TDB Restructuring Limited
Licensed Insolvency Trustee

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ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF NATIONAL TRAFFIC SAFETY MANAGEMENT INC.

IN THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO

SECOND REPORT OF THE PROPOSAL TRUSTEE

JULY 30, 2026

Contents

APPENDICES

1.0 INTRODUCTION

1. This report is being submitted by TDB Restructuring Limited in its capacity as proposal trustee (the "**Proposal Trustee**") of National Traffic Safety Management Inc. ("**NTSM**" or the "**Company**") in connection with a Notice of Intention to Make a Proposal filed by NTSM on April 24, 2026 (the "**Second NOI**"), pursuant to Section 50.4(1) of the Bankruptcy and Insolvency Act. A copy of the certificate of filing issued by the Office of the Superintendent of Bankruptcy is attached as **Appendix "A"** to this report.

2. The Second NOI was filed by the Company to create a stabilized environment for NTSM to continue to operate in the ordinary course, while allowing the Company the opportunity to restructure its financial affairs.

3. The Certificate of Filing, together with Court documents related to the Second NOI proceeding has been posted on the Proposal Trustee's website which can be found at:

   https://tdbadvisory.ca/insolvency-case/NTSM/

1.1 Purpose of the Second Report to Court

4. The purpose of this report to Court (the "**Second Report**") is to provide the Court with information and, where applicable, the Proposal Trustee's views in connection with the motion by the Company for a 45-day extension of the deadline for the Company to file a proposal, from August 1, 2026 to September 15, 2026 (the "**Stay Extension**").

1.2 Terms of Reference

5. In preparing this Second Report and making the comments herein, the Proposal Trustee has relied upon information from third-party sources (collectively, the **"Information"**), including the Company's management. Certain of the information contained in the Second Report may refer to, or is based on, the Information. As the Information has been provided by other parties or obtained from documents filed with the Court in this matter, the Proposal Trustee has relied on the Information and,

to the extent possible, reviewed the Information for reasonableness. However, the Proposal Trustee has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Proposal Trustee expresses no opinion or other form of assurance in respect of the Information.

6. Capitalized terms not defined herein have the meanings ascribed to them in the previous reports of the Proposal Trustee.

7. Unless otherwise stated, all dollar amounts contained in the Second Report are expressed in Canadian dollars.

2.0 BACKGROUND

8. The details of NTSM's background and the events leading up to the filing of the Second NOI can be found in the Proposal Trustee's First Report dated June 13, 2026. (the "**First Report**"). A copy of the First Report, without appendices, is attached hereto as **Appendix "B".**

9. Additional details regarding the Company's background and the events following the filing of the Second NOI can be found in the affidavit of Antonio Bruno sworn July 29, 2026 (the "**Bruno Affidavit**"), which is included in the Company's motion materials.

3.0 CASH FLOW FORECAST

3.1 Cash Flow Forecast Overview

10. NTSM has prepared a 13-week cash flow forecast (the "**Cash Flow Forecast**") for the period July 24, 2026 to October 23, 2026 (the "**Forecast Period**"). A copy of the Cash Flow Forecast is attached hereto as **Appendix "C"**.

11. The Cash Flow Forecast was prepared by the Company with the assistance of the Proposal Trustee. NTSM's net cash receipts during the Forecast Period consist primarily of factored account receivables collected from the sale of its services in the

normal course, as well as receipts in respect of other accounts receivable that were not eligible for factoring. The Company's disbursements in the Forecast Period are comprised mostly of payroll, rent, professional fees, HST and general operating expenses.

12. In preparing this section of the Second Report, the Proposal Trustee has relied upon information provided by the Company and its management, including the representations contained in the Bruno Affidavit. The Proposal Trustee has not independently verified the operational information or assumptions underlying the Cash Flow Forecast and the comments contained in this section should be read in conjunction with the Bruno Affidavit.

13. Based on information provided by management, the Proposal Trustee understands that management has continued to implement initiatives intended to improve the Company's liquidity, profitability and overall operating performance. Management advises that these initiatives include continued fleet rehabilitation, business development efforts, cost reduction measures and liquidity management.

14. The Proposal Trustee further understands from management that these initiatives have contributed to increased fleet utilization, increased revenues and improved operating margins. Management has advised that, notwithstanding these operational improvements, the Company's liquidity has continued to be constrained.

15. The Proposal Trustee has reviewed the Cash Flow Forecast and the assumptions provided by management. Subject to the qualifications set out in the Terms of Reference of this Second Report, and based on the information provided by management, it is the Proposal Trustee's view that the Cash Flow Forecast and the assumptions contained therein are reasonable for the purpose for which they were prepared.

