not, and still is not, ready for operation. The Proposed Monitor understands from Appian that operational readiness requires commissioning of various systems, that two new horizontal caverns must be added before the Milestone Project can reach the initial production stage, and that a new mining plan was being developed to allow work on those caverns once financing for them was secured.

24. However, the Proposed Monitor understands from Appian that despite capital invested to date exceeding $240 million, including approximately $85 million in senior secured loans from Appian, the Milestone Project has remained inoperative and completing the next phase would require additional capital in the amount of approximately $149.45 million to complete the next phase of the Milestone Project. To date, WPC has completed the construction of all surface facilities; as well as the crystallization ponds used to separate potash from water. Additionally, 3 underground horizontal caverns have been completed, which are large underground spaces where potash is dissolved and extracted to the surface. WPC estimates the development time required to reach run-rate production is 12 months following the receipt of additional capital for cavern development, operating expenses such as employee salaries and other general expenses required during this period.

25. Ultimately, the Proposed Monitor understands from Appian that the Company was unable to obtain additional capital from its shareholders and other interested parties to advance the Milestone Project to production.

26. Further, despite the pre-filing Strategic Process conducted by FTI Capital Advisors, such process did not yield a transaction from third parties to provide the necessary liquidity to advance the Milestone Project.

27. The Proposed Monitor understands from Appian that the Company currently employs approximately twelve employees.

The Company's Financial Position

28. Appian is the senior secured creditor of the Company, having advanced $85 million pursuant to a Facility Agreement dated as of April 28, 2022 (as amended, the "**Credit Agreement**"). WPC is the borrower under the Credit Agreement and WPHC and 909 Ltd. are the guarantors (together, the "**Guarantors**") under the Credit Agreement, who guaranteed the obligations of WPC thereunder.

29. Each of WPC and the Guarantors granted comprehensive security interests to Appian, including pursuant to a Security Agreement between WPC and Appian dated May 16, 2022, a Debenture by WPC to Appian dated May 16, 2022, a Security Agreement between

WPHC and Appian dated May 16, 2022, and a Debenture by 090 Ltd. in favour of Appian dated May 16, 2022.

30. In addition, an affiliate of Appian, WPC Royalty Corp., holds a royalty on the mining properties of WPC. Each of WPC and 090 Ltd. have granted second-ranking security on their respective assets to secure obligations to WPC Royalty Corp. under the applicable royalty agreement.

31. WPC and the Guarantors have been in default under the Credit Agreement since February 2024 or earlier. Events of Default include, among other things, failure to achieve Interim Operational Completion, incurrence of non-permitted financial indebtedness, failure to maintain minimum cash balances, filing of builder's liens, breaches of the approved project plan and operating budget, failure to pay interest for multiple quarterly periods, cessation of business operations, and failure to pay debts as they fell due. WPC has failed to comply with substantially all of its most essential obligations under the Credit Agreement for a period exceeding two years.

32. Pursuant to the terms of the Credit Agreement, among other things, principal is repayable quarterly in accordance with a prescribed repayment schedule for sixteen quarters at approximately US$4.15 million per quarter, ending March 31, 2028, and interest is payable quarterly at a rate of 12.5% per annum, plus default interest at a rate of 2% per annum for the first 30 days post-payment default and thereafter at 5% per annum. The Proposed Monitor understands from Appian that the Company has repeatedly failed to make the required interest payments under the Credit Agreement, with unpaid interest under the Credit Agreement now totalling US$16.8 million.

33. On August 7, 2026, Appian delivered a demand letter and notice of intention to enforce security pursuant to Section 244 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**"), to WPC and the Guarantors.

34. The Proposed Monitor is advised by Appian that WPC is also facing actions from unpaid builders who have sought and in some cases obtained judgments in excess of $928,000 for unpaid improvements on the Milestone Project. Certain builders have obtained authorization, if their judgment is not paid within 120 days, to apply to Court for orders for the sale of WPC's property including the Milestone Project.

