COURT FILE NUMBER	S-1-BK-2026-000005
ESTATE FILE NUMBER	24-3348383
COURT	SUPREME COURT OF NORTHWEST TERRITORIES IN BANKRUPTCY AND INSOLVENCY
JUDICIAL CENTRE	YELLOWKNIFE
	IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT,* RSC 1985, c B-3, AS AMENDED
	AND IN THE MATTER OF THE DIVISION I PROPOSAL OF MCCOY ENTERPRISES LTD.
APPLICANT	GRANT THORNTON LIMITED IN ITS CAPACITY AS LICENSED INSOLVENCY TRUSTEE IN THE DIVISION I PROPOSAL OF MCCOY ENTERPRISES LTD.
DOCUMENT	**ORDER**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	GRANT THORNTON LIMITED 601 – 10060 Jasper Avenue NW Edmonton, AB, Canada T5J 3R8 Attention: Darren Crocker Phone: 780-401-8209 Email: Darren.Crocker@doane.gt.ca

CLERK OF THE SUPREME COURT OF THE N.W.T.
GREFFIER DE LA COUR SUPRÊME DES T.N.O.
FILED
JUL 23 2026
DÉPOSÉ

DATE ON WHICH ORDER WAS PRONOUNCED: July 23, 2026

LOCATION WHERE ORDER WAS PRONOUNCED: Yellowknife, NWT

NAME OF REGISTRAR WHO MADE THIS ORDER: J.P. MERCADO

UPON THE APPLICATION of Grant Thornton Limited (the "**Approval Application**"), in its capacity as the Trustee in the Amended Proposal (in such capacity, the "**Trustee**") of McCoy Enterprises Ltd. ("**McCoy**"), for an Order approving the Amended Proposal (defined below) pursuant to sections 58 and 60(5) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the "**BIA**");

AND UPON HAVING READ the Report of the Trustee on Proposal dated June 3, 2026 (the "**Report**");

AND UPON HAVING READ the Amended Proposal (the "**Amended Proposal**") filed with the Office of the Superintendent of Bankruptcy Canada (the "**OSB**") and described at the general meeting of creditors held on May 7, 2026 (the "**Meeting of Creditors**");

AND UPON being satisfied that the Amended Proposal was made in good faith, and that its terms are reasonable and calculated to benefit the general body of creditors;

AND UPON reviewing the Affidavit of Service of Isobel Smith sworn May 11, 2026;

IT IS HEREBY ORDERED THAT:

DEFINITIONS

1. All capitalized terms used herein that are not otherwise defined have the meaning ascribed to them in the Amended Proposal.

SERVICE

2. With respect to service of the Approval Application and all accompanying materials, the dissemination of the Amended Proposal to McCoy's Creditors, the service of notice of the Creditors' Meeting, and all other matters of technical compliance under the BIA:

   (a) service of the notice of the Approval Application and all supporting materials is abridged and is hereby deemed to be good and sufficient;

   (b) service of the Report as required by section 58(c) of the BIA is abridged and is hereby deemed good and sufficient;

   (c) the dissemination of the Amended Proposal and all accompanying materials to the Creditors has been duly effected;

   (d) proper notice of the Creditors' Meeting was duly given to all Creditors entitled to vote at the Creditors' Meeting;

   (e) the Creditors' Meeting was duly convened and held in accordance with the provisions of the BIA; and

(f) the distribution of the necessary materials for the Creditors' Meeting is hereby deemed good and sufficient.

APPROVAL OF THE AMENDED PROPOSAL

3. The Amended Proposal is made in good faith, and its terms are fair and reasonable and are calculated to benefit the general body of Creditors.

4. The Amended Proposal has been agreed to and approved by a majority in number and two-thirds in value of the Affected Creditors present and voting either in person or by proxy at the Creditors' Meeting, as required by the BIA.

5. The Amended Proposal attached hereto as **Schedule "A"**, is hereby approved and sanctioned, is effective in accordance with its terms and is binding upon and enures to the benefit of McCoy, the Affected Creditors, and all other persons and parties named or referred to in, affected by, or subject to the Amended Proposal, including their respective heirs, administrators, executors, legal representatives, successors and assigns, as provided in the Amended Proposal, and in this Order.

6. Pursuant to and in accordance with the Amended Proposal, all Claims shall be final and binding on McCoy and all Creditors and the Amended Proposal shall constitute (i) a full, final and absolute settlement of rights of the holders of Claims affected hereby; and (ii) an absolute release and discharge of all indebtedness, liabilities and obligations of McCoy of or in respect of such Claims.