4.0 CREDITORS

16. As described in the Bruno Affidavit, the Proposal Trustee understands that, due to liquidity constraints experienced during the current stay period, the Company has not remained current with certain of its post-filing obligations. Based on information

provided by management, the Proposal Trustee further understands that the Company has been working with the affected creditors to negotiate payment arrangements in an effort to address the outstanding post-filing obligations. The Proposal Trustee has not independently verified the status of these discussions or arrangements, except as otherwise noted herein.

4.1 The Union

17. The Proposal Trustee understands from management that the Company has not remained current with certain post-filing remittances owing to the Labourers' International Union of North America, Local 837, 506 and 183 (the "**Union**").

18. As described in the Bruno Affidavit, on July 29, 2026, the Company entered into Minutes of Settlement with the Union pursuant to which the Company agreed to a weekly payment schedule in respect of the outstanding May 2026 and June 2026 remittances. The Proposal Trustee further understands that the Company made an initial payment of $15,000 on July 28, 2026 pursuant to the Minutes of Settlement. Management has further advised the Proposal Trustee that the payment arrangement has been incorporated into the revised Cash Flow Forecast.

4.2 Canada Revenue Agency

19. The Proposal Trustee understands from management that the Company is also in arrears with certain post-filing obligations owing to the Canada Revenue Agency (the "**CRA**"). Specifically, management has advised that approximately $40,000 relating to the May 2026 HST remittance was not paid when due, as a result of the Company's liquidity constraints.

20. In addition, management has advised that the Company is in arrears in the approximate amount of $16,000 in respect of post-filing source deductions relating to certain non-unionized employees.

21. As reflected in the revised Cash Flow Forecast and described in the Bruno Affidavit, management has advised the Proposal Trustee that it intends to satisfy the May 2026 source deduction arrears during the week of July 31, 2026 and the May 2026 HST

arrears during the week of August 14, 2026, and further intends to remain current with post-filing remittances during the remainder of the Forecast Period. The Proposal Trustee has not independently verified the Company's ability to make these payments but notes that they have been incorporated into the revised Cash Flow Forecast.

4.3 Emkay Canada Inc.

22. As reflected in the Cash Flow Forecast, vehicle lease payments relating to the Company's fleet of service vehicles are approximately $30,000 per month and are payable to Emkay. For forecasting purposes, management has assumed that Emkay will defer the monthly lease payments pending repayment in full from the refinancing transaction contemplated by the Company.

23. The Proposal Trustee understands from management that the Company has approached Emkay with a proposal to defer payment of the outstanding post-filing lease obligations until the refinancing transaction is completed, at which time the Company has advised that it intends to repay the outstanding post-filing lease obligations together with the equipment buyout proceeds. The Proposal Trustee further understands that, as of the date of this Second Report, Emkay has acknowledged receipt of the Company's proposal and advised that the proposal remains under review by its credit committee.

5.0 EXTENSION OF THE STAY OF PROCEEDINGS

24. The Company is seeking the Court’s approval for the Stay Extension.

25. The Company believes that in order to formulate a plan for the restructuring process and maximize recoveries for all stakeholders, it will require additional time. Furthermore, and as set out in the Bruno Affidavit, the Company requires additional time to prepare a sale process for the business and/or the assets of the Company.

26. The Proposal Trustee has considered the Company’s request for the Stay Extension and is supportive of this request for the following reasons:

a) The Company is acting in good faith and with due diligence;

b) The Stay Extension will provide the Company with an appropriate period in which to conduct the restructuring to the benefit of its creditors;

c) If the requested 45-day stay extension is granted until September 15, 2026, the Company expects to be able to make a viable proposal to its creditors; and

d) The Stay Extension does not appear to materially prejudice any of the Company's creditors.

6.0 PROPOSAL TRUSTEE'S REQUEST OF THE COURT

27. Based on the foregoing, the Proposal Trustee respectfully requests that the Court grant the relief sought by the Company, as described in paragraph 4 above.

All of which is respectfully submitted to this Court as of this 30th day of July 2026.