35. In addition, the Proposed Monitor understands from Appian that WPC faces the following known creditor claims:

(a) Bird Construction Group: unpaid amounts of $488,286.24 for work on the Milestone Project;

(b) unpaid provincial sales tax liability of $299,518.53;

(c) Rural Municipality of Lajord No. 128: claim to title based on a tax lien registered against WPC's real property, with total amounts owing of $1,066,801.21;

(d) Ministry of Energy and Resources: non-payment of critical mineral lease amounts; and

(e) Intact Insurance: complaint filed in New York State Court in February 2026 seeking CDN$3,819,655.00 as collateral security for obligations under a decommissioning and reclamation bond of approximately CDN$4.3 million.

36. Despite the extensive outreach conducted during the Strategic Process, including FTI contacting approximately 110 parties, the Strategic Process did not produce a transaction to address the Company's immediate liquidity challenges and capital requirements.

37. The Company is insolvent and unable to meet its obligations as they become due. Accordingly, the Proposed Monitor is of the view that CCAA protection, including the Stay of Proceedings, is necessary and appropriate to preserve value for stakeholders while the Company pursues a restructuring or sale transaction.

E. CASH FLOW PROJECTION

38. The Cash Flow Projection is attached as Appendix "A" to this Pre-Filing Report. The Cash Flow Projection covers the 13-week period ending November 22, 2026.

39. The Cash Flow Projection shows a net cash outflow of approximately $5.8 million, including costs for payroll related to care and maintenance, property taxes / surface leases and professional fees. The Cash Flow Projection is summarized below:

($CAD in dollars)

	13 Weeks Total
Receipts	
Receipts	$ -
Total Receipts	$ -
Operating Disbursements	
Care & Maintenance Operating Costs	(1,225,000)
Other	(1,668,018)
Total Operating Disbursements	$ (2,893,018)
Operating Cash Flow	$ (2,893,018)
Non-Operating Disbursements	
Restructuring Professional Fees	(2,884,063)
Total Non-Operating Disbursements	$ (2,884,063)
Net Cash Flow	$ (5,777,081)
Cash	
Beginning Balance	$ -
Net Receipts / (Disbursements)	(5,777,081)
DIP Fees & Interest Payment	(322,680)
DIP Draws/Repayments	6,599,761
Ending Balance	**$ 500,000**

40. As shown in the Cash Flow Projection, the Applicants will require additional funding totalling approximately $6.6 million, including approximately $323,000 of DIP interest and fees, during the 13-week period ending November 22, 2026. The DIP Facility is described in greater detail below.

41. Pursuant to section 23(1)(b) of the CCAA and in accordance with the Canadian Association of Insolvency and Restructuring Professionals Standard of Practice 09-1, the Proposed Monitor hereby reports to the Court as follows:

(a) the Proposed Monitor reviewed the cash flow projection which it understands was prepared by the Company's Chief Financial Officer, Mr. Gao, and sent to Appian, who provided it to the Proposed Monitor using the probable assumptions and hypothetical assumptions set out therein;

(b) the review consisted of inquiries, analytical procedures and discussion related to information provided by Appian and its counsel. Since hypothetical assumptions need not be supported, the Proposed Monitor’s procedures with respect to the hypothetical assumptions were limited to evaluating whether the hypothetical assumptions were consistent with the purpose of the Cash Flow Projection. The Proposed Monitor has also reviewed the support provided by management of the

Company for the probable assumptions and the preparation and presentation of the Cash Flow Projection;

(c) based on that review, and as at the date of this Pre-Filing Report, nothing has come to the attention of the Proposed Monitor that causes it to believe that:

(i) the hypothetical assumptions are inconsistent with the purpose of the Cash Flow Projection;

(ii) the probable assumptions are not suitably supported or consistent with the plans of the Company or do not provide a reasonable basis for the Cash Flow Projection, given the hypothetical assumptions; or

(iii) the Cash Flow Projection does not reflect the probable and hypothetical assumptions;

(d) since the Cash Flow Projection is based on assumptions regarding future events, actual results will vary from the projection even if the hypothetical assumptions occur. Those variations may be material. Accordingly, the Proposed Monitor expresses no assurance as to whether the Cash Flow Projection will be achieved. The Proposed Monitor also expresses no opinion or other form of assurance with respect to the accuracy of any financial information presented in this Pre-Filing Report, or relied upon by the Proposed Monitor in preparing this Pre-Filing Report; and

(e) the Cash Flow Projection has been prepared solely for the purpose described in the Projection Notes. The Cash Flow Projection should not be relied upon for any other purpose.

