BANKRUPTCY AND INSOLVENCY
FILED
by Email
Apr 21, 2026
Calgary
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COURT FILE NUMBER	B301-223290
ESTATE NUMBER	25-3223290
COURT	COURT OF KING'S BENCH OF ALBERTA IN BANKRUPTCY AND INSOLVENCY
JUDICIAL CENTRE	CALGARY
PROCEEDING	IN THE MATTER OF THE PROPOSAL OF CATALX CTS LTD.
DOCUMENT	**SECOND REPORT OF THE PROPOSAL TRUSTEE OF CATALX CTS LTD.** **DATED APRIL 16, 2026** **PREPARED BY DELOITTE RESTRUCTURING INC., PROPOSAL TRUSTEE**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Legal Counsel Burnett Duckworth & Palmer LLP 2400, 525 – 8th Avenue SW Calgary, AB T2P 1G1 Attention: David LeGeyt / Ryan Algar Tel: 403-260-0210 / 403-260-0126 Email: dlegeyt@bdplaw.com / ralgar@bdplaw.com

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Introduction and Background

Introduction

1. This second report of the Proposal Trustee (the "Second Report") is provided in support of a taxation hearing (the "**Taxation Hearing**"), as an objection to the final statement of receipts and disbursements (the "**Final SRD**") and application for discharge of trustee was filed by Amer Ghouleh (the "**Objecting Creditor**") on March 16, 2026 (the "**Objection**") pursuant to Section 152(6) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 as amended (the **"BIA"**).

2. The Taxation Hearing is brought by Deloitte Restructuring Inc. ("**Deloitte**") in its capacity as trustee (the "**Proposal Trustee**") of Catalx CTS Ltd. ("**Catalx**" or the "**Debtor**").

3. This Second Report provides background on Deloitte's involvement and the basis upon which it seeks the Objection be dismissed and the taxation of its fees and expenses in relation to the Taxation Hearing.

Background

4. Catalx, formerly Catalx Exchange Inc., operated an internet-based platform for the trading of crypto assets, which enables customers to buy, sell, hold, deposit, and withdraw crypto assets such as Bitcoin, Ether, and anything commonly considered to be a crypto asset, digital or virtual currency, or digital or virtual token (collectively, "**Crypto**").

5. Catalx Management Ltd. (together with Catalx, the "**Companies**") provided business administration and management services exclusively to Catalx, including but not limited to administrative, management, regulatory, finance, information technologies support, and corporate communication functions.

6. Catalx operated its platform for Crypto trading in reliance on certain liquidity, custodial, and technology services provided by its platform-support supplier, Bittrex Global GMBH and its affiliates ("**Bittrex Global**"). In addition to other services provided to Catalx, Bittrex Global processed trades for Catalx's clients and served as custodian for the Crypto assets held by Catalx's customers.

7. On November 20, 2023, Bittrex Global publicly announced its decision to wind-down its operations and cease the provision of all trading services effective as of December 4, 2023. The Companies determined it was therefore not feasible to continue and operations ceased.

8. In addition to the wind down of Bittrex Global, Catalx had several other factors contribute to its operations being ceased including, but not limited to:

   - On or around November 24, 2023, Catalx ceased allowing withdrawals of customer deposits due to liquidity constraints;
   - The Companies' financial obligations were not being met as they became due;
   - Extraordinary events, including a suspected security breach and alleged misappropriation resulting in the loss of a significant portion of the Crypto assets held by Catalx on behalf of its customers; and
   - Customer complaints filed with the Alberta Security Commission ("**ASC**") which led to the ASC opening an investigation against Catalx and issuing a Cease Trade Order on December 21, 2023.

9. On January 19, 2024, Deloitte was appointed by an Order of the Court of King's Bench of Alberta (the "**Court**") as receiver-manager (the "**Receiver**") without security, of the property of the Companies including, without limitation, all of the Companies' current and future assets, undertakings, and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof.

10. The Receiver conducted an investigation of the allegations regarding the misappropriation of Crypto assets owned and/or held by Catalx on behalf of its clients and has realized on all assets of the Companies.

11. On June 20, 2025, the Court granted an Order Discharging Receiver, and concurrently approved the Proposal filed by Catalx as further detailed below.

12. On May 14, 2025, Catalx filed a Proposal pursuant to the provisions of Part III Division I of the BIA, and Deloitte consented to act as Proposal Trustee.

13. On May 14, 2025, the Proposal Trustee's Report to Creditors (the "**First Report**") was filed in order to provide creditors background information with respect to the Debtor, summarize the Proposal terms, and provide a comparative analysis between the Proposal versus an assignment in bankruptcy, which would result in no recoveries to unsecured creditors. A copy of the First Report is attached hereto as **Appendix "A"**.

14. As detailed in the Proposal and further outlined in the First Report, the Proposal provided three (3) funding sources including:

    a. $210,000 from Mr. Jae Park (the "**Proposal Sponsor**") and other former directors of Catalx (the "**Proposal Proceeds**");

    b. Funds remaining from the receivership estate (the "**Receivership Proceeds**"); and

    c. All proceeds, if any, received or recovered by the Receiver, Proposal Trustee, Catalx, ASC, Royal Canadian Mounted Police ("**RCMP**"), or any other regulatory or law enforcement agency as a result of the ongoing investigations against Catalx and/or its former director and Chief Financial Officer, Mr. Jae Ho Lee within six (6) months of the implementation date of the Proposal (the "**Investigations Funds**").

15. On June 2, 2025, the Office of the Superintendent of Bankruptcy (the "**OSB**") chaired the First Meeting of Creditors (the "**FMOC**") whereby the Proposal Trustee's appointment was affirmed, Alessandro Tirone was appointed as estate inspector (the "**Inspector**"), and the Proposal was approved by the required majority of creditors.

16. During the FMOC the Proposal Trustee presented the Proposal and provided additional information with respect to the limited recoveries available to creditors and the status of undertaken investigations, among other things. A copy of the minutes of the FMOC are attached hereto as **Appendix "B"**.

17. As at the date of the FMOC, proven claims totaled approximately $3.2 million with the bulk of the claims being submitted and proven after the FMOC. The Objecting Creditor did not attend or vote on the Proposal at the FMOC.

18. The Proposal was fully performed by Catalx and a certificate of full performance was issued with an effective date of January 22, 2026.

19. On February 12, 2026, the Final SRD was approved by the Inspector and filed with the OSB for comment. The Final SRD, provided detailed note disclosures summarizing both the receivership and Proposal administrations, including but not limited to, comments regarding the Investigation Funds and

the increased proven claims and professional fees from those amounts previously estimated in the First Report.

20. On March 5, 2026, the Proposal Trustee received a positive comment letter from the OSB and made an *ex-parte* application to Court for the taxation of the Final SRD. A copy of the taxed Final SRD is attached hereto as **Appendix "C"**.

21. On March 9, 2026, the Proposal Trustee served the notice of final dividend and application for discharge of Trustee on the Proposal Sponsor, proven creditors, and the OSB advising the Proposal Trustee intended on paying a final dividend after the expiration of fifteen (15) days and proceeding to its discharge on July 23, 2026.

22. On March 16, 2026, the Objecting Creditor filed its Objection with Court and served on the Proposal Trustee in accordance with Section 152(6) of the BIA. A copy of the Objection is attached hereto as **Appendix "D"**.

23. As at the date of this Second Report, the Proposal Trustee has not received any further Notices of Objection from any other creditor.

24. Documents related to both the receivership and Proposal proceedings are posted on the Proposal Trustee's website at https://www.insolvencies.deloitte.ca/en-ca/Pages/Catalx.aspx.

25. Unless otherwise stated, all other capitalized terms not defined in this Second Report are as defined in the Proposal or the Proposal Trustee's First Report.

Purpose

26. The purpose of this Second Report is to:

    a. Provide information in response to the Objection;

    b. Respectfully seek an Order:

        i. Dismissing the Objection;

        ii. Taxing the Proposal Trustee's fees and expenses in relation to the Taxation Hearing; and

        iii. Granting such further and other relief that the Court considers just and appropriate in the circumstances.