7. As of the Approval Application, the Amended Proposal and all associated steps, compromises, settlements, satisfactions, releases, discharges, transactions and arrangements set out therein are and shall be approved, final, binding and effective in accordance with the provisions of the Amended Proposal and the BIA for all purposes and enure to the benefit of McCoy, the Creditors, the Director, and all other persons named or referred to in, or subject to the Amended Proposal, and their respective heirs, executors, administrators and other legal representatives, successors and assigns.

8. The payment, distribution or transfer of any money, property or other consideration pursuant to or in connection with the Amended Proposal or this Order will be free and clear of any charge, mortgage, lien, pledge, claim, restriction, hypothec, adverse interest,

security interest or other encumbrance whether created or arising by agreement, statute or otherwise at law.

9. Upon the remittance of all Amended Proposal Funds by McCoy to the Trustee pursuant to the Amended Proposal, and upon the Trustee having issued the Certificate of Full Performance in accordance with section 9.2 of the Amended Proposal, the Amended Proposal is deemed to be fully performed.

10. From and after the date of the Amended Proposal, each Creditor of McCoy and any person affected by the Amended Proposal shall hereby be deemed to have consented and agreed to all of the provisions of the Amended Proposal.

BARRING AND RELEASE OF CLAIMS

11. Without limiting anything in the Amended Proposal or the BIA:

    (a) all Claims are forever barred and extinguished, and McCoy is discharged and released from any and all Claims of any nature or in accordance with the Amended Proposal, the ability of any person to proceed against McCoy in respect of or relating to any Claims is forever discharged and restrained and all proceedings with respect to, in connection with or relating to such Claims are permanently stayed; and

    (b) the right to commence, take apply for, issue or continue any and all steps and proceedings, including but not limited to administrative hearings and orders, declarations or assessments commenced, taken or proceeded with or that may be commenced, taken or proceeded with against McCoy in respect of any and all Claims be and is hereby stayed, suspended and forever extinguished; provided that nothing herein shall release, discharge or affect any obligation of McCoy under the Amended Proposal or prevent any person from enforcing its rights and remedies against McCoy in respect of any such obligation.

12. Upon implementation of the Amended Proposal and subject to Section 14.1 of the Amended Proposal, the Director shall be released and discharged from and by all persons including Creditors and holders of Unsecured Claims, from any and all demands, claims, actions, causes of actions, counterclaims, suits, debts, orders, penalties, sums of money,

accounts, covenants, damages, judgements, expenses, executions, charges and other recoveries on account of any liability, obligation, demand or cause of action of whatever nature which any person may be entitled to assert, including, without limitation, any and all Claims or contingent Claims, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place on or prior to the Approval Application, relating to, arising out of or in connection with any Claims, the business and affairs of McCoy and the Director, whenever and however conducted, including the Amended Proposal, provided that nothing herein shall:

(a) release or discharge any of the Director from the exceptions set out in section 50(14) of the BIA; or

(b) release or discharge any of the Director from fraudulent or criminal conduct.

NO FRAUDULENT PREFERENCE OR CONVEYANCE

13. Notwithstanding:

(a) the pendency of these proceedings;

(b) any proceedings in respect of McCoy under the BIA, and

(c) the *Companies' Creditors Arrangement Act,* RSC 1985, c C-36 or any analogous law; or the provisions of any federal or provincial statute,

none of the transactions contemplated by the Amended Proposal shall be void or voidable at the instance of creditors, or any trustee in bankruptcy, receiver or court officer, nor shall such transactions constitute, nor shall they be deemed to constitute, transfers at undervalue, fraudulent preferences, assignments, fraudulent conveyances or other reviewable transactions under the BIA or any other applicable federal or provincial law or conduct meriting an oppression remedy, and all of the transactions occurring under the Amended Proposal shall be binding on any subsequently appointed trustee in bankruptcy of McCoy.

AMENDMENT OF AMENDED PROPOSAL

14. The Amended Proposal may be varied, amended, restated, modified or supplemented:

(a) with the consent of the Trustee, McCoy and without Court approval, provided that such amendment concerns a matter that is of an administrative nature and is required to better give effect to the implementation of this Amended Proposal and is not adverse to the financial interests of the Creditors; and

(b) in all other instances with the consent of the Trustee and McCoy, subject to the Court approving such amendment;

and in the instance of any amendment, McCoy shall provide notice to the service list of the amendment and file a copy thereof with the Court without delay and the Trustee will post an electronic copy of the amendment on the Trustee's case website without delay. The Trustee's case website can be found at: https://www.doanegrantthornton.ca/service/advisory/creditor-updates/#McCoy-Enterprises-Ltd

GENERAL

15. McCoy and the Trustee are hereby granted leave to apply to this Court for such further advice and direction or assistance as may be necessary to give effect to the terms of this Order and the Amended Proposal.