F. DIP FINANCING

42. As noted above, based on the Cash Flow Projection the CCAA Parties will require interim financing in order to maintain sufficient liquidity during the 13-week period ending November 22, 2026. The Proposed Initial Order authorizes the execution of the term sheet (the "**DIP Term Sheet"**) pursuant to which the DIP Facility will be provided by Appian.

43. The principal terms of the DIP Term Sheet include, without limitation, the following[1]:

(a) **Borrower**: Western Potash Corp.

(b) **Guarantors**: Western Potash Holdings Corp. and 0907414 B.C. Ltd.

(c) **Lender**: WPC (Jersey) Limited (Appian) (in such capacity, the "**DIP Lender**").

(d) **Amount**: Non-revolving multiple draw credit facility up to a maximum principal amount of US$6,000,000 (the "**DIP Facility**"), with an initial maximum principal amount of US$1,000,000 (or $1,400,000 CAD) (the "**Initial Borrowing Limit**") available prior to the Comeback Hearing.

(e) **Maturity Date**: The earlier of: (i) the date on which the DIP Lender demands repayment upon the occurrence of an Event of Default; (ii) the date of the termination of the stay period in the CCAA Proceedings or their conversion into a bankruptcy or receivership without the prior written consent of the DIP Lender; (iii) the date on which the stay in the CCAA Proceedings is lifted without the prior written consent of the DIP Lender; (iv) the date on which all or substantially all of the Collateral has been sold; and (v) the date that is nine (9) months following the granting of the Initial Order.

(f) **Interest Rate**: Annual fixed rate equal to the Secured Overnight Financing Rate, plus 8.00% per annum, calculated on a daily basis and payable monthly in arrears on the first business day of the month.

(g) **Fees**: A commitment fee of 2% (US$120,000), plus applicable taxes, fully earned by the DIP Lender upon execution of the DIP Term Sheet and deducted from the Initial Advance.

(h) **DIP Charge**: All obligations under the Interim Facility shall be secured by the DIP Charge on all present and after-acquired personal and real property of the Company, ranking in priority over all other encumbrances, subject only to: (i) the

[1] Capitalized terms used in this paragraph and not otherwise defined have the meanings given to them in the DIP Term Sheet.

Administration Charge; and (ii) any claims contemplated by section 11.8(8) of the CCAA. The proposed Initial Order provides that the DIP Charge will not rank in priority to any secured creditors who were not given notice of this Application.

(i) **Use of Proceeds**: The proceeds of the Interim Facility shall be used solely to: (i) pay the reasonable and documented fees and expenses of the DIP Lender (including those of its legal counsel and financial advisor), FTI in its capacity as Monitor, and the Monitor's legal counsel; (ii) pay the Commitment Fee; (iii) pay interest, fees and other amounts owing to the DIP Lender under the DIP Term Sheet; (iv) fund, in accordance with the Cash Flow Forecast, WPC's general corporate and working capital purposes, including funding the CCAA Proceedings; and (v) fund the enforcement of any of the DIP Lender's rights and remedies. While the proposed Initial Order authorizes the Debtors, with the consent of the Monitor, to pay amounts to creditors for goods and services provided prior to the commencement of CCAA Proceedings, the Proposed Monitor does not intend to make any such payments prior to the Comeback Hearing.

(j) **Conditions Precedent to Initial Advance**: Among other things, (i) the Court shall have granted the Initial Order in form and substance acceptable to the DIP Lender, authorizing the Interim Facility up to the Initial Borrowing Limit of US$1,000,000 (or $1,400,000 CAD) and granting the DIP Charge; (ii) the Monitor shall have executed and delivered the DIP Term Sheet; and (iii) FTI shall have been appointed as Monitor.

(k) **Conditions Precedent to Subsequent Advances**: Among other things, (i) the Court shall have granted an Amended and Restated Initial Order (the "**ARIO**") in form and substance acceptable to the DIP Lender increasing the DIP Charge to US$6,000,000 (plus all interest, fees, expenses and other amounts); (ii) the Stay Period under the ARIO shall have been extended; and (iii) the Court shall have granted an order approving a sales and investment solicitation process (the "**SISP**") in form and substance acceptable to the DIP Lender, including the appointment of FTI Capital Advisors as sales agent.