Terms of Reference

27. In preparing this Second Report, the Proposal Trustee has relied upon unaudited financial information prepared by the Debtor's management and agents (collectively "**Management**"), the Debtor's books and records, and discussions with Management. The Proposal Trustee has not audited, reviewed, or otherwise attempted to verify the accuracy or completeness of the information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Trustee expresses no opinion or other form of assurance in respect of the information. The Proposal Trustee may refine or alter its observations as further information is obtained or brought to its attention after the date of this Second Report.

28. The Proposal Trustee assumes no responsibility or liability for any loss or damage occasioned by any party as a result of the circulation, publication, reproduction, or use of this Second Report. Any use, which any party makes of this Second Report, or any reliance or decision to be made based on this Second Report, is the sole responsibility of such party.

Currency

29. All dollar amounts in this Second Report are in Canadian dollars, unless otherwise indicated.

Objection

30. On March 16, 2026, the Objecting Creditor filed their Objection with the Registrar. In summary, the grounds for the Objection are:

    a. The reasonableness of professional fees;

    b. The status of Investigation Funds; and

    c. The disproportionate loss to customers.

31. On March 18, 2026, the Proposal Trustee acknowledged receipt of the Objection and provided the Objecting Creditor with additional information to address their concerns. The Proposal Trustee further advised that, should a Taxation Hearing proceed, there would be delays in issuance of final dividend payments to creditors and that creditor recoveries would be negatively impacted as a result of additional professional fees being incurred. The Proposal Trustee provided the Objecting Creditor an opportunity to withdraw their Objection at any time to mitigate additional costs being incurred. A copy of the Proposal Trustee's response to the Objecting Creditor is attached hereto as **Appendix "E"**.

32. As at the date of this Second Report, the Proposal Trustee has not received any further response from the Objecting Creditor.

33. The Proposal Trustee provides the following comments in relation to the grounds for objection.

Reasonableness of Professional Fees

34. As detailed in the First Report, the Proposal Trustee initially estimated professional fees, including Proposal Trustee fees and legal fees (the "**Professional Fees**") to be approximately $177,500 (plus GST and disbursements) resulting in approximately $111,500 being available for distribution to unsecured creditors (including levy).

35. Professional Fees incurred were significantly higher than anticipated due to several factors, including but not limited to the following:

    a. The Proposal Trustee's original fee estimate was based on the Receiver's anticipated interactions with creditors. The Receiver corresponded with approximately 190 individuals holding claims totaling approximately $3.8 million. However, upon finalizing the claims process through the Proposal proceedings, the Proposal Trustee received 1,000 claims totalling approximately $23.1 million. The Proposal Trustee devoted a significant amount of time assisting claimants, including, but not limited to, explaining the Proposal administration, the claims and voting process, completing claim forms, preparing statements of account, and responding to creditor inquiries regarding the conduct of Catalx, allegations of fraud, and the status of ongoing investigations.

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b. Considerable efforts were made by the Proposal Trustee during the claims review process, including verifying supporting documentation from claimants and reconciling this information to Catalx records; and

c. Issuing notices of disallowance where applicable.

36. As a result, Professional Fees, including estimated costs to complete, total approximately $462,100 (plus GST and disbursements). In an effort to provide a recovery to the unsecured creditors, the Proposal Trustee voluntarily absorbed a loss of approximately $232,100 (plus GST) on its fees representing 57.6% of its cumulative fees, in order to provide approximately $78,000 for distribution to unsecured creditors (including levy).

37. The services performed by the Proposal Trustee and its staff were required for the proper administration of the estate. The services performed were done by a level of staff appropriate for the specific tasks at hand, and there was no duplication in work performed. It is the Proposal Trustees view that the rates charged by the Proposal Trustee and its staff are reasonable under the circumstances.

38. Furthermore, the Professional Fees have been approved by the Inspector, the OSB, and previously taxed by this Honourable Court in the normal course of these Proposal proceedings.

Status of Investigation Funds

39. At the onset of the Proposal, investigations into the allegations regarding the misappropriation of Crypto assets owned and/or held by Catalx had been undertaken by the Receiver, ASC, and potentially the RCMP. Notably, under the Proposal, the Proposal Trustee is not responsible to pursue the misappropriated Crypto.

40. Findings of the Receiver's forensic investigation are outlined in the First Report of the Receiver. Due to funding constraints in the receivership proceedings, the Receiver was unable to advance its investigation; however, the Receiver briefed and provided the ASC with its findings.

41. The ASC opened an investigation against Catalx and issuing a Cease Trade Order on December 21, 2023. As at the date of this Second Report the ASC proceedings remain ongoing; however, it is not anticipated to result in any recoveries to the estate. The next ASC hearing is currently scheduled for November 2026. All public information related to the ASC investigation is posted on the ASC's website at https://www.asc.ca/en/Enforcement/ASC-Proceedings/Status-of-Current-Proceedings/2025/07/CatalX-CTS-Ltd.

42. With respect to the RCMP investigation, the Proposal Trustee contacted the RCMP for any available information relating to Catalx and received no response. The Proposal Trustee is unaware of any open investigation by the RCMP or any other regulatory or law enforcement agency.

43. As previously outlined in this Second Report, the Proposal provided for Investigation Funds received within six (6) months of the implementation date of the Proposal to be included in the distribution to creditors. The Proposal did not attribute any value to the Investigations Funds.

44. Upon the expiration of the six (6) month deadline, being January 22, 2026, no Investigation Funds were received in the Proposal.

Disproportionate Loss to Customers

45. At the FMOC and in the First Report, the Proposal Trustee confirmed that the Proposal only ever contemplated very limited recoveries for creditors, with distributions expected to be minimal.

46. Proven claims in these Proposal proceedings totalled approximately $23.1 million, representing a 616% increase from the claims filed at the FMOC. The significant increase in claims diluted the estimated distribution to creditors.

47. The Proposal Trustee is of the view, notwithstanding the quantum of proven claims, the recovery to creditors in the Proposal remains more advantageous than a bankruptcy assignment given there would have been no recovery to unsecured creditors. A comparative summary is as follows:

$CAD	Original Proposal Scenario	Proposal Scenario January 22, 2026	Bankruptcy Scenario
Receipts			
Surplus from receivership	95,000	108,587	95,000
Proposal Proceeds	210,000	210,000	-
Investigation Funds	-	-	-
Interest	1,411	2,181	475
Total Receipts	**306,411**	**320,768**	**95,475**
Disbursements			
Professional fees	(177,500)	(179,091)	(50,000)
Service fees	(7,796)	(59,496)	(3,898)
GST paid	(9,265)	(3,007)	(2,695)
Filing fees paid to Official Receiver	(180)	(180)	(180)
Fees paid to registrar	(150)	(150)	(150)
Fees paid to Court	-	(40)	-
Miscellaneous	-	(590)	-
Inspector Fees	-	(120)	-
Total Disbursements	**(194,891)**	**(242,674)**	**(56,923)**
Estimated funds available for distribution	**111,520**	**78,093**	**38,552**
Payments to secured creditor	N/A	N/A	38,552
Estimated funds available for distribution to unsecured creditors	**111,520**	**78,093**	**-**

Proposal Trustee's Remuneration

48. As previously outlined in this Second Report, the Proposal Trustee has absorbed a significant loss on its fees in the Final SRD to maximize recoveries to unsecured creditors. Additionally, legal counsel to the Proposal Trustee stopped recording time on this matter months ago.

49. The Proposal Trustee has incurred additional costs not contemplated in Final SRD in responding to the Objecting Creditor and preparing for the Taxation Hearing and is therefore seeking payment for its fees and disbursements (the "**Additional Costs**") as summarized below and attached hereto as **Appendix "F"**.

	Fees	Expenses	GST	Total
Trustee Fees	2,629.65	1,757.74	219.37	4,606.76
Legal Fees	4,000.00	-	200.00	4,200.00
Total	6,629.65	1,757.74	419.37	8,806.76

50. If the Proposal Trustee is successful in having its Additional Costs taxed, the Proposal Trustee will issue an amended statement of receipts and disbursements (the "**Amended SRD**"), reducing the amounts available for distribution to unsecured creditors (and subject to levy).

Conclusions and Recommendations

51. Based on the foregoing, the Proposal Trustee respectfully recommends that this Honourable Court grant the relief detailed in Section 26(b) of this Second Report and such further and other relief, as this Honourable Court deems appropriate in the circumstances.