TDB RESTRUCTURING LIMIITED, solely in its capacity as Proposal Trustee of National Traffic Safety Management Inc. and not in its personal or corporate capacity

Per:

Jeffrey Berger, CPA, CA, CIRP, LIT
Managing Director

APPENDIX A

Industry Canada | Industrie Canada

Office of the Superintendent of Bankruptcy Canada | Bureau du surintendant des faillites Canada

District of: Ontario
Division No.: 07 - Hamilton
Court No.: 32-3364251
Estate No.: 32-3364251

In the Matter of the Notice of Intention to make a proposal of:

National Traffic Safety Management Inc.

Insolvent Person

TDB Restructuring Limited

Licensed Insolvency Trustee

Date of the Notice of Intention: April 24, 2026

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforenamed insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforenamed insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: April 24, 2026, 13:40

E-File/Dépôt Electronique | Official Receiver

Federal Building - Hamilton, 55 Bay Street N, 9th Floor, Hamilton, Ontario, Canada, L8R3P7, (877)376-9902

Canada

APPENDIX B

TDB Restructuring Limited
Licensed Insolvency Trustee

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ONTARIO
SUPERIOR COURT OF JUSTICE
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IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF NATIONAL TRAFFIC SAFETY MANAGEMENT INC.

IN THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO

FIRST REPORT OF THE PROPOSAL TRUSTEE

JUNE 13, 2026

Contents

APPENDICES

1.0 INTRODUCTION

1. This report is being submitted by TDB Restructuring Limited in its capacity as proposal trustee (the "**Proposal Trustee**") of National Traffic Safety Management Inc. ("**NTSM**" or the "**Company**") in connection with a Notice of Intention to Make a Proposal filed by NTSM on April 24, 2026 (the "**Second NOI**"), pursuant to Section 50.4(1) of the Bankruptcy and Insolvency Act. A copy of the certificate of filing issued by the Office of the Superintendent of Bankruptcy is attached as **Appendix "A"** to this report.

2. The Second NOI was filed by the Company to create a stabilized environment for NTSM to continue to operate in the ordinary course, while allowing the Company the opportunity to restructure its financial affairs.

3. The Certificate of Filing, together with Court documents related to the Second NOI proceeding has been posted on the Proposal Trustee's website (the **"Case Website"**) which can be found at:

https://tdbadvisory.ca/insolvency-case/NTSM/

1.1 Purpose of the First Report to Court

4. The purpose of this report to Court (the "**First Report**") is to provide the Court with information and, where applicable, the Proposal Trustee's views in connection with the motion by the Company for the following relief as set out in its Notice of Motion, including:

    a) the Company's cash flow forecast for the period June 5, 2026 to September 4, 2026 (the "**Cash Flow Forecast**")

    b) an administration charge in the amount of $80,000 (the "**Administration Charge**") to secure payment of the fees and disbursements of the Proposal Trustee, its counsel and the Company's counsel (collectively, the "**Professionals**");

c) a 45-day extension of the deadline for the Company to file a proposal, from June 17, 2026 to August 1, 2026 (the "**Stay Extension**").

1.2 Terms of Reference

5. In preparing this First Report and making the comments herein, the Proposal Trustee has relied upon information from third-party sources (collectively, the **"Information"**), including the Company's management. Certain of the information contained in the First Report may refer to, or is based on, the Information. As the Information has been provided by other parties or obtained from documents filed with the Court in this matter, the Proposal Trustee has relied on the Information and, to the extent possible, reviewed the Information for reasonableness. However, the Proposal Trustee has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Proposal Trustee expresses no opinion or other form of assurance in respect of the Information.

6. Capitalized terms not defined herein have the meanings ascribed to them in the previous reports of the Proposal Trustee.

7. Unless otherwise stated, all dollar amounts contained in the First Report are expressed in Canadian dollars.

2.0 BACKGROUND

8. The details of NTSM's background and the events leading up to the filing of the Initial NOI (as defined below) can be found in the affidavit of Michael Spencley sworn April 11, 2024 (the "**Spencley Affidavit**"). A copy of the Spencley Affidavit, without exhibits, is attached hereto as **Appendix "B"**.

9. The details regarding the events leading up to the filing of the Second NOI can be found in the affidavit of Antonio Bruno sworn on May 21, 2026 (the "**Bruno Affidavit**"). A copy of the Bruno Affidavit, without exhibits, is attached hereto as **Appendix "C"**.

10. Additional information regarding the Company, the Court-ordered charges, and the proposal proceedings is contained in the prior reports of the Proposal Trustee filed in connection with both the Initial NOI proceedings (as defined below) and the Second NOI proceedings, all of which have been posted to the Case Website.