(l) **Events of Default**: The DIP Term Sheet sets out various Events of Default, which include, among other things, failure to pay amounts when due, failure to obtain the

Initial Order or ARIO by specified dates, failure to obtain the SISP Order, breach of any covenant, any material adverse change, variance of the Initial Order without consent, actual cumulative net cash flow being more than 10% below forecasted amounts for any given week (if not remedied within three business days), and termination or conversion of the CCAA Proceedings without the DIP Lender's consent.

(m) **Remedies**: Upon the occurrence and continuance of an Event of Default, the DIP Lender may, upon written notice to WPC and the Monitor: (i) terminate the DIP Facility; (ii) on prior notice of no less than three business days, apply to the Court for the appointment of an interim receiver or a receiver and manager; (iii) exercise the powers and rights of a secured party under any legislation; and (iv) exercise all such other rights and remedies under the DIP Term Sheet and Orders of the Court.

(n) **Milestones**: Court shall have granted the Amended and Restated Initial Order and an Order approving a SISP, each by August 31, 2026.

44. The Proposed Monitor and Stikeman have reviewed the DIP Term Sheet and participated in a number of discussions with Appian and Norton Rose. The Proposed Monitor notes that the willingness of the DIP Lender to provide the DIP Facility is predicated on the Court granting the Proposed Initial Order, including the proposed DIP Charge.

45. Attached as Appendix "B" is a chart of the observed interest rates of DIP loans issued in the Canadian mining sector, ranging in size from approximately US$2,000,000 to US$45,000,000, for the period between November 1, 2023, and July 31, 2026, ("**DIP Comparison Period**"), which are summarized in the table below:

	Interest	DIP fees as a % of DIP Loan
Maximum	18.0%	5.7%
Average	16.1%	2.7%
Minimum	10.5%	0.5%
DIP Facility	11.6%	2.0%

46. The Proposed Monitor notes that the proposed DIP Facility has an interest rate of approximately 11.6% and contains a Commitment Fee of US$120,000 (or 2% as a

percentage of the DIP loan).[2] Based on the experience of the Proposed Monitor and on the information available to it, the Proposed Monitor is of the view that the interest rate provided in the DIP Term Sheet is below the average rate of DIPs during the DIP Comparison Period. The proposed Commitment Fee as a percentage of the DIP Facility is also lower than average during the DIP Comparison Period.

47. Appian and FTI determined that it was not appropriate to canvass the market for alternative DIP financing prior to the commencement of the CCAA Proceedings for the following reasons: (a) the Company shareholders recently ceased providing funding; (b) the Milestone Project is not currently operating; (c) there was insufficient time for a new third-party DIP lender to develop sufficient familiarity with the Milestone Project; (d) the terms of the DIP Facility are consistent with market terms for comparable CCAA proceedings; (e) Appian is the senior secured creditor and believes it is the sole party with an economic interest in the Company; and (f) the prior Strategic Process in which approximately 110 parties were contacted generated very little interest in providing interim financing to the Company. In the Proposed Monitor's view, the DIP Term Sheet represents the only current available alternative to the Company which will permit funding of the SISP and preserve the value of the Milestone Project assets during the CCAA Proceedings.

48. The Proposed Initial Order provides for the DIP Charge with respect to the obligations under the DIP Facility. The purpose of the DIP Charge is to secure the DIP Facility and provide the DIP Lender with priority over all other encumbrances on the property of the Company, other than the Administration Charge and any claims contemplated by section 11.8(8) of the CCAA. The Proposed Monitor is of the view that the amount of the DIP Charge is supported by the Cash Flow Projection and reasonable in the circumstances.

49. The Proposed Monitor has also considered the facts and circumstances giving rise to the CCAA Proceedings and section 11.2(4) of the CCAA. In particular:

(a) based on the Information available to the Proposed Monitor, the Company have a critical and immediate need for interim financing. Without access to the DIP

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[2] The interest rate is an annual fixed rate equal to the Secured Overnight Financing Rate, plus 8.00% per annum, calculated on a daily basis and payable monthly in arrears on the first business day of the month.