* * *

All of which is respectfully submitted at Calgary, Alberta this 16th day of April 2026.

DELOITTE RESTRUCTURING INC.,
In its capacity as Proposal Trustee for
Catalx CTS Ltd. and not in its personal
or corporate capacity
Per:

Cassie Poon, CIRP, LIT
Senior Vice-President

APPENDIX “A”

Deloitte.

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May 20, 2025
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District of: Alberta
Division No. 02 – Calgary
Court No. B301-223290
Estate No. 25-3223290

IN THE MATTER OF THE PROPOSAL OF
CATALX CTS LTD.

PROPOSAL TRUSTEE'S REPORT TO CREDITORS

May 14, 2025

1.0 Introduction and Background

CatalX CTS Ltd. ("**Catalx**" or the "**Debtor**"), formerly Catalx Exchange Inc., operated an internet-based platform for the trading of crypto assets, which enables customers to buy, sell, hold, deposit, and withdraw crypto assets such as Bitcoin, Ether, and anything commonly considered to be a crypto asset, digital or virtual currency, or digital or virtual token (collectively, "**Crypto**").

Catalx Management Ltd. ("**CML**", together with Catalx, the "**Companies**") provided business administration and management services exclusively to Catalx, including but not limited to administrative, management, regulatory, finance, information technologies support, and corporate communication functions.

Catalx operated its platform for Crypto trading in reliance on certain liquidity, custodial, and technology services provided by its platform-support supplier, Bittrex Global GMBH and its affiliates ("**Bittrex Global**"). In addition to other services provided to Catalx, Bittrex Global processed trades for Catalx's clients and served as custodian for the Crypto assets held by Catalx's customers.

On November 20, 2023, Bittrex Global publicly announced its decision to wind-down its operations and cease the provision of all trading services effective as of December 4, 2023.

Catalx determined it was not feasible for it to continue to operate its platform without the support of Bittrex Global and, as a result, on December 4, 2023, in conjunction with Bittrex Global, Catalx decided to commence an orderly wind-down of its business and operations.

In addition to the wind down of Bittrex Global, Catalx had several other factors contribute to its operations being ceased including, but not limited to:

- On or around November 24, 2023, Catalx ceased allowing withdrawals of customer deposits due to liquidity constraints;
- The Companies' financial obligations were not being met as they became due, including missing payroll for what the Receiver (as defined later herein) understands to be twelve (12) employees of CML on December 1, 2023, December 15, 2023, and December 29, 2023;
- Extraordinary events, including a suspected security breach and alleged misappropriation resulting in the loss of a significant portion of the Crypto assets held by Catalx on behalf of its customers; and

- Customer complaints filed with the Alberta Security Commission ("**ASC**") which led to the ASC opening an investigation against Catalx and issuing a Cease Trade Order on December 21, 2023.

On January 19, 2024, Deloitte Restructuring Inc. (**"Deloitte"**) was appointed by an Order of the Court of King's Bench of Alberta (the **"Court"**) as receiver-manager (the **"Receiver"**) without security, of the property of the Companies including, without limitation, all of the Companies' current and future assets, undertakings, and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof. Additional information with respect to these receivership proceedings (the "**Receivership Proceedings**") can be found on the Receiver's website at https://www.insolvencies.deloitte.ca/en-ca/Pages/Catalx.

The Receiver conducted an investigation of the allegations regarding the misappropriation of Crypto assets owned and/or held by Catalx on behalf of its clients and has realized on all assets of the Companies. As at the date of this report, the Receiver has concluded the majority of its administration of the receivership and anticipates obtaining its discharge on June 20, 2025.

On May 14, 2025, Catalx filed a proposal (the **"Proposal"**) pursuant to the provisions of Part III Division I of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 as amended (the **"BIA"**, the "**BIA Proposal Proceedings**"). Deloitte, a Licensed Insolvency Trustee (the **"Proposal Trustee"**), has consented to act, and was appointed as Proposal Trustee in the BIA Proposal Proceedings for Catalx.

2.0 Summary of the Proposal

A summary of the key terms and conditions of the Proposal are outlined below. The complete Proposal is attached hereto as **Appendix "A".**

2.1 Proposal Funding

The Proposal outlines the following three (3) funding sources (collectively the "**Cash Pool**"):

- First, Mr. Jae Park (the "Proposal Sponsor"), along with the current and former directors of Catalx sponsoring the Proposal (the "**Participating Directors**"), which specifically excludes Mr. Jae Ho Lee, will advance a total of $210,000 (the "**Proposal Proceeds**") within one month of the Court approval of the Proposal;

- Second, the funds remaining in the Companies' estate in the Receivership Proceedings, after payment of all fees and costs, at the time of the discharge of the Receiver (the "**Receivership Proceeds**"). As at the date of this report, the Receivership Proceeds are estimated to be approximately $95,000; and

- Third, any and/or all proceeds received or recovered for the benefit of the Debtor or the Debtor's creditors by the Receiver, the Proposal Trustee, the Debtor, the ASC, the Royal Canadian Mounted Police, or and other regulatory or law enforcement agency as a result of ongoing investigations in relation to the Debtor and its former director and Chief Financial Officer Mr. Jae Ho Lee (the "**Investigation Funds**") within six months of the implementation date of the Proposal. As at the date of this report, the quantum of Investigation Funds is unknown.

2.2 Creditor Claims

There will be one class of creditors comprising all unsecured creditors of Catalx.

Claims denominated in a currency other than Canadian funds will be converted to Canadian Dollars at the rate of exchange of the Bank of Canada on May 14, 2025. Claims denominated in currencies commonly known as Cypto, will be converted to Canadian Dollars at the fair market value of the crypto currency at 12:00 pm (MST) on May 14, 2025.

The Proposal indicates that Catalx has no outstanding Preferred Claims or Crown Claims (as both defined in the Proposal) and the only secured claim is from the Proposal Sponsor. The Proposal Sponsor shall not be entitled to vote on the Proposal. Further, the Proposal Sponsor is excluded from the Proposal and shall not participate in any distribution from the Proposal.

2.3 Distribution of Funds

Upon the Proposal being implemented, payment will be made from the Cash Pool as follows:

a) First in payment of all administration fees and expenses comprising of proper fees, expenses, including legal fees and disbursements, of the Receiver, the Proposal Trustee and the Debtor, including the fees and disbursements of Miller Thomson LLP, counsel to Mr. Jae Park, the Proposal Sponsor, and Burnet, Duckworth & Palmer LLP, counsel to the Receiver and Proposal Trustee, on and incidental to the negotiation, preparation, presentation, consideration and implementation of the Proposal, and all proceedings and matters relating to or arising out of the Proposal; and

b) Secondly to all creditors with proven claims.

The distributions of cash by the Proposal Trustee will be made:

a) Upon the expiry of six months from the implementation date of the Proposal;

b) Subject to any levy owed to the Superintendent of Bankruptcy pursuant to the BIA; and

c) In full and final satisfaction of each proven claim.

Unsecured creditors shall receive distributions only to the extent that such unsecured creditor's claim is a proven claim and has not been paid, released, or otherwise satisfied prior to the implementation date. Each unsecured creditor with a proven claim will receive payment, in cash, on a pro rata basis, of the balance of the Cash Pool in accordance with Article 7.3 of the Proposal.

2.4 Conditions Precedent

The following are conditions precedent to the implementation of the Proposal (the "**Conditions Precedent**"):

a) The required majority of the unsecured creditors accept the Proposal;

b) The Court approves the Proposal, including the Releases in respect of the Released Parties (as both are defined and discussed later herein);

c) The Proposal Proceeds are paid to the Proposal Trustee within 30 days of Court approval; and

d) The Receivership Proceeds are paid to the Proposal Trustee upon the discharge of the Receiver.

2.3 Miscellaneous

Catalx may amend its Proposal prior to or at the creditor meeting held to consider and vote upon the Proposal.

At the statutory meeting of creditors held to consider the Proposal, creditors may appoint up to five (5) inspectors under the Proposal, whose duties shall be those as set out in the BIA, as well as:

a) approving or disapproving any extension of time reasonably required by the Proposal Trustee or Catalx to do anything required under the terms of this Proposal; and

b) approving or disapproving any other action the Proposal Trustee may wish to take with respect to the Proposal as the Proposal Trustee may from time to time refer to said inspectors.