16. McCoy and the Trustee are hereby authorized and directed to take all further actions or steps necessary or appropriate to implement and complete the Amended Proposal, including but not limited to taking possession of the Amended Proposal Funds, and making all payments and distributions required to be made under the terms of the Amended Proposal, and such steps and actions taken are hereby approved.

17. Pursuant to the BIA, this Order shall have full force and effect in all provinces and territories of Canada against all persons, firms, corporations, governmental, municipal and regulatory authorities against whom it may be enforceable.

18. This Court hereby requests the aid and recognition of any court, tribunal, regulatory, or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, to give effect to this Order, and to assist the Trustee and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and

administrative bodies are hereby respectfully requested to make such order and to provide such assistance to the Trustee, as an officer of the Court, as may be necessary or desirable to give effect to this Order or to assist the Trustee and its agents in carrying out the terms of this Order.

19. Each of McCoy or the Trustee shall be at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

20. Service of this Order shall be deemed good and sufficient by:

(a) serving the same on:

(i) the persons listed on the service list created in these proceedings;

(ii) any other person served with notice of the Approval Application;

(iii) any other parties attending or represented at the Approval Application; and service on any other person is hereby dispensed with.

21. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

D/Registrar of the Supreme Court of
Northwest Territories

Entered on this 23rd day of July, 2026

D/Registrar of the Supreme Court of
Northwest Territories

District of Northwest Territories
Division No. 01 – Northwest Territories
Court No. 24-3348383
Estate No. 24-3348383

CLERK'S STAMP

COURT	SUPREME COURT OF THE NORTHWEST TERRITORIES IN BANKRUPTCY AND INSOLVENCY
JUDICIAL CENTRE	YELLOWKNIFE
	IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, RSC 1985, c B-3, AS AMENDED AND IN THE MATTER OF THE AMENDED PROPOSAL OF MCCOY ENTERPRISES LTD.
DOCUMENT	**AMENDED PROPOSAL**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Mr. Kelly McCoy, Director 12 Canol Drive, PO Box 11 Norman Wells, NT, Canada X0E 0V0 Phone: 867-587-2499 Email: info@mccoyenterprises.net

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District of Northwest Territories
Division No. 01 – Northwest Territories
Court No. 24-3348383
Estate No. 24-3348383

IN THE MATTER OF THE PROPOSAL OF

MCCOY ENTERPRISES LTD.
OF THE TOWN OF NORMAN WELLS, IN THE NORTHWEST TERRITORIES

AN INSOLVENT PERSON

DIVISION I PROPOSAL
(Section 50 of the *Bankruptcy and Insolvency Act*)

ARTICLE 1 - DEFINITIONS

1.1 Definitions

In this Proposal, the following words and phrases shall have the following respective meanings:

a) **"Acceptance"** means the acceptance of the Proposal by the Creditors and the ratification of the Proposal by the Court;

b) **"Act"** means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3;

c) **"Certain Crown Claims"** means those Creditors defined in Article 8.2 hereof;

d) **"Claims"** has the meaning ascribed thereto in the Act;

e) **"Court"** means the Supreme Court of the Northwest Territories, in Bankruptcy and Insolvency;

f) **"Creditor"** or **"Creditors"** means the creditors of McCoy Enterprises Ltd. affected by the Proposal;

g) **"Director's Liability"** means the liability of the directors of a corporation in regard to those Claims against a corporation defined in Article 8.5 hereof in respect of which the directors of the corporation are liable in their capacity as a director of the corporation;

h) **"Insolvent Person"** means McCoy Enterprises Ltd.;

i) **"Meeting of Creditors"** means the meeting of creditors scheduled to consider and vote on the Proposal;

j) **"Notice of Meeting"** means the notice of the Meeting of Creditors forwarded to the Creditors;

k) **"Preferred Creditors"** means all those Creditors of the Insolvent Person defined in Article 8.7 hereof;

l) **"Amended Proposal"** means the series of steps and arrangements contemplated herein, by which the debts and obligations owing by the Insolvent Person to the Creditors will be dealt with pursuant to Part III, Division I of the Act;

m) **"Proposal Fund"** shall mean the fund of money paid by the Insolvent Person to the Trustee for the purpose of distribution to the Creditors of the Insolvent Person in accordance with the terms of this Proposal;

n) **"Proposed Implementation Date"** means the date that rights and obligations under the Proposal become effective and is the latest date upon which each of the following events has occurred:

   i. the approval of the Proposal by the requisite majority in number and in value of the Creditors required under Division I of Part III of the Act has been obtained; and

   ii. an Order of the Court approving the Proposal has been obtained and the appeal period from such Order has expired or, if any appeal is taken from such Order, a final Order dismissing such appeal has been obtained;

o) **"Proposal Valuation Date"** means April 17, 2026;

p) **"Secured Creditors"** means those Creditors defined in Article 8.3 hereof;

q) **"Termination Date"** means the date upon which the Claims of all Creditors have been satisfied in accordance with the Proposal or otherwise satisfied;

r) **"Trustee"** means Grant Thornton Limited, licensed insolvency trustee under the Proposal;

s) **"Unsecured Creditors"** means those Creditors defined in Article 8.8 hereof;

t) **"Valued Claim"** means the Claim of a creditor as of the Proposal Valuation Date which has been valued by the Trustee; and

u) **"Wage Claims"** means the Claims advanced against the Insolvent Person by those Creditors defined in Article 8.4 hereof;