Facility, the Company would be unable to maintain the Milestone Project assets, pay critical mineral lease obligations, or fund the SISP;

(b) the financing to be provided is consistent with the forecasted liquidity needs of the Company during the 13-week period ending November 22, 2026; and

(c) the proposed CCAA Proceedings cannot move forward without the DIP Facility and, as a result, the DIP Facility enhances the prospects of a viable restructuring in the Proposed Monitor's view.

G. FTI'S QUALIFICATIONS TO ACT AS PROPOSED MONITOR

50. FTI has experience acting as a CCAA monitor and in other court-officer capacities in insolvency proceedings. Jeffrey Rosenberg, a Senior Managing Director and a trustee within the meaning of subsection 2(1) of the BIA leads the FTI team with carriage of this matter.

51. Neither FTI, nor any of its representatives or affiliates, have been at any time in the past two years:

(a) a director, officer or employee of any member of the Company;

(b) related to any member of the Company, or to any director or officer of any member of the Company; or

(c) the auditor, accountant or legal counsel, or a partner or an employee of the auditor, accountant or legal counsel, of any member of the Company.

52. At no time has FTI had any involvement with any member of the Company other than as set out herein. A retainer of $25,000 has been received by the Proposed Monitor.

53. FTI has consented to act as Proposed Monitor should this Court grant the Proposed Initial Order. A copy of FTI's consent to act as Proposed Monitor is attached as Appendix "C" to this Pre-Filing Report.

H. ENHANCED MONITOR'S POWERS

54. The Proposed Initial Order provides that FTI, in its capacity as Monitor, with certain enhanced powers beyond those typically granted under the CCAA (the "**Enhanced Powers**"). The proposed Enhanced Powers include authority for the Monitor to:

(a) take steps for the preservation and protection of the Business and the Property, including, but not limited to, changing locks and security codes, relocation of the Property, engaging independent security personnel, taking physical inventory and placing insurance coverage;

(b) manage, operate and carry on the Business in the name of and on behalf of the Company, including the powers to enter into any agreements, and incur any obligations in the ordinary course;

(c) disclaim, in accordance with the CCAA, any contracts that it determines are appropriate to disclaim;

(d) engage or, retain or cause the Company to engage or, retain or terminate, the services of any officer, employee, consultant, agent, representative, advisor, or other persons or entities, as the Monitor deems necessary or appropriate to assist with the exercise of its powers and duties or those of the Company;

(e) receive and collect all monies and accounts now owed or hereafter owing to the Company and to exercise all remedies of the Company in collecting such monies, including, without limitation, to enforce any security held by the Company;

(f) execute, assign, issue and endorse documents of whatever nature in respect of any of the Property and the Business, whether in the Monitor's name or in the name and on behalf of the Company, for any purpose pursuant to the Proposed Initial Order, including the DIP Term Sheet;

(g) execute the Definitive Documents (as defined in the Proposed Initial Order) in the name and on behalf of the Company; and

(h) undertake environmental or workers' health and safety assessments of the property and operations of the Company.

55. The scope of the Enhanced Powers may require further modification as these CCAA Proceedings develop.

56. The Monitor understands that Appian's view is that the Enhanced Powers are necessary in the circumstances given the following:

(a) Appian has lost confidence in the Company's ability to manage their business and assets and conduct a value-maximizing SISP. As described in the Mister Affidavit, the basis for this loss of confidence is extensive and well-documented:

(i) the Company have been in default under the Credit Agreement since February 2024, beginning with WPC's failure to achieve interim operational completion at the Milestone Project, a critical milestone tied to the project financing and repayment obligations;

(ii) Appian issued three separate reservation of rights letters in February 2024, April 2024, and January 2025, as further defaults arose. Those defaults included, among other things, the incurrence of approximately CDN$3.7 million of non-permitted indebtedness, failure to maintain a minimum cash balance of CDN$5 million, the filing of builders' liens, breaches of the approved project plan and operating budget, failure to pay interest under the Credit Agreement for multiple quarterly periods, cessation of business operations, and failure to pay debts as they fell due. Unpaid interest under the Credit Agreement now totals US$16.8 million. Despite capital invested exceeding $240 million, including approximately $85 million from Appian, the Milestone Project remains incomplete and non-operational. Key offtake arrangement deadlines have also lapsed without confirmed extensions;