Articles 10.5 and 10.6 of the Proposal includes that the "..Debtor and Participating Directors (the "**Released Parties**") 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 action, counterclaims, suits debts, orders, penalties, sums of money, accounts, covenants, damages, judgments, 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 of any securities commission, 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 Implementation Date, relating to, arising out of or in connection with any Claims, the business and affairs of the Debtor and Participating Directors, whenever and however conducted, including this Proposal and the Receivership Proceedings (the "**Releases**"). For clarity, nothing in Article 10.5 will release or discharge any Released Party (i) in respect of any Unaffected Claim or its obligations to Affected Creditors under this Proposal, or (ii) in the case of the Participating Directors, in respect of any claim referred to in Section 50(14) of the BIA."

As outlined above, the Releases in respect of the Released Parties are a Condition Precedent of the Proposal.

3.0 Financial Position

Accompanying Catalx's Proposal is an estimated Statement of Affairs ("**SOA**") reflecting the Company's assets and liabilities as at May 12, 2025. The SOA has been prepared based on the Proposal Trustee's review of Catalx's financial affairs and reflects assets of approximately $95,000 and liabilities of approximately $34.0 million indicating a deficit of approximately $33.9 million.

Due to the limited books and records available to the Receiver and the Proposal Trustee, the amounts owing to trade creditors is unknown and reflected in the SOA as approximately $1.7 million.

Amounts due to customers reflects the fair market value of the crypto currency holdings in Canadian dollars at 12:00 pm (MST) on May 9, 2025, and is estimated to total approximately $32.3 million.

4.0 Cash Flow

The statement of projected cash flow, attached hereto as **Appendix "B"**, has been prepared by Catalx for the purposes of this Proposal, using the probable and hypothetical assumptions set out accompanying note disclosures and reports. The Proposal Trustee has reviewed and reported on the cash flow as per the attached Trustee's Report on Cash-Flow Statement attached hereto as **Appendix "C"**.

5.0 Comparative Analysis

In the event the Proposal is rejected by the creditors and/or the Court, Catalx will be deemed to have thereupon made an assignment in bankruptcy.

It is the Proposal Trustee's view that in the case of a bankruptcy, there would be no recoveries available to the unsecured creditors as:

a) The Proposal Proceeds would not be advanced to Catalx;

b) The only amounts available to creditors will be the Receivership Proceeds and the Investigation Funds, the amount of which are unknown; and

c) The claim of the secured creditor and Proposal Sponsor, Mr. Jae Park, if deemed to be a valid and enforceable secured claim, would rank ahead of all other creditors and would be eligible to participate in any distribution from the bankruptcy.

A comparison of the payments contemplated under the Proposal versus a bankruptcy administration are as follows:

$CAD	Proposal Scenario	Bankruptcy Scenario
Receipts		
Surplus from receivership	95,000	95,000
Proposal Proceeds	210,000	-
Investigation Funds	-	-
Interest	1,411	475
Total Receipts	**306,411**	**95,475**
Disbursements		
Professional fees	(177,500)	(50,000)
Service fees	(7,796)	(3,898)
GST paid	(9,265)	(2,695)
Filing fees paid to Official Receiver	(180)	(180)
Fees paid to registrar	(150)	(150)
Total Disbursements	**(194,891)**	**(56,923)**
Estimated funds available for distribution	**111,520**	**38,552**
Payments to secured creditor	N/A	38,552
Estimated funds avilable for distribution to unsecured creditor	**111,520**	**-**

6.0 Conclusion and Recommendation

In summary, the Proposal Sponsor has elected to file a Proposal and has willingly foregone his secured claim in order to provide a recovery to the unsecured class of creditors.

The Proposal provides the comprehensive Releases for Catalx and the Participating Directors, covering a wide range of claims, both known and unknown, related to Catalx's business and affairs before the Implementation Date; however, the Releases specifically exclude claims related to contractual rights of creditors rising from contracts with the directors and claims based on allegations of misrepresentation made by the directors to creditors or wrongful or oppressive conduct by directors. These exclusions help ensure that creditors' essential rights and statutory protections remain intact. The Releases aim to balance the interests of Catalx, the Participating Directors, and the creditors.

As the Proposal provides for a greater recovery, given there would be no anticipated recovery to unsecured creditors in the event of a deemed bankruptcy assignment, we recommend acceptance of the Proposal.

DATED at Calgary, Alberta, this 14th day of May, 2025.

DELOITTE RESTRUCTURING INC.
In its capacity as Licensed Insolvency Trustee of the
Proposal of CatalX CTS Ltd.
and not in its personal or corporate capacity

Per: Jeff Keeble, CPA, CA, CIRP, LIT, CBV
Senior Vice-President

Appendix "A"

Clerk' Stamp

COURT / ESTATE FILE NUMBERS	
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
	IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT,* RSC 1985, c B-3, AS AMENDED
	AND IN THE MATTER OF THE PRPOSAL OF CATALX CTS LTD.
DOCUMENT	**PROPOSAL**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	MILLER THOMSON LLP Barristers and Solicitors 525-8th Avenue SW, 43rd Floor Calgary, AB, Canada T2P 1G1 Attention: James W. Reid / Pavin Takhar Phone: 402-298-2418/403-298-2432 Email: jwreid@millerthomson.com/ ptakhar@millerthomson.com File No.: 0291254.0001

WHEREAS pursuant to a receivership order of the Court dated January 19, 2024 (the "**Receivership Order**") Deloitte Restructuring Inc. was appointed receiver and manager (the "**Receiver**") over, among others, CatalX CTS Ltd. (the "**Debtor**");

AND WHEREAS the Debtor is an insolvent person;

AND WHEREAS Jae Park is the sole director of the Debtor, and hereby intends on sponsoring this proposal of the Debtor; and hereby submits this Proposal pursuant to the provisions of Part III Division I of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 as amended (the "**BIA**");

AND WHEREAS the Receiver, a licensed trustee under the BIA, has consented to act as a Proposal Trustee in these proceedings of the Debtor under the BIA;

ARTICLE 1
DEFINITIONS

1.1 Definitions

In this Proposal:

(a) "**Administrative Fees and Expenses**" means the proper fees, expenses, including legal fees and disbursements, of the Receiver, the Proposal Trustee and the Debtor, including the fees and disbursements of Miller Thomson LLP, counsel to the Proposal Sponsor, and Burnet, Duckworth & Palmer LLP, counsel to the Receiver and Proposal Trustee, on and incidental to the negotiation, preparation, presentation, consideration and implementation of the Proposal, and all proceedings and matters relating to or arising out of the Proposal;

(b) "**Affected Claim**" means all Claims that are not an Unaffected Claim;

(c) "**Affected Creditor**" means a Creditor having an Affected Claim;

(d) "**Approval**" means:

(i) Acceptance of this Proposal by the statutory majority of Creditors in the Unsecured Creditor Class entitled to vote thereon in accordance with the relevant provisions of the BIA; and

(ii) The approval of this Proposal by the Court by the granting of the Approval Order, which is a Final Order;

(e) "**Approval Order**" means an Order of the Court which, among other things, approves this Proposal;

(f) "**Burnet Duckworth & Palmer LLP**" means Burnet Duckworth & Palmer LLP, counsel for the Receiver and Proposal Trustee;

(g) "**Business Day**" means a day, other than a Saturday or Sunday, on which banks are generally open for business in Calgary, Alberta;

(h) "***Canada Pension Plan***" means the *Canada Pension Plan*, RSC 1985, c C-8, as amended;

(i) "**Cash Pool**" means the aggregate of the Investigation Funds, the Proposal Proceeds, and the Receivership Proceeds, all to be held and administered by the Proposal Trustee hereunder;