11. On April 5, 2024, the Company filed a Notice of Intention to Make a Proposal pursuant to subsection 50.4(1) of the BIA (the "**Initial NOI**"). TDB consented to act as proposal trustee of the Initial NOI proceedings.

12. The Initial NOI proceedings were commenced to create a stabilized environment to permit the Company to continue operating while it restructured its financial affairs for the benefit of its stakeholders.

13. During the Initial NOI proceedings, the Company obtained interim financing and additional working capital financing pursuant to, among other things, a term sheet dated June 18, 2024 between FundThrough Inc., as lender, and the Company, as borrower, (the "**FundThrough Loan**") which permitted the Company to continue operating its business in the ordinary course while pursuing a restructuring of its affairs. The FundThrough Loan was later refinanced by Oxygen Working Capital Corp. ("**Oxygen**") pursuant to a Factoring Agreement dated January 13, 2025 between Oxygen and the Company.

14. On September 19, 2024, the Company, through the Proposal Trustee, filed a proposal with the Official Receiver (the "**First Proposal**"). On October 10, 2024, the first meeting of creditors (the "**First Meeting**") was convened virtually and at the office of the Proposal Trustee. At the First Meeting, Canada Revenue Agency ("**CRA**") sought an adjournment to further consider the First Proposal.

15. Subsequent to the adjournment of the First Meeting, the Proposal Trustee and CRA held several discussions regarding the terms of the First Proposal, following which the Company prepared an amended proposal dated January 6, 2025 (the "**Amended Proposal**").

16. The Amended Proposal provided for, among other things, an increase to the total funds to be paid to the Proposal Trustee for the benefit of unsecured creditors, and

the requirement for the Company to remain current with its tax filings for payroll, HST and T2 income tax returns and make any payments as they come due.

17. The First Meeting was reconvened on January 22, 2025, at which time the Amended Proposal was reviewed and voted on by the Company's creditors. At the reconvened First Meeting, the Amended Proposal was accepted by the required majority in number of creditors and two-thirds in value of claims voting.

18. On February 20, 2025, the Honourable Justice Kimmel approved the Amended Proposal.

19. Following approval of the Amended Proposal, the Company continued operating and made payments pursuant to the terms of the Amended Proposal. However, the Company subsequently defaulted under the terms of the Amended Proposal due to non-payment of certain post-filing obligations owing to CRA.

20. In addition to the CRA arrears, other amounts were owing to certain vendors and equipment lessors, who threatened enforcement proceedings, including the repossession of vehicles and equipment necessary for the Company's ongoing operations.

21. On April 12, 2026, a letter of intent between A2 Environmental Group, as purchaser (the "**Purchaser**") and the directors and shareholders of the Company, as seller, was entered into, pursuant to which the Purchaser agreed to acquire the shares of the Company (the "**Share Purchase**").

22. The Proposal Trustee understands that the Share Purchase contemplated the transition of management and operational control of the Company.

23. On April 13, 2026, Michael Spencley resigned as the sole officer and director of the Company and Antonio Bruno was appointed as the sole officer and director.

24. The Company filed the Second NOI in order to obtain a stay of proceedings and preserve the going-concern operations of the business and employment of the Company's approximately sixty (60) employees. TDB consented to act as proposal trustee in the Second NOI proceedings.

25. On May 22, 2026, the Honourable Justice Cavanagh granted an Order extending the time for the Company to file a proposal pursuant to the Second NOI to June 3, 2026.

26. On June 3, 2026 the Honourable Justice Black granted an Order

    a) extending the time for the Company to file a proposal pursuant to the Second NOI to June 17, 2026; and

    b) granting an Administration Charge in favour of the Proposal Trustee, the Company's counsel, in the maximum amount of $50,000 (exclusive of HST and disbursements), which charge ranks in priority to all Encumbrances, save and except for Oxygen's interest in the Company's factored accounts receivable.

27. The Company is continuing to operate during the Second NOI proceedings while it works to stabilize operations, obtain additional working capital and complete the Share Purchase or an alternative transaction.

3.0 CASH FLOW FORECAST

28. NTSM has prepared the Cash Flow Forecast for the period June 5, 2026, to September 4, 2026 (the "**Forecast Period**").

29. The Cash Flow Forecast was prepared by the Company with the assistance of the Proposal Trustee. NTSM's net cash receipts during the Forecast Period consist primarily of factored account receivables collected from the sale of its services in the normal course, as well as funds advanced as working capital. The Company's disbursements in the Forecast Period are comprised mostly of payroll, rent, professional fees and general operating expenses.