(iii) the Company have failed to demonstrate a credible and executable financing solution. During Appian's period of accommodation, the Company presented a proposed $80 million subordinate financing in June 2024 and a proposed $100 million equity investment in November 2024. Neither proposal was materially advanced or resulted in funding. Most recently, the Company advised that ongoing discussions with proposed new investors cannot be expected to be executable before the fourth quarter of 2026, if at all, while the current equity holders have not offered their own financing solution. In light of the capital already invested and the additional funding required to advance the Milestone Project, these developments provide no reasonable basis to expect management to lead a timely, value-maximizing SISP without enhanced oversight;

(iv) Appian has significant governance and transparency concerns. WRC Parent became subject to a cease trade order on March 4, 2025, as a result of its failure to file required financial statements, raising further concerns regarding governance and oversight. Appian has not been informed of the current status of the Borrower's environmental approvals with the Saskatchewan Ministry of Environment, notwithstanding that those approvals are critical to the operation of the Milestone Project. The lack of timely information concerning these approvals makes it more difficult to assess the Milestone Project's timeline to start production, its regulatory position, and value in a SISP;

(v) the Company are not defending or taking meaningful steps to remedy enforcement actions by subordinate creditors. Judgments are being obtained uncontested, including authorizations permitting applications for the sale of WPC's property, including the Milestone Project. The Company's failure to respond to these proceedings exposes the assets to further process that could impair Appian's position and disrupt an orderly, value-maximizing SISP;

(b) while the Milestone Project does not currently have any ongoing operations, its assets remain complex, involving extensive equipment, capital assets, environmental and regulatory considerations. Neither FTI nor Appian have complete knowledge of all aspects of the project at this time or any risks associated therewith. A debtor-in-possession process with the Enhanced Powers (as may be modified as the CCAA Proceedings develop) allows FTI to assess the current status of these matters in its capacity as Monitor while the Company remain in possession of these assets; and

(c) a Court officer with expanded oversight powers is the only third party who would be reasonably willing to take control of the project at this time for the benefit of stakeholders. The Enhanced Powers will enable the Monitor to conduct the SISP effectively and to take all steps necessary to preserve and protect the Milestone Project assets during the CCAA Proceedings.

57. The Proposed Monitor is of the view that the Enhanced Powers are appropriate in the circumstances and necessary to facilitate an effective restructuring of the Company.

I. ADMINISTRATION CHARGE

58. The Proposed Initial Order provides for a first-ranking Court-ordered Administration Charge over all the current and future assets and undertakings of the Company in the amount of $350,000 to secure the fees and disbursements of the Monitor and counsel to the Monitor, incurred both before, on, and after the commencement of the CCAA Proceedings. The Proposed Initial Order contemplates that the Administration Charge will not rank in priority to any secured creditors who were not given notice of this Application.

59. The Proposed Monitor is of the view that the Administration Charge is reasonable and appropriate in the circumstances having considered, among other things, the work completed to date in preparation for the CCAA Proceedings and that it is limited to an amount necessary to ensure that the beneficiaries thereof have protection to the date of the Comeback Hearing.

J. ANTICIPATED NEXT STEPS IN THE CCAA PROCEEDINGS

60. At the Comeback Hearing, it is expected that Appian will request:

(a) approval of a SISP for the assets and operations of the Company;

(b) an increase of the Administration Charge to $700,000, and the granting of priority ranking for it in priority to all other secured creditors;

(c) authority to borrow the maximum amount available under the DIP Term Sheet and a corresponding increase to the DIP Charge, ranking in priority to all other secured creditors but behind the Administration Charge; and

(d) an extension of the Stay of Proceedings.

61. If appointed, FTI (in its then capacity as Monitor) intends to file a further report prior to the Comeback Hearing providing recommendations in respect of such relief and any other relief that may be sought by Appian.