ARTICLE 2 – INSOLVENT PERSON

2.1 The Insolvent Person hereby submits the following Amended Proposal pursuant to the Act.

ARTICLE 3 - PURPOSE AND EFFECT OF PROPOSAL

3.1 The purpose of the Amended Proposal is to allow the Insolvent Person the opportunity to offer a compromise to its Creditors of their Claims against the Insolvent Person.

3.2 The Insolvent Person wishes to permit the Creditors to achieve a recovery on their Claims against the Insolvent Person which is superior to that which the Creditors are expected to achieve in the event that the Insolvent Person were to become bankrupt.

3.3 The Amended Proposal will become effective on the Proposal Implementation Date, on which date the Claims of the Creditors will be compromised in accordance with the terms hereof.

ARTICLE 4 – MEETING OF CREDITORS

4.1 The Creditors shall be given formal notice to attend a Meeting of Creditors as outlined in the Notice of Meeting.

ARTICLE 5 – ADMINISTRATION OF THE AMENDED PROPOSAL

5.1 The Creditors, with the consent of the Insolvent Person, may include such additional provisions or terms in the Amended Proposal with respect to the supervision of the affairs of the Insolvent Person as they may deem advisable.

5.2 The Creditors may appoint one or more, but no more than five inspectors of the Amended Proposal of the Insolvent Person.

5.3 The Amended Proposal shall be terminated upon the date on which the Claims of all Creditors have been satisfied pursuant to the terms of the Amended Proposal, or upon the bankruptcy of the Insolvent Person, or upon default under the terms of the Amended Proposal by the Insolvent Person.

ARTICLE 6 – REASONABLE SECURITY

6.1 Pursuant to Section 59(3) of the Act, the Trustee has received $22,250 from a third party, which will serve as security in support of this Amended Proposal.

ARTICLE 7 – DEFAULT BY INSOLVENT PERSON IN PERFORMANCE OF AMENDED PROPOSAL

7.1 The Insolvent Person shall be in default of its obligations under the Amended Proposal in the event that:

a) it has not paid the full amount of the Proposal Fund to the Trustee on or before the dates specified in Article 16.2 hereof for such payment to be made;
b) the Insolvent Person shall have failed to comply with the requirements of Article 9.2 hereof on or before the dates therein specified;
c) the Insolvent Person fails to make required payments under Article 11.2; or
d) the Insolvent Person fails to make required payments under Article 12.6.

7.2 Where default is made in the performance of any provision of the Amended Proposal and the default is not remedied by the Insolvent Person or waived by the inspectors, or in the absence of inspectors, by the Trustee or a majority of the Creditors as defined in dollar value of proven Claims, within thirty (30) days immediately following the default, the Trustee shall so inform all of the Creditors and the Official Receiver in the manner prescribed pursuant to the Act.

7.3 In the absence of inspectors, the Trustee shall have the power to extend the time for the making of any payment required to be made pursuant to this Amended Proposal.

ARTICLE 8 – DEFINITION OF CREDITOR CLAIMS

8.1 The Claims of Creditors have the respective definitions provided in this Article 8.

8.2 **"Certain Crown Claims"** shall mean any claim of His Majesty in the Right of Canada or a Province or Territory of all amounts of a kind that could be subject to a demand under:

a) subsection 224(1.2) of the *Income Tax Act*;

b) any provision of the *Canada Pension Plan* or the *Employment Insurance Act* that refers to subsection 224(1.2) of the *Income Tax Act*; and

c) any substantially similar provincial or territorial legislation that has a similar purpose to the subsection 224(1.2) of the *Income Tax Act*.

8.3 **"Secured Creditors"** means a person holding a mortgage, hypothec, pledge, charge, security interest or lien on or against the property of the Insolvent Person or any part of that property as security for a debt due or accruing due to the person from the Insolvent Person, or a person whose claim is based on, or secured by, a negotiable instrument held as collateral security and in respect of which the Insolvent Person is only indirectly or secondarily liable.

8.4 **"Wage Claims"** includes any claim of employees and former employees of the Insolvent Person for amounts equal to the amounts that such employees may be qualified to receive pursuant to subsection 136(1)(d) of the Act as at the time of the filing the Proposal.