30. The Proposal Trustee understands that, since Antonio Bruno assumed operational control of the Company in April 2026, management has undertaken a number of initiatives focused on improving profitability, liquidity and overall operational performance. These initiatives have included reductions in overhead costs, enhanced labour management practices, improved fleet utilization and increased business development efforts.

31. Based on information provided by management, the Company has identified and implemented approximately $555,598 in annualized cost savings through staffing reductions, insurance savings, office consolidation and other operating efficiencies. The Proposal Trustee further understands that management has implemented measures to better manage labour costs and improve the recovery of premium and overtime charges from customers.

32. The Proposal Trustee also understands that the Company has substantially increased the utilization of its truck fleet, reducing its reliance on subcontractors and improving operating margins. In addition, management has reported increased revenues resulting from improved fleet availability, stronger customer relationships and enhanced business development activities.

33. The Proposal Trustee understands that the combination of these cost-saving measures, operational improvements and revenue growth has materially improved the Company's cash flow position, as reflected in the updated cash flow forecast filed in support of the requested extension of the stay period.

34. The Proposal Trustee has reviewed the Cash Flow Forecast and NTSM's underlying assumptions, and it is the Proposal Trustee's view that the Cash Flow Forecast and the assumptions contained therein are reasonable. A copy of the Cash Flow Forecast is attached as **Appendix "D"** to this report.

4.0 ADMINISTRATION CHARGE

35. The Administration Charge that the Company is seeking is to secure the fees and disbursements of the Professionals, including any unpaid pre-filing fees and disbursements relating to the commencement of these proceedings.

36. The Proposal Trustee has considered the Company's request, and supports the request on the basis that:

    a) these charges are typical in restructuring proceedings pursuant to the BIA and the *Companies' Creditors Arrangement Act*, as the charges facilitate an orderly restructuring process;

b) the Administration Charge is required to protect the Professionals who have been retained in these proceedings for their fees and disbursements, given NTSM's current financial challenges and insolvency; and

c) The Professionals require the protection afforded by the Administration Charge in order to continue in their respective roles throughout the NOI proceedings.

37. The Administration Charge is intended to rank in priority to all other charges and encumbrances, with the exception of Oxygen's interest in the factored accounts receivables.

5.0 EXTENSION OF THE STAY OF PROCEEDINGS

38. The Company is seeking the Court's approval for the Stay Extension.

39. The Company believes that in order to formulate a plan for the restructuring process and maximize recoveries for all stakeholders, it will require additional time. Furthermore, and as set out in the affidavit of Antonio Bruno sworn June 11, 2026, the Company requires additional time to prepare a sale process for the business and the assets of the Company.

40. The Proposal Trustee has considered the Company's request for the Stay Extension and is supportive of this request for the following reasons:

a) The Company is acting in good faith and with due diligence;

b) The Stay Extension will provide the Company with an appropriate period in which to conduct the restructuring to the benefit of its creditors;

c) If the requested 45-day stay extension is granted until August 1, 2026, the Company expects to be able to make a viable proposal to its creditors; and

d) The Stay Extension does not appear to materially prejudice any of the Company's creditors.

6.0 PROPOSAL TRUSTEE'S REQUEST OF THE COURT

41. Based on the foregoing, the Proposal Trustee respectfully requests that the Court grant the relief sought by the Company, as described in paragraph 4 above.

All of which is respectfully submitted to this Court as of this 13th day of June 2026.

TDB RESTRUCTURING LIMIITED, solely in its capacity as Proposal Trustee of National Traffic Safety Management Inc. and not in its personal or corporate capacity

Per:

Jeffrey Berger, CPA, CA, CIRP, LIT
Managing Director

APPENDIX C

National Traffic Safety Management Inc.
13-Week Cash Flow Forecast
For the 13 Weeks ended October 23, 2026