(j) "**Claim**" means a claim provable in bankruptcy against the Debtor and includes any indebtedness, liability, action, cause of action, suit, debt, account, bond covenant, charge, penalty, counterclaim, demand, claim, right and obligation of any kind of the Debtor to any Person, whether or not reduced to judgment, order, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known, unknown, by guarantee, by surety, by regulatory order or otherwise and whether or not such a right is executory in nature, including, without limitation, the right or ability of any Person to make a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commence in the future based in whole or in part on facts which existed prior to or as of the Filing Date and a reference to a "Claim" or "Claims" shall include, as the case may be, Preferred Claims, Convenience Claims, Unsecured Claims, and Secured Claims;

(k) "**Court**" means the Court of King's Bench of Alberta (in Bankruptcy and Insolvency), Judicial District of Calgary;

(l) "**Creditor**" means any Person, having a Claim and may, if the context requires, means a trustee, receiver, receiver-manager or other Person acting on behalf or in the name of such Person;

(m) "**Creditors' Meeting**" means the meeting of the Affected Creditors called for the purpose of considering and voting upon the Proposal;

(n) "**Creditors' Meeting Date**" means the date and time as may be called by the Proposal Trustee for the meeting of creditors to consider this Proposal, but in any event will be no later than twenty-one (21) days following the Proposal Date;

(o) "**Creditors' Meeting Notice**" means the notice and document package delivered to the Creditors in respect of the Creditors' Meeting;

(p) "**Crown Claims**" means an amount due to His Majesty in Right of Canada or a Province and that are of a kind that could be subject to a demand under:

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

(ii) any provision of the *Canada Pension Plan* or of the *Employment Insurance Act* that refers to subsection 224(1.2) of the *Income Tax Act* and provides for the collection of a contribution, as defined in the *Canada Pension Plan*, or an employee's premium, or employer's premium, as defined in the *Employment Insurance Act*, and of any related interest, penalties or other amounts;

(iii) any provision of provincial legislation that has a similar purpose to subsection 224(1.2) of the *Income Tax Act*, or that refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other amounts, where the sum:

(A) has been withheld or deducted by a Person from a payment to another Person and is in respect of a tax similar in nature to the income tax imposed on individuals under the *Income Tax Act*; or

(B) is of the same nature as a contribution under the *Canada Pension Plan* if the province is a "province providing a comprehensive pension plan" as defined in subsection 3(1) of the *Canada Pension Plan* and the provincial legislation establishes a "provincial pension plan" as defined in that subsection;

as set out in the list of Crown Claims attached as Schedule "A";

(q) **"Disputed Claims"** means any Claim that has been received by the Proposal Trustee in accordance with the terms of this Proposal and the BIA but has not been accepted as proven or which is being disputed in whole or in part by the Proposal

Trustee, or any other Person entitled to do so and has not been resolved by agreement or by Order of the Court;

(r) "***Employment Insurance Act***" means the *Employment Insurance Act*, SC 1996 c 23, as amended;

(s) "**Filing Date**" means [•] (the date the Debtor filed this Proposal);

(t) "**Implementation Date**" means the date upon which the conditions set forth in Article 8.1 have been satisfied or, if applicable, waived;

(u) "***Income Tax Act***" means the *Income Tax Act*, RSC 1985, c 1 (5th Supp), as amended;

(v) "**Inspectors**" will have the meaning ascribed thereto in the BIA;

(w) "**Investigation Funds**" means any proceeds received or recovered for the benefit of the Debtor or the Debtor's Creditors by the Receiver, the Proposal Trustee, the Debtor, the Alberta Securities Commission, the Royal Canadian Mounted Police, or and other regulatory or law enforcement agency as a result of ongoing investigations in relation to the Debtor and its former director and Chief Financial Officer Jae Ho Lee, which shall accumulate within 6 months of the Implementation Date;

(x) "**Miller Thomson LLP**" means Miller Thomson LLP, counsel for the Proposal Sponsor;

(y) "**Official Receiver**" will have the meaning ascribed thereto in the BIA;

(z) "**Participating Directors**" means the current and former directors of the Debtor as set out in Schedule "D", who are sponsoring this Proposal by providing financial contributions in the form of the Proposal Proceeds, but for clarity, this specifically excludes Jae Ho Lee;

(aa) "**Person**" means any individual, partnership, joint venture, trust, corporation, unincorporated organization, government, commission or any agency or instrumentality thereof, or any other entity howsoever designated or constituted;

(bb) "**Post-Filing Claim**" means any Claims arising in respect of services rendered, goods supplied, or other consideration given to the Debtor after the Filing Date;

(cc) "**Preferred Claim**" means that portion of a Claim that is accepted by the Proposal Trustee as entitling the Creditor to receive payment in priority to other Creditors as provided in section 136 of the BIA;

(dd) "**Preferred Creditors**" means holders of Preferred Claims, and as set out in the list of Preferred Creditors attached as Schedule "B"

(ee) "**Property**" means all of the Debtor's current and future assets, undertakings and property of every nature and kind whatsoever, and wherever situate, including all proceeds thereof;

(ff) "**Proposal**" means this proposal together with any amendments or additions thereto;

(gg) "**Proposal Date**" means the date of the filing of the Proposal with the Official Receiver;

(hh) "**Proposal Proceeds**" means the payment by the Proposal Sponsor to the Proposal Trustee pursuant to Article 7.1 of this Proposal in the minimum amount of $200,000 plus payment in the amount of $10,000 by other Participating Directors to fund the Proposal less any Crown Claims;

(ii) "**Proposal Sponsor**" means Jae Park;

(jj) "**Proposal Trustee**" means Deloitte Restructuring Inc., in its capacity as the proposal trustee of the Debtor, or its duly appointed successor or successors;

(kk) "**Proven Claim**" of a Creditor means the amount of the Claim of such Creditor determined finally in accordance with the provisions of the BIA;

(ll) "**Secured Creditor**" means a Person holding a mortgage, hypothec, charge, pledge, or lien on or against the property or assets of the Debtor as security for a debt due or accruing due the Person from the Debtor as set out in Schedule "C";

(mm) "**Receivership Proceedings**" means all proceedings under the Receivership Order and in respect of Court Action No. 2401-00457;

(nn) "**Receivership Proceeds**" means the funds remaining in the Debtor's estate in the Receivership Proceedings at the time of the discharge of the Receiver;

(oo) "**Unaffected Claims**" means any Claims of the Unaffected Creditors;

(pp) "**Unaffected Creditors**" means Creditors with Claims in respect of the Administrative Fees, any Post-Filing Claims, any Claims of Secured Creditors, any Crown Claims, and the Preferred Creditors;

(qq) "**Unsecured Creditors**" means the Affected Creditors with a Proven Claim; and

(rr) "**Voting Letter**" means the voting letter required by section 51(1) of the BIA to be mailed to each known Creditor prior to the Creditors' Meeting.

1.2 Articles of Reference

The terms "hereof", "hereunder", "herein" and similar expressions refer to the Proposal and not to any particular article, section, subsection, clause or paragraph of the Proposal and include any agreements supplemental hereto. In the Proposal, a reference to an article, section, subsection, clause or paragraph will, unless otherwise stated, refer to an article, section, subsection, clause or paragraph of the Proposal.

1.3 Interpretation Not Affected by Headings

The division of the Proposal into articles, sections, subsections, clauses or paragraphs and the insertion of headings are for convenience of reference only and will not affect the construction or interpretation of this Proposal.

1.4 Date for Any Action

In the event that any date on which any action is required to be taken hereunder is not a Business Day, such action will be required to be taken on the next succeeding day that is a Business Day.

1.5 Time

All times expressed herein are local times in Calgary, Alberta, Canada unless otherwise stipulated. Where the time for anything pursuant to the Proposal on a particular date is unspecified herein, the time will be deemed to be 5:00 p.m. local time in Calgary, Alberta, Canada.

1.6 Numbers

In the Proposal, where the context requires, a word importing the singular number will include the plural and *vice versa* and a word or words importing gender will include all genders.

1.7 Currency

Unless otherwise stated herein, all references to currency in the Proposal are to lawful money of Canada.

1.8 Statutory References

Except as otherwise provided herein, any reference in the Proposal to a statute includes all regulations made thereunder, all amendments to such statute or regulation(s) in force from time to time, and any statute or regulation that supplements or supersedes such statute or regulation(s).

1.9 Successors and Assigns

The Proposal will be binding upon and will enure to the benefit of the heirs, administrators, executors, legal personal representatives, successors and assigns of any Person named or referred to in the Proposal.