8.5 **"Director's Liability Claims"** includes any claim for obligations of the Insolvent Person where the claim extends to the directors of the Insolvent Person and such directors are by law personally liable in their legal capacity as director of the Insolvent Person for:

a) Certain Crown Claims as defined in Article 8.2 hereof;

b) Wage Claims as defined in Article 8.4 hereof;

c) Goods and Services Tax ("GST") Claims as defined pursuant to the *Excise Tax Act*;

d) WCB premiums as directed under any Provincial or Territorial Workers' Compensation Act; and

e) Any claim respecting any environmental contamination or condition under any federal, provincial or territorial environmental act.

8.6 For greater certainty, **"Director's Liability Claims"** excludes any Claims that relate to obligations arising out of contractual obligations or Claims that are based on allegations of misrepresentation or wrongful or oppressive conduct.

8.7 **"Preferred Creditors"** includes any creditor with a claim defined pursuant to subsection 136(1) of the Act. However, "Preferred Creditor" shall exclude any person advancing a Wage Claim.

8.8 **"Unsecured Creditors"** includes all persons to whom the Insolvent Person owes any obligations of any nature and kind whatsoever, whether due or not due for payment at the Proposal Valuation Date and including contingent or unliquidated Claims arising out of any transactions entered into by the Insolvent Person prior to the Proposal Valuation Date, save and except for the Claims of Secured Creditors, Wage Claims, Certain Crown Claims and the Claims of Preferred Creditors.

ARTICLE 9 – ARRANGEMENTS AFFECTING CANADA REVENUE AGENCY ("CRA")

9.1 The Insolvent Person shall be deemed to have completed a year-end on the day prior to the filing of the Proposal (April 16, 2026). Federal and provincial income taxes, including interest and penalty charges thereon and goods and services taxes (GST), including interest and penalty charges thereon, accruing due or payable for the current fiscal year up to and including the day preceding the filing of the Proposal shall be included as an unsecured claim pursuant to Article 8.8 herein. Any adjustments, assessments or reassessments (if any) made by CRA for Claims filed by the Insolvent Person prior to the Proposal Valuation Date in relation to income taxes or GST shall be considered an adjustment, assessment or reassessment in relation to the pre-proposal period.

9.2 The Insolvent Person shall comply with the *Income Tax Act* and the *Excise Tax Act* and all other applicable tax related matters including, but not necessarily limited to, the filing of all pertinent statutory returns on or before the date upon which the returns become due and the payment of all monies for income tax, GST and source deductions, including the employer's portion where application, on or before the date upon which the payments become due. The sole responsibility for monitoring compliance with this provision rests with CRA. Should the Insolvent Person complete the monetary component of this Amended Proposal, and the Trustee has not been advised by CRA that the Insolvent Person is not compliant, the Trustee will be at liberty to issue the Certificate of Full Performance of Proposal to the Insolvent Person.

ARTICLE 10 – ARRANGEMENTS AFFECTING CERTAIN CREDITORS

10.1 Any indebtedness incurred by the Insolvent Person for the provision of goods, services, supplies, or any other considerations subsequent to the Proposal Valuation Date and prior to the approval of the Amended Proposal by the Court shall be paid in full in the ordinary course of business from proceeds realized in relation to the business operations in priority only to the Claims of the Unsecured

Creditors as defined in Article 8.8 herein, existing at the time of the filing of the Amended Proposal.

10.2 Creditors dealing with the Insolvent Person following the time of the filing of the Amended Proposal shall have no right to claim set-off against any debts or obligations incurred by the Insolvent Person after the Proposal Valuation Date. Notwithstanding the foregoing, nothing in this Amended Proposal shall limit, restrict, or otherwise affect any right of set-off or similar right that a Secured Creditor held or was entitled to exercise as at or prior to the Proposal Valuation Date under its security agreements, banking arrangements, or at law or in equity (including, without limitation, any right of set-off arising from any deposit account, loan agreement, credit facility, guarantee, or other banking arrangement between the Insolvent Person and the Secured Creditor). All such pre-existing rights are expressly preserved and may be exercised by the Secured Creditor at any time in accordance with the terms of the applicable agreements and applicable law, and the Insolvent Person acknowledges and confirms that it shall not challenge or dispute the exercise of any such rights.

ARTICLE 11 – ARRANGEMENTS AFFECTING CERTAIN CROWN CLAIMS

11.1 The Claims defined in Article 8.2 hereof, comprised of all amounts outstanding at the time of the filing of the Amended Proposal, shall be paid in full within six (6) months following Court approval of the Amended Proposal or in an extended period of time if approved by His Majesty in Right of Canada as represented by CRA from proceeds realized in relation to the business operations in subordination to the Trustee's fees and disbursements and in priority only to the payment of the Claims of the preferred Creditors as defined in Article 8.7 herein and the payment of the Claims of the unsecured Creditors as defined in Article 8.8 herein.