62. If appointed as Monitor in these proceedings, FTI will post materials in connection with the CCAA Proceedings on the Monitor's website at https://cfcanada.fticonsulting.com/WesternPotashCorporation.

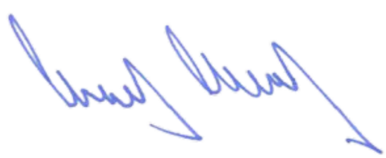
K. RECOMMENDATIONS

63. The Proposed Monitor is of the view that the Company are insolvent and that the relief requested by Appian is appropriate. Accordingly, the Proposed Monitor respectfully recommends that this Court grant the Proposed Initial Order.

All of which is respectfully submitted this 20th day of August, 2026

FTI Consulting Canada Inc.

In its capacity as Proposed Monitor of Western Potash Corp., Western Potash Holdings Corp., and 0907414 B.C. Ltd., and not in its personal or corporate capacity



Jeffrey Rosenberg

Senior Managing Director

APPENDIX “A”

Cash Flow Projection

(see attached)

Western Potash Corp., Western Potash Holdings Corp., and 0907414 B.C. Ltd.

Consolidated Cash Flow Projection

($CAD in dollars)

Forecast Week Ending Sunday		30-Aug-26	06-Sep-26	13-Sep-26	20-Sep-26	27-Sep-26	04-Oct-26	11-Oct-26	18-Oct-26	25-Oct-26	01-Nov-26	08-Nov-26	15-Nov-26	22-Nov-26	13 Weeks
Forecast Week	[1]	1	2	3	4	5	6	7	8	9	10	11	12	13	Total
Receipts															
Receipts	[2]	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Receipts		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Operating Disbursements															
Care & Maintenance Operating Costs	[3]	$ (175,000)	$ -	$ (175,000)	$ -	$ (175,000)	$ -	$ (175,000)	$ -	$ (175,000)	$ -	$ (175,000)	$ -	$ (175,000)	(1,225,000)
Other	[4]	-	-	(1,668,018)	-	-	-	-	-	-	-	-	-	-	(1,668,018)
Total Operating Disbursements		$ (175,000)	$ -	$ (1,843,018)	$ -	$ (175,000)	$ -	$ (175,000)	$ -	$ (175,000)	$ -	$ (175,000)	$ -	$ (175,000)	$ (2,893,018)
Operating Cash Flow		$ (175,000)	$ -	$ (1,843,018)	$ -	$ (175,000)	$ -	$ (175,000)	$ -	$ (175,000)	$ -	$ (175,000)	$ -	$ (175,000)	$ (2,893,018)
Non-Operating Disbursements															
Restructuring Professional Fees	[5]	$ (250,697)	$ (250,697)	$ (250,697)	$ (250,697)	$ (250,697)	$ (250,697)	$ (250,697)	$ (250,697)	$ (175,697)	$ (175,697)	$ (175,697)	$ (175,697)	$ (175,697)	(2,884,063)
Total Non-Operating Disbursements		$ (250,697)	$ (250,697)	$ (250,697)	$ (250,697)	$ (250,697)	$ (250,697)	$ (250,697)	$ (250,697)	$ (175,697)	$ (175,697)	$ (175,697)	$ (175,697)	$ (175,697)	$ (2,884,063)
Net Cash Flow		$ (425,697)	$ (250,697)	$ (2,093,716)	$ (250,697)	$ (425,697)	$ (250,697)	$ (425,697)	$ (250,697)	$ (350,697)	$ (175,697)	$ (350,697)	$ (175,697)	$ (350,697)	$ (5,777,081)
Cash															
Beginning Balance		$ -	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ 500,000	$ -
Net Receipts / (Disbursements)		(425,697)	(250,697)	(2,093,716)	(250,697)	(425,697)	(250,697)	(425,697)	(250,697)	(350,697)	(175,697)	(350,697)	(175,697)	(350,697)	(5,777,081)
DIP Fees & Interest Payment	[6]	(160,000)	(18,076)	-	-	-	(72,302)	-	-	-	(72,302)	-	-	-	(322,680)
DIP Draws/Repayments		1,085,697	268,773	2,093,716	250,697	425,697	322,999	425,697	250,697	350,697	247,999	350,697	175,697	350,697	6,599,761
Ending Balance		**$ 500,000**	**$ 500,000**	**$ 500,000**	**$ 500,000**	**$ 500,000**	**$ 500,000**	**$ 500,000**	**$ 500,000**	**$ 500,000**	**$ 500,000**	**$ 500,000**	**$ 500,000**	**$ 500,000**	**$ 500,000**