1.10 Including

The word "including", or any variation thereof means "including without limitation", and shall not be construed to limit any general statement that it follows to the specific or similar items or matters immediately following it.

ARTICLE 2
PURPOSE AND EFFECT OF PROPOSAL

2.1 Purpose

The purpose of the Proposal is to allow the Debtor to effect the restructuring of its indebtedness in the manner contemplated herein and as permitted by the BIA in the expectation that all Unsecured Creditors will derive greater benefit from the restructuring than they would otherwise receive from a bankruptcy of the Debtor.

This Proposal applies to all Unsecured Creditors, whether or not any such Unsecured Creditor proves a Claim against the Debtor under this Proposal. The Proposal does not effect Unaffected Creditors.

ARTICLE 3
CLASSIFICATION OF CREDITORS

3.1 Classes of Creditors

For the purposes of considering and voting on the Proposal, the Creditors of the Debtor shall be comprised of one class of Unsecured Creditors that are the Affected Creditors.

ARTICLE 4
TREATMENT OF CREDITORS

4.1 Binding Effect of Proposal

This Proposal will be binding on the Debtor and the Affected Creditors, and effective on the Implementation Date, all Affected Claims shall be discharged and the Debtor shall thereon be released from all Affected Claims, other than the obligation to make payment in the manner and to the extent described in this Proposal.

4.2 Administrative Fees and Expenses

The Proposal Trustee will pay the Administrative Fees and Expenses from the Cash Pool, from time to time, in the sole discretion of the Proposal Trustee, and prior to making any distributions to Creditors under this Proposal.

4.3 Preferred Creditors

There are no outstanding Preferred Claims.

4.4 Proposal in Respect of Unsecured Creditors

In full and final satisfaction of the Proven Claims of the Unsecured Creditors, an Unsecured Creditor shall receive distributions only to the extent that such Unsecured Creditor's Claim is a Proven Claim and has not been paid, released, or otherwise satisfied prior to the Implementation Date. Each Unsecured Creditor with a Proven Claim will receive payment, in cash, on a *pro rata* basis, of the balance of the Cash Pool in accordance with Article 7.3 of this Proposal.

4.5 Interest

Interest will not accrue or be paid on Affected Claims after or in respect of the period following the Filing Date and no Affected Creditor will be entitled to any interest in respect of its Claim accruing on or after or in respect of the period following the Filing Date.

4.6 Crown Claims

There are no outstanding Crown Claims.

4.7 Treatment of Secured Claims

The Proposal Sponsor is the only creditor that has a Secured Claim. The Proposal Sponsor shall not be entitled to vote on this Proposal at any Creditors' Meeting in respect of its Unaffected Claim. The Proposal Sponsor will not receive any payments in respect of the Proposal and shall not participate in any distributions from the Proposal.

4.8 Disputed Claims

An Affected Creditor with a Disputed Claim shall not be entitled to receive any distribution hereunder with respect to such Disputed Claim unless and until such Claim becomes a Proven Claim. Distributions made pursuant to this Proposal shall be made in respect of any Disputed Claim that is finally determined to be a Proven Claim.

4.9 Post-Filing Claims

Post-Filing Claims, if any, will be paid in full by the Debtor in the ordinary course of business and on regular trade terms, or as may otherwise be arranged with the holders of such Post-Filing Claims. Given the Debtor is not operating, it is not expected there will be any Post-Filing Claims beyond the Administrative Fees and Expenses.

4.10 Superintendent of Bankruptcy Levy

Payments to each Creditor in respect of its Affected Claim will be net of any applicable levy payable to the Office of the Superintendent of Bankruptcy as required by the BIA and the Proposal Trustee will remit the amount of such levy to the Office of the Superintendent of Bankruptcy contemporaneous with the distributions to Affected Creditors.

ARTICLE 5
PROCEDURE FOR VALIDATION AND VALUATION OF CLAIMS

5.1 Filing of Proofs of Claim

In order to vote on, or to receive a distribution under this Proposal, each Affected Creditor must file a Proof of Claim with the Proposal Trustee as required by the BIA.

5.2 Allowance or Disallowance of Claims

Upon receipt of a completed Proof of Claim, the Proposal Trustee will examine the Proof of Claim and will, in consultation with the Debtor, allow, disallow or revise each Proof of Claim in accordance with the provisions of the BIA.

5.3 Procedure for the Valuation of Unsecured Claims

The procedure for (a) determining and valuing Claims of the Affected Creditors that are contingent or unliquidated; and (b) disallowing and resolving disputes with respect to Claims, will be as set forth in Section 135 of the BIA.

The Proposal Trustee reserves the right to seek the assistance of the Court in valuing the claim of any Affected Creditor, if required, to ascertain the result of any vote on this Proposal or the amount payable or to be distributed to such Creditor under this Proposal, as the case may be.

5.4 Claims Bar Process

Forthwith after the Creditors' Meeting, the Proposal Trustee shall give notice pursuant to Section 149 of the BIA, to every Person with an Affected Claim that the Proposal Trustee has notice or knowledge of, but whose Claim has not been filed or proved that if such Person does not prove its Claim within a period of thirty (30) days after the mailing of the notice, the Proposal Trustee will proceed to declare a final dividend without regard to such Person's Claim. Any Person so notified who does not provide its Claim within the said thirty (30) day period shall be barred from making a Claim in this Proposal or sharing in any distribution hereunder, subject to any exceptions set out in Subsections 149(2), (3) and (4) of the BIA.

ARTICLE 6
MEETING OF CREDITORS

6.1 Creditors' Meeting

On the Creditors' Meeting Date, the Proposal Trustee will hold a Creditors' Meeting in order for the Unsecured Creditors with an Affected Claim to consider and vote upon the Proposal.

6.2 Time and Place of Meeting

The Creditors' Meeting will be held on the Creditors' Meeting Date. Due to the location of the Proposal Trustee and the Unsecured Creditors, the Creditors Meeting will be held virtually, on such terms and parameters as the Proposal Trustee considers appropriate, with video and teleconference access for any Unsecured Creditors who wish to virtually attend. The Proposal Trustee may engage a third-party service provider to virtually host the Creditors' Meeting. The Proposal Trustee shall make available to all known Creditors the necessary connection, dial-in and other information about the Creditors' Meeting. Unless otherwise ordered by the Court, the Creditors' Meeting will be held at a time to be established by the Official Receiver, or the nominee thereof, and confirmed in the notice of Creditors' Meeting to be mailed to Creditors pursuant to the BIA.

6.3 Conduct of Meeting

The Official Receiver or the nominee thereof, will preside as the chair of the Creditors' Meeting and will decide all matters relating to the conduct of the Creditors' Meeting. The only Persons entitled to attend the Creditors' Meeting are those Persons, including the holders of proxies, entitled to vote at the Creditors' Meeting, and their respective legal counsel, if any, the Proposal Sponsor and its counsel, the representatives of the Proposal Trustee and its counsel, and such scrutineers as may be duly appointed by the chair of such meeting. Any other Person may be admitted on invitation of the chair of the Creditors' Meeting or with the consent of the Proposal Trustee.

6.4 Adjournment of Meetings

The Creditors' Meeting may be adjourned in accordance with sections 52 of the BIA.

6.5 Voting by Creditors

All Unsecured Creditors with Affected Claims who, on the Creditors' Meeting Date, hold Proven Claims will be entitled to attend at the Creditors' Meeting and vote to the extent of the amount which is equal to each such Creditor's respective Proven Claim against the Debtor.

6.6 Approval by Creditors

In order that this Proposal be binding on the single class of Unsecured Creditors hereof, in accordance with the BIA, it must first be accepted by a majority in number of the Creditors of such class who actually vote upon this Proposal (in person or by proxy) at the Creditors' Meeting, by a Voting Letter, or otherwise, representing two-thirds in value of the voting Claims of the Creditors of such class who actually vote upon this Proposal (whether in person or by proxy) at the Creditors' Meeting, by a Voting Letter or otherwise.

ARTICLE 7
FUNDING OF PROPOSAL

7.1 Funding of the Proposal Proceeds

Within one month of the date of the Approval Order, the Proposal Sponsor and any Participating Directors shall pay to the Proposal Trustee the Proposal Proceeds.