11.2 Within sixty (60) months following Court approval of the Amended Proposal, CRA shall be paid all amounts outstanding at the time of the filing of the Proposal that are of a kind that could be subject to a demand under subsection 224(1.2) of the Income Tax Act (Canada) or under any substantially similar provision of provincial legislation. The amount owing pursuant to this paragraph is approximately $182,285, payable in equal monthly installments of approximately $3,038 over sixty (60) months commencing July 1, 2026. The Insolvent Person shall remit payment directly to CRA for Claims defined in Article 8.2 hereof.

ARTICLE 12 – ARRANGEMENTS AFFECTING SECURED CREDITORS

12.1 The Insolvent Person makes the following Amended Proposal to One Class of Secured Creditors, pursuant to Subsection 50.1(2) of the Act:

Class 1 Secured Creditor	**Secured Claim**	**Security**	**Assessed Value**	**Assessed Unsecured Claim**
CIBC	$204,000	All present and after-acquired property	$204,000	Nil
CIBC	$182,000	All present and after-acquired property	$182,000	Nil

12.2 The Payment of the Claims of the Secured Creditors, with fully assessed values, shall be made by the Insolvent Person as agreed between the Insolvent Person and the Secured Creditors, from the proceeds realized from ongoing business operations.

12.3 If the Insolvent Person and the Secured Creditors are unable to agree to the terms and conditions of payment, the Secured Creditors may realize their security. All reasonable costs, expenses and obligations incurred of every nature and kind whatsoever with respect to the enforcement and realization of security shall be for the account of the Insolvent Person, shall be added to and form part of the applicable Secured Claim, and shall be secured by the applicable Secured Creditor's existing security. For greater certainty, any Secured Creditor enforcing and realizing on its security shall be entitled to deduct all reasonable costs, expenses and obligations of such enforcement and realization from the proceeds of realization prior to any accounting to the Insolvent Person or any other party, and the Insolvent Person shall remain liable for any deficiency remaining after such deduction.

12.4 For greater certainty, the payment of the Secured Claims as defined in Article 8.3 herein, shall be the sole responsibility of the Insolvent Person from proceeds realized in relation to the business operations and the Secured Claims shall not be included for distribution of any dividends payable by the Trustee with respect to this Amended Proposal.

12.5 Secured Creditors with an assessed Unsecured Claim are permitted to vote as Unsecured Creditors pursuant to Subsection 50.1(3) of the Act.

12.6 The Insolvent Person is in discussions with the Canadian Imperial Bank of Commerce (“**CIBC**”) regarding its Secured Claims. Pursuant to those discussions, the Insolvent Person shall make payments to CIBC in the amount of $6,433 per month for a period of sixty (60) months, for total payments of $386,016, on terms to be confirmed by letter.

12.7 Notwithstanding anything else contained in this Amended Proposal, the acceptance of this Amended Proposal by the CIBC and the treatment of CIBC's Secured Claims as set out in Article 12.6 hereof are expressly conditional upon the execution and delivery of a forbearance agreement between CIBC and the Insolvent Person, in form and substance satisfactory to CIBC, acting reasonably (the "**Forbearance Agreement**"), on or before the date on which the Insolvent Person seeks Court approval of this Amended Proposal pursuant to section 58 of the Act. The Forbearance Agreement shall set out, among other things, the terms and conditions governing the repayment of CIBC's Secured Claims, including the amount, timing and frequency of payments, the applicable rate of interest, events of default, and such other terms and conditions as CIBC may reasonably require.

For greater certainty:

a. in the event that the Forbearance Agreement is not executed and delivered in accordance with this Article 12.7, CIBC shall not be bound by the terms of this Amended Proposal and shall be entitled to exercise all rights and remedies available to it under its credit agreement, security agreements, and guarantees, and any other security held thereby, at law, or in equity, as if this Proposal had not been filed;

b. the terms of the Forbearance Agreement, once executed, shall be deemed to be incorporated into and form part of this Proposal, and any breach of the Forbearance Agreement by the Insolvent Person shall constitute a Secured Creditor Default for the purposes of Article 12.8 hereof; and

c. in the event of any conflict or inconsistency between the terms of the Forbearance Agreement and the terms of this Amended Proposal, the terms of the Forbearance Agreement shall prevail to the extent of such conflict or inconsistency.