Notes to the Consolidated Cash Flow Projection:

[1] The purpose of the Cash Flow Projection is to estimate the liquidity requirements of Western Potash Corp., Western Potash Holdings Corp., and 0907414 B.C. Ltd. (collectively, the "**Company**"). The CFP above is presented in CAD and is on a cash-basis.

[2] No receipts have been currently forecast as the mine is on care & maintenance and is not currently operating.

[3] Care & Maintenance Operating Costs are based on historical run rates incurred to date and were provided by the Company. Care & Maintenance Operating Costs include salaries forecast to be paid to the employees.

[4] Other includes forecast property and lease payments.

[5] Restructuring Professional Fees include forecast legal and professional fees associated with the CCAA proceedings and are based on estimates provided by the advisors.

[6] DIP Fees & Interest payments are consistent with the DIP Term Sheet and as described in the Pre-Filing Monitor's Report. Forecast interest payments above are cash based.

APPENDIX “B”

DIP Comparison Chart

(see attached)

Overview of the DIP facilities granted in Canada during the DIP Comparison Period

Debtor	DIP Lender	Jurisdiction	Industry	DIP Facility*	DIP Interest Rate	DIP Fees as a % of the DIP Loan	Filing Date
Arctic Canadian Diamond Company Ltd. / Ekati Mine	Canada Enterprise Emergency Funding Corporation	British Columbia	Mining	a) $10 million first tranche b) $50 million second tranche	14.5%	1.5%	May 1, 2026
Rambler Metals and Mining Canada Inc. and 1948565 Ontario Inc.	RMM Debt Limited Partnership	Newfoundland	Mining	US$5 million	17%	2.5%	February 27, 2023
KMC Mining Corporation	a) ATB Financial b) Canadian Western Bank c) Export Development Canada d) Laurentian Bank of Canada	Alberta	Mining	$6 million	Prime + 5%	5.7%	January 10, 2025
Athabasca Minerals Inc. (Replacement DIP facility)	Badger Mining Corporation	Alberta	Mining	$5.3 million	18%	0.5%	November 13, 2023
Tergeo Mineraux Critiques Inc. et al.	Investissement Québec	Quebec	Mining	a) Initial facility: $1 million b) Final facility: $4.4 million	18%	3.7%	November 10, 2023
Athabasca Minerals Inc.	JMAC Energy Services LLC	Alberta	Mining	$2.9 million	18%	0.9%	November 13, 2023
Elevation Gold Mining Corporation	KIA II LLC	British Columbia	Mining	US$2 million	15%	4.0%	August 1, 2024

** Facility amounts are in CAD unless stated otherwise*

APPENDIX “C”

FTI Consent to Act

(see attached)

No.
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

AND

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF WESTERN POTASH CORP., WESTERN POTASH HOLDINGS CORP., AND 0907414 B.C. LTD.

AND

WPC (JERSEY) LIMITED

Petitioner

CONSENT OF THE PROPOSED MONITOR

FTI CONSULTING CANADA INC. hereby consents to act as Court-appointed Monitor of Western Potash Corp., Western Potash Holdings Corp., and 0907414 B.C. Ltd., in this proceeding.

Dated at Toronto, Ontario, this 20th day of August, 2026

FTI CONSULTING CANADA INC., in its capacity as proposed Monitor of WESTERN POTASH CORP., WESTERN POTASH HOLDINGS CORP., and 0907414 B.C. LTD.

Per: ______________________________
Name: Jeffrey Rosenberg
Title: Senior Managing Director

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF WESTERN POTASH CORP., WESTERN POTASH HOLDINGS CORP., AND 0907414 B.C. LTD.

Court File No.: ____________________

SUPREME COURT OF BRITISH COLUMBIA

Proceeding commenced at Vancouver

CONSENT OF THE PROPOSED MONITOR

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