7.2 Funding of the Receivership Proceeds

Upon the discharge of the Receiver in the Receivership Proceedings, and subject to the terms of any Orders granted by the Court in the Receivership Proceedings, the Receiver shall pay the Receivership Proceeds, if any, to the Proposal Trustee.

7.3 Holding of Investigation Funds

After the expiry of six months from the Implementation Date, the Proposal Trustee shall create an accounting of all Investigation Funds and shall make a distribution of the Cash Pool, after full satisfaction and payment of the Administrative Fees and Expenses, to Affected Creditors with Proven Claims.

ARTICLE 8
COMPLETION OF THE PROPOSAL

8.1 Conditions to Proposal Implementation

The implementation of the Proposal by the Debtor will be conditional upon the fulfilment or satisfaction of the following conditions:

(a) The acceptance of the Proposal by Unsecured Creditors of the Debtor in accordance with Article 6.5 hereof;

(b) The granting of an Approval Order, including approval of the Releases per section 10.5 below, by the Court in respect of the Debtor and the Released Parties, and the expiry of all appeal periods, provided that the Debtor may agree to waive the expiry of the appeal period in respect of the Approval Order; and

(c) The Proposal Proceeds and Receivership Proceeds have been paid to the Proposal Trustee.

8.2 Certificate of Full Performance

Upon distribution of all cash amounts contemplated by Article 4 of this Proposal, this Proposal shall have been fully performed and the Proposal Trustee shall issue the certificate referred to in section 65.3 of the BIA.

8.3 Discharge of Proposal Trustee

Upon the issuance of the certificate of full performance contemplated by Article 8.2 hereof, the Proposal Trustee shall have discharged its duties as Proposal Trustee, this Proposal shall be fully performed and the Proposal Trustee shall be discharged.

The Proposal Trustee is acting in its capacity as Proposal Trustee and not in its personal capacity and no officer, director, employee or agent of the Proposal Trustee shall incur any liabilities or obligations in connection with this Proposal or in respect of the business or obligations of the Debtor and will be exempt from any personal liability in fulfilling any duties or exercising any powers conferred upon it by this Proposal unless such acts have been carried out in bad faith and constitute a willful misconduct or gross negligence.

8.4 Completion of the Proposal

The payment, compromise, extinguishment or other satisfaction of any Proven Claim under the Proposal will be binding upon each Unsecured Creditor, its heirs, executors, administrators, successors and assigns, for all purposes, and as and from the Implementation Date all Unsecured Claims against the Debtor shall be forever discharged and released, excepting only the obligations to make distributions in respect of such Proven Claims in the manner and to the extent provided for in this Proposal.

ARTICLE 9
PREFERENCES, TRANSFERS AT UNDER VALUE, ETC.

9.1 Section 95 - 101 of the BIA

In conformity with Section 101.1 of the BIA, Sections 95-101 of the BIA and any provincial statute related to preference, fraudulent conveyance, transfer at undervalue, or the like shall not apply to this Proposal.

ARTICLE 10
MISCELLANEOUS

10.1 Modification of Proposal

The Proposal Sponsor may propose an alteration or modification to the Proposal prior to the vote taking place on the Proposal. After the Creditors' Meeting (and both prior to and subsequent to the issuance of the Approval Order) and subject to the consent of the Proposal Trustee, the Proposal Sponsor may at any time and from time to time vary, amend, modify or supplement the Proposal if the Court determines that such variation, amendment, modification or supplement is of a minor, immaterial or technical nature or would not be materially prejudicial to the interest of any of the Creditors under the Proposal and is necessary in order to give effect to the substance of the Proposal or the Approval Order.

10.2 Consents, Waivers and Agreements

As at 12:01 a.m. on the Implementation Date, each Affected Creditor will be deemed:

(a) to have executed and delivered to the Debtor all consents, releases, assignments and waivers, statutory or otherwise, required to implement and carry out this Proposal in its entirety;

(b) to have waived any default by the Debtor in any provision, express or implied, in any agreement or other arrangement, written or oral, existing between such Creditor and the Debtor that has occurred on or prior to the Implementation Date;

(c) to have agreed, in the event that there is any conflict between the provisions, express or implied, of any agreement or other arrangement, written or oral, existing between such Creditor and the Debtor as at the Implementation Date (other than those entered into by the Debtor on, or with effect from, the Implementation Date) and the provisions of this Proposal, that the provisions of this Proposal will take precedence and priority and the provisions of such agreement or other arrangement will be amended accordingly; and

(d) to have released the Proposal Trustee and all of its respective affiliates, employees, agents, directors, officers, shareholders, advisors, consultants and solicitors from any and all demands, claims, actions, causes of action, counter-claims, suits, debts, sums of money, accounts, covenants, damages, judgements, expenses, executions, liens, set off rights 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, 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 Implementation Date, relating to or arising out of or in connection with the matters herein;

provided that nothing herein will release the Debtor of its obligation to make the payments contemplated in this Proposal or to comply with any of its obligations thereunder.

10.3 Effect of Proposal Generally

As at 12:01 a.m. on the Implementation Date, the treatment of all Claims under the Proposal shall be final and binding on the Debtor and all Creditors (along with their respective heirs, executors, administrators, legal personal representatives, successors and assigns) and the Proposal shall constitute (i) a full, final and absolute settlement of all rights of the holders of the Claims affected hereby; and (ii) an absolute release and discharge of all indebtedness, liabilities and obligations of the Debtor of or in respect of such Claims.

10.4 Notices

Any notices or communication to be made or given hereunder will be in writing and will refer to this Proposal and may, subject as hereinafter provided, be made or given by personal delivery, by prepaid mail, telecopier or by email addressed to the respective parties as follows:

(a) if to the Proposal Sponsor

Jae Park
c/o Miller Thomson LLP
Attention: James W. Reid / Pavin Takhar
Eighth Avenue Place
525-8th Avenue SW
Calgary, Alberta
T2P 1G1
jwreid@millerthomson.com / ptakhar@millerthomson.com

(b) if to an Affected Creditor, to the address, telecopier number or email address for such Affected Creditor specified in the claims notice sent in accordance with the Claims Procedure Order or, to such other address, telecopier number or email address at which the notifying party may reasonably believe that the Affected Creditor may be contacted; and

(c) if to the Proposal Trustee:

Deloitte Restructuring Inc.
Attention: Jeff Keeble/ / Naomi McGregor
700, 850 – 2 Street SW
Calgary, Alberta
T2P 0R8
jkeeble@deloitte.ca / naomcgregor@deloitte.ca

with a copy to:

Burnet, Duckworth & Palmer LLP
Attention: David LeGeyt
525-8th Avenue SW
Calgary, Alberta
T2P 1G1
dlegeyt@bdplaw.com

or to such other address, telecopier number or email address as any party may from time to time notify the others in accordance with this section. In the event of any strike, lock-out and other event which interrupts postal service in any part of Canada, all notices and communications during such interruption may only be given or made by personal delivery, by telecopier or email and any notice or other communication given or made by prepaid mail within the five (5) Business Day period immediately preceding the commencement of such interruption will be deemed not to have been given or made. All such notices and communications will be deemed to have been received, in the case of notice by email or telecopier or by delivery prior to 5:00 p.m. (Calgary time) on a Business Day, when received or if received after 5:00 p.m. (Calgary time) on a Business Day or at any time on a non-Business Day, on the next following Business Day and in to case of notice mailed as aforesaid, on the fifth (5th) Business Day following the date on which such notice or other communication is mailed. The unintentional failure to give a notice contemplated hereunder to any particular Creditor will not invalidate this Proposal or any action taken by any Person pursuant to this Proposal.

10.5 Releases

Subject to Article 10.6, on the Implementation Date, the Debtor, and the Participating Directors (the "**Released Parties**") 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 action, counterclaims, suits debts, orders, penalties, sums of money, accounts, covenants, damages, judgments, 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 of any securities commission, 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 Implementation Date, relating to, arising out of or in connection with any Claims, the business and affairs of the Debtor and Participating Directors, whenever and however conducted, including this Proposal and the Receivership Proceedings.