	Note	24-Jul-26	31-Jul-26	7-Aug-26	14-Aug-26	21-Aug-26	28-Aug-26	4-Sep-26	11-Sep-26	18-Sep-26	25-Sep-26	2-Oct-26	9-Oct-26	16-Oct-26	23-Oct-26	Total
Cash Receipts																
Post-Filing A/R Collections - Factored	1	56,853	182,000	145,000	105,000	118,000	116,000	52,000	107,000	162,000	175,000	175,000	175,000	175,000	175,000	1,918,853
Post-Filing A/R Collections - Non Factored	2	8,124	38,178	26,386	9,848	21,389	3,729	35,476	2,990	-	-	-	-	-	-	146,120
A/R Factoring	3	137,719	168,088	168,088	168,088	168,088	168,088	168,088	168,088	168,088	168,088	168,088	168,088	168,088	206,508	2,361,277
Total Receipts		202,696	388,266	339,474	282,936	307,477	287,817	255,564	278,078	330,088	343,088	343,088	343,088	343,088	381,508	4,426,250
Cash Disbursements																
Rent	4	-	-	7,900	-	-	-	7,900	-	-	-	7,900	-	-	-	23,700
Insurance	5	-	-	-	45,000	-	-	-	15,000	-	-	-	-	15,000	-	75,000
Vehicle Leases	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payroll & Benefits	7	95,384	139,630	97,500	111,600	97,500	109,900	105,200	99,200	109,900	97,500	121,849	97,500	111,600	113,378	1,507,641
Operating Costs	8	22,160	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	34,400	392,560
Professional Fees	9	5,000	10,000	-	10,000	-	10,000	-	10,000	-	10,000	-	10,000	-	10,000	75,000
Repayment - A/R Factoring	10	56,853	182,000	145,000	105,000	118,000	116,000	52,000	107,000	162,000	175,000	175,000	175,000	175,000	175,000	1,918,853
HST	11	-	76,493	-	40,000	-	-	86,009	-	-	-	71,292	-	-	-	273,795
Total Disbursements		179,397	436,123	278,400	339,600	243,500	263,900	279,109	259,200	299,900	310,500	404,041	310,500	329,600	332,778	4,266,549
Cash - Opening		63,598	86,897	39,039	100,113	43,448	107,425	131,341	107,795	126,673	156,860	189,448	128,494	161,082	174,569	63,598
Net cash inflow/(outflow)		23,299	(47,858)	61,074	(56,665)	63,977	23,917	(23,546)	18,878	30,188	32,588	(60,954)	32,588	13,488	48,729	159,701
Cash - Closing		86,897	39,039	100,113	43,448	107,425	131,341	107,795	126,673	156,860	189,448	128,494	161,082	174,569	223,299	223,299

Notes

1 Management estimates that accounts receivable from post filing sales will be collected approximately 60 days after invoices are issued to customers.
2 Certain receivables are ineligible for factoring and are therefore not pledged to Oxygen. The forecast assumes collection of all unfactored accounts receivable outstanding as of July 24, 2026., but does not estimate any additional non-factored invoices during the forecast period
3 The Company has an accounts receivable factoring facility from Oxygen Working Capital Corp (the "Factor") that will lend based on 85% of all post-filing accounts receivable balances. This forecast assumes that Factor will extend fund: one-week subsequent to the week in which the respective sales are generated and invoices are issued to customers.
4 Rent is comprised of lease payments for the Niagara location (Office, Shop, Depot where vehicles and equipment reside)
5 Insurance is comprised of Fleet, Property & Liability insurance premiums payable by the Company during the forecast period, as well as Accounts Receivable insurance as required by the Factor. The August 14th payment reflects premiums due for June, July and August, 2026
6 Vehicle leases are for the Company's fleet of service vehicles that are used in operations, specifically Emkay Canada Inc. For forecasting purposes, it is assumed that Emkay will defer its monthly lease payments (approximately $30,000) pending repayment in full from refinancing proceeds by September 15, 2026.
7 Payroll includes head office salaries as well as hourly/contract worker wages. Benefits and union dues are also included in these amounts.
8 Operating costs include fuel charges as well as a provision equal to 6% of sales. The provision of 6% is management's best estimate for costs incurred by employees in carrying out their duties for items including meals and hotels, maintenance for vehicles, as well as regular vendor accounts payable. The forecast assumes that fuel charges and reimbursement of employee out-of-pocket costs will be recovered through the regular invoicing cycle
9 Professional Fees includes estimated fees and disbursements payable to the Proposal Trustee and its counsel, as well as the Company's counsel
10 As at July 22, 2026 the amount outstanding to the Factor is approximately $757,000. It is assumed this will be paid back through the collection of Accounts Receivable by the Factor. The Company will not be receiving the difference between the amount collected less fees as the Facto will be applying to interest on its Term Loan. Interest fees of approximately 3% will be covered through the A/R factoring repayments
11 HST represents the net of all HST collected on sales, less the input tax credits relating to the company's expenses. It is assumed that HST payments will be made during the last week of each month, relating to amounts owing for the prior month. The $40,000 payment in the week o August 14th is intended to address arrears for May, 2026 HST.

Antonio Bruno

Signer ID: HFGSRUKEOH...