12.8 The occurrence of any one or more of the following events shall constitute a default under the arrangements affecting Secured Creditors set out in this Article 12 (a "**Secured Creditor Default**"):

(a) the Insolvent Person is in default of any of its obligations under the Amended Proposal, including, without limitation, any default arising under Article 7.1 hereof, and such default has not been remedied or waived in accordance with Article 7.2 hereof;

(b) the Insolvent Person fails to make any required payment to CRA in respect of Certain Crown Claims under Article 11.2 hereof when due;

(c) the Insolvent Person fails to make any required payment to the Proposal Fund under Article 16.2 hereof when due; or

(d) the Insolvent Person fails to comply with any post-filing statutory obligation under Article 9.2 hereof.

Upon the occurrence of a Secured Creditor Default, and subject to any applicable cure period specified above, each Secured Creditor shall be entitled, without further notice or demand, to (i) declare the full outstanding balance of its Secured Claim immediately due and payable, (ii) enforce and realize upon its security in accordance with its credit documents and applicable law, and (iii) exercise all other rights and remedies available to it under its credit documents, including security agreements, the Amended Proposal, or at law or in equity. For greater certainty, upon the occurrence of a Secured Creditor Default, the stay of proceedings under the Act, or any order of the Court in respect of this Amended Proposal, shall cease to apply to the Secured Creditors and their respective Secured Claims.

ARTICLE 13 – ARRANGEMENTS AFFECTING EMPLOYEES AND FORMER EMPLOYEES

13.1 The Claims defined in Article 8.4 hereof of all amounts outstanding at the Proposal Valuation Date, together with all amounts accrued due for services rendered after that date and before Court approval of the Amended Proposal, shall be paid in full immediately following Court approval of the Amended Proposal from proceeds realized in relation to business operations and in priority to the claims of all other Creditors, however, payment to wage claimants shall be subordinate to payment of the Trustee's fees and disbursements.

13.2 For greater certainty, the payment of the Claims defined in Article 8.4 hereof shall be the sole responsibility of the Insolvent Person and the Claims shall not be included for distribution of any dividends payable by the Trustee with respect to this Amended Proposal.

13.3 The Insolvent Person is aware of wage claims of approximately $9,322.38, which shall be paid in accordance with Article 13.1.

ARTICLE 14 – ARRANGEMENTS AFFECTING DIRECTOR'S LIABILITIES

14.1 Pursuant to Section 50(13) of the Act, the Amended Proposal provides for a complete compromise of Claims against the directors, Mr. Kelly McCoy and Ms. Ruby McCoy, of any Claims proven under Article 9 hereof.

ARTICLE 15 – ARRANGEMENTS AFFECTING PREFERRED CREDITORS

15.1 The funds available for distribution in this Amended Proposal shall be distributed to the Preferred Creditors (as defined in Article 8.7 hereof) in priority only to the Unsecured Creditors and the distribution of dividends to the Preferred Creditors shall be subordinate to payment of the Trustee's fees and disbursements.

15.2 The Insolvent Person is not aware of any indebtedness to Preferred Creditors as defined in Article 8.7 hereof.

ARTICLE 16 – ARRANGEMENTS AFFECTING UNSECURED CREDITORS

16.1 The Insolvent Person shall contribute the Proposal Fund:

a) for payment of the Trustee's fees and disbursements in priority to all Claims;

b) for payment of the Superintendent of Bankruptcy levy under Section 147 of the Act; and

c) for distribution to the Preferred Creditors (where applicable) in priority only to the Unsecured Creditors;

d) and to the Unsecured Creditors;

in complete and full satisfaction of all Claims against the Insolvent Person at law or in equity.

16.2 The Insolvent Person shall contribute the following to the Proposal Fund. Commencing on the first day of the month, in the month immediately following the approval of the Proposal by the Court, the Insolvent Person shall make sixty

(60) monthly payments of $3,000 per month. The Proposal Fund totaling $180,000 shall be paid in full on or before the sixty (60) months following the date of approval of the Amended Proposal by the Court.

16.3 The Insolvent Person reserves the right to pay out this Amended Proposal at any time without penalty.

16.4 The Trustee shall distribute dividends, where applicable firstly to the Preferred Creditors as defined in Article 8.7 hereof, in priority only to the Unsecured Creditors, and finally the Unsecured Creditors as defined in Articles 8.8, semi-annually commencing in December 2026 provided sufficient funds are available.

16.5 The Trustee's fees and disbursements shall be paid in priority to the Claims of all Creditors defined in Articles 8.2, 8.7 and 8.8 hereof. Trustee's fees shall be calculated in accordance with the time spent by the Trustee and its staff at the Trustee's standard rates for the individuals involved. All disbursements will be accumulated as incurred.

16.6 The Trustee's fees and disbursements shall be submitted to the Court for approval and taxation with the Trustee's Final Statement of Receipts and Disbursements, pursuant to the Act. Notwithstanding the requirement for taxation of Trustee's fees at the end of the administration of this proposal, the Trustee shall be at liberty to draw fees and disbursements on a monthly basis at the discretion of the Trustee (if required) in order to cover the costs of administration of the Amended Proposal.

16.7 Upon the Insolvent Person performing its obligations under the Amended Proposal, the Trustee shall provide the Insolvent Person with a Certificate of Full Performance of the Proposal pursuant to section 65.3 of the Act.

16.8 Upon issuance by the Trustee to the Insolvent Person of a Certificate of Full Performance of the Amended Proposal, the Insolvent Person will be released from all debts and liabilities, present or future, to which the Insolvent Person was subject on the Proposal Valuation Date, or to which the Insolvent Person has or may become subject after the Proposal Valuation Date by reason of any obligation incurred or any act or omission which occurred on or before the Proposal Valuation date (save and except for Claims against the Insolvent Person under section 178 of the Act), including Claims against the Insolvent Person for indemnity and all unliquidated or contingent Claims arising out of any transaction entered into by the Insolvent Person on or prior to the Proposal Valuation Date, regardless of whether or not a proof of claim was filed with the Trustee in respect of any such claim.

16.9 As required by section 60(2) of the Act, all monies payable under the Amended Proposal shall be paid by the Insolvent Person to the Trustee and shall thereafter be distributed by the Trustee in accordance with the Amended Proposal and the Act.

ARTICLE 17 – VALUATION OF CLAIMS, VOTING AND APPLICABLE DATES

17.1 The Claims of all Creditors who have proven Claims against the Insolvent Person shall be valued as at the Proposal Valuation Date by the Trustee, at or before the Meeting of Creditors.

17.2 Proofs of claim, proxies and voting letters intended to be used at the Meeting of Creditors must be lodged with the Trustee prior to the Meeting of Creditors.

17.3 Creditors may vote their Claims by either returning a properly completed voting letter to the Trustee prior to the Meeting of Creditors, or by attending at the Meeting of Creditors and voting in person or by proxy.

17.4 Pursuant to section 50(1.2) of the Act, and for the purposes of the Amended Proposal, the Insolvent Person hereby makes this proposal to the Creditors, and the Insolvent Person hereby designates such parties to whom it is making the Proposal into the following two classes of Creditors more particularly described below, namely:

<u>Class One – Secured Creditors:</u>

i. All Creditors with Secured Claims against the Insolvent Person existing as at the Proposal Valuation Date.

<u>Class Two - Unsecured Creditors:</u> All Creditors with Unsecured Claims against the Insolvent Person for debts and liabilities, present or future, including all Creditors claiming any one or more of the following types of debts or liabilities:

ii. debts or liabilities to which the Insolvent Person was subject on the Proposal Valuation Date;
iii. debts or liabilities to which the Insolvent Person may in future become subject by reason of any obligation incurred by it or on its behalf on or before the Proposal Valuation Date;
iv. debts or liabilities arising from Claims against the Insolvent Person for indemnity; and
v. debts or liabilities arising from all unliquidated or contingent Claims related to any act or omission of the Insolvent Person which occurred, or any transaction entered into by the Insolvent Person, on or before the Proposal Valuation Date.

ARTICLE 18 – MODIFICATIONS AND AMENDMENTS

18.1 The Trustee, with the approval of the Court and without notice to the Creditors, may agree to any modification or amendment to the Amended Proposal after the Creditors have voted on the Proposal, including without limiting the generality of the foregoing, any extension of time for carrying out the terms of the Amended Proposal or for taking any steps or proceedings hereunder, other than any mediation or amendments which would materially adversely affect the rights of any Creditors. Any modification or amendment to the Amended Proposal affecting Secured Creditors, are subject to the prior written consent of the Secured Creditor.

ARTICLE 19 – NOTICE

19.1 Unless otherwise indicated, any notice required or permitted to be given pursuant to the Amended Proposal shall be sufficiently given or made if delivered, emailed or mailed by prepaid postage as follows:

To the Trustee:

Grant Thornton Limited
601-10060 Jasper Avenue
Edmonton, Alberta, T5J 3R8
Attention: Darren M. Crocker
Phone: (780) 401-8209
Email: Darren.Crocker@doane.gt.ca

To the Creditors:

At their last known address according to the Insolvent Person or such other addresses as any of the foregoing may designate from time to time.

Any notice delivered as aforesaid shall be deemed to have been received when delivered, if delivered on a day other than Saturday, Sunday or statutory holiday, and otherwise on the next following business day. Any notice mailed as aforesaid shall be deemed to have been received on the 7th business day following the day on which such notice is mailed.

Dated at the Town of Norman Wells, in the Northwest Territories, this 7th day of May 2026.

McCoy Enterprises Ltd.

Per:

Witness

KYLE MIKULA

Kelly McCoy, Director