10.6 Claims Not Released

For clarity, nothing in Article 10.5 will release or discharge any Released Party (i) in respect of any Unaffected Claim or its obligations to Affected Creditors under this Proposal, or (ii) in the case of the Participating Directors, in respect of any claim referred to in Section 50(14) of the BIA.

10.7 Assignment of Claims

No assignment of a Claim by an Affected Creditor is effective to give the assignee any rights in respect of the Proposal unless written notice of the assignment is given to the Debtor and the Proposal Trustee in accordance with the requirements of Article 10.4. The assignment of the Claim will not be effective for a five (5) Business Day period from the date of effective receipt of the notice of assignment by the Debtor and by Proposal Trustee as determined in accordance with Article 10.4.

10.8 Notice of Presentation of Approval Application

Each of the Creditors and the Official Receiver (as defined by and appointed under the BIA) are hereby given notice that, after acceptance of this Proposal by the Creditors in accordance with the relevant provisions of the BIA, the Proposal Trustee will present an application to the Court seeking the Approval Order at such date and time that may be fixed following the Creditors' Meeting.

10.9 Foreign Currency Obligations

For the purposes of this Proposal, Claims denominated in a currency other than Canadian funds will be converted to Canadian Dollars at the rate of exchange of the Bank of Canada on the Filing Date. Claims denominated in currencies commonly known as "crypto currency", will be converted to Canadian Dollars at the fair market value of the crypto currency at 12:00 pm (MST) on the Filing Date.

10.10 Applicable Law

This Proposal will be construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein and will be treated in all respects as an Alberta contract.

10.11 Non Severability

It is intended that all provisions of this Proposal will be fully binding on and effective between all Persons named or referred to in this Proposal and in the event that any particular provision or provisions of this Proposal is or are found to be void, voidable or unenforceable for any reason whatever, then the remainder of this Proposal and all other provisions will be void and of no force or effect.

10.12 Deeming Provisions

In this Proposal the deeming provisions are not rebuttable and are conclusive and irrevocable.

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DATED at the City of Calgary, in the Province of Alberta, this 12th day of May, 2025.

JAE PARK as Proposal Sponsor and Director of CATALX CTS LTD.

Per: ______________________

Name: Jae Park

Title: Director

I have the authority to bind the corporation.

Schedule "A"

Crown Claims

Nil.

Schedule "B"

Preferred Creditors

Nil.

Schedule "C"

Secured Creditors

Jae Park

Schedule "D"

Participating Directors

Jae Park
Sung Hun Kim
Cody Church
Gerald D. Chipeur, K.C.
Alan Hallman
Andrea Shaw
Koleya Karringten
Brad Mitchell
Bill Shihara
Mike Smith

Appendix “B”

In the Matter of the Division I Proposal of
Catalx CTS Ltd.
Statement of Projected Cash Flow
For the nine-month period ended January 31, 2026
($CAD)

Period Ending:	Notes	May-25 Forecast	Jun-25 Forecast	Jul-25 Forecast	Aug-25 Forecast	Sep-25 Forecast	Oct-25 Forecast	Nov-25 Forecast	Dec-25 Forecast	Jan-26 Forecast	Total Forecast
Receipts											
Surplus from receivership	1		95,000								95,000
Proposal Proceeds	2			210,000							210,000
Investigation Funds	3										-
Interest				2	240	238	236	234	231	229	1,411
Total Receipts		-	95,000	210,002	240	238	236	234	231	229	306,411
Disbursements											
Professional fees	4										
Trustee's Fees			(45,000)	(20,000)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(25,000)	(97,500)
Trustee's Legal Fees			(20,000)	(10,000)							(30,000)
Catalx's Legal Fees			(20,000)	(30,000)							(50,000)
Service fees	5		(3,898)	(3,898)							(7,796)
GST paid			(4,445)	(3,195)	(75)	(75)	(75)	(75)	(75)	(1,250)	(9,265)
Filing fees paid to Official Receiver		(180)									(180)
Fees paid to registrar		(150)									(150)
Total Disbursements		(330)	(93,343)	(67,093)	(1,575)	(1,575)	(1,575)	(1,575)	(1,575)	(26,250)	(194,891)
Net change in cash		(330)	1,657	142,909	(1,335)	(1,337)	(1,339)	(1,341)	(1,344)	(26,021)	111,520
Opening Cash		-	(330)	1,327	144,236	142,902	141,565	140,226	138,884	137,541	-
Ending Cash		(330)	1,327	144,236	142,902	141,565	140,226	138,884	137,541	111,520	111,520

Catalx CTS Ltd.

Mr. Jae Park

Deloitte Restructuring Inc.
in its capacity as Trustee under the proposal of
Catalx CTS Ltd. and not in its personal or corporate capacity.

Mr. Jeff Keeble, Senior Vice-President

Background

On January 19, 2024, Deloitte Restructuring Inc. was appointed by an Order of the Court of King's Bench of Alberta (the "**Court**") as receiver-manager (the "**Receiver**") without security, of the property of CatalX CTS Ltd., operating as Catalx ("**Catalx**") and Catalx Management Ltd. including, without limitation, all of the Catalx' current and future assets, undertakings, and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof. Additional information with respect to these receivership proceedings can be found on the Receiver's website at https://www.insolvencies.deloitte.ca/en-ca/Pages/Catalx

The Receiver has realized on all assets of Catalx and anticipated obtaining its discharge on June 20, 2025.

Concurrently, Catalx has filed a Division I Proposal (the "**Proposal**") pursuant to the provisions of Part III Division I of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 as amended (the "**BIA**"). The Receiver, a licensed trustee under the BIA, has consented to act as a Proposal Trustee in these proceedings of Catalx under the BIA.

General note

This statement of projected cash flow should be read in conjunction with the Catalx and Trustee reports with respect to the Proposal and this cash flow.

Specific notes and assumptions:

1 The Proposal contemplates that upon the discharge of the Receiver in the receivership proceedings, and subject to the terms of any Orders granted by the Court in the receivership proceedings, the Receiver shall pay the receivership proceeds, if any, to the Proposal Trustee. The Receiver anticipates receiving its discharge on June 20, 2025 with approximately $95,000 to be provided to the Proposal Trustee.

2 The Proposal contemplates that the Proposal proceeds of approximately $210,000 shall be paid within one month of the date of court approval of the Proposal. The Proposal Trustee anticipates obtaining Court approval of the Proposal on June 20, 2025, subject to the creditors acceptance of the Proposal at the First Meeting of Creditors scheduled for June 2, 2025. In the event the creditors do not accept the Proposal, Catalx shall be deemed bankrupt.

3 The receipt of the investigation funds comprise any proceeds received or recovered for the benefit of Catalx or Catalx's Creditors by the Receiver, the Proposal Trustee, the Debtor, the Alberta Securities Commission, the Royal Canadian Mounted Police, or and other regulatory or law enforcement agency as a result of ongoing investigations in relation to Catalx and its former director and Chief Financial Officer Jae Ho Lee within six months of the implementation date of the Proposal. At the time this statement of projected cash flow has been prepared, the quantum of investigation funds is unknown.

4 Professional fees (excluding GST) are an estimate and will vary depending on the complexities encountered during Catalx's restructuring.

5 Services fees are comprised of Amazon and Google web-based platform fees housing the available books and records of Catalx. This cash flow forecast assumes that these services fees will be maintained up to Court approval of the Proposal and/or the deemed bankruptcy of Catalx.

Appendix "C"

District of: Alberta
Division No. 02 - Calgary
Court No.
Estate No.

-- FORM 29 --
Trustee's Report on Cash-Flow Statement
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the Matter of the Proposal of
CatalX CTS Ltd.
of the City of Calgary, in the Province of Alberta

The attached statement of projected cash flow of CatalX CTS Ltd., as of the 12th day of May 2025, consisting of the statement of projected cash-flow for the nine month period ending January 31, 2026, has been prepared by the management of the insolvent person (or the insolvent debtor) for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by: ☒ the management and employees of the insolvent person or ☐ the insolvent person. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by:
☒ management or ☐ the insolvent person for the probable assumptions and preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects,

(a) the hypothetical assumptions are not consistent with the purpose of the projection;

(b) as at the date of this report, the probable assumptions developed are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or

(c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

The projection has been prepared solely for the purpose described in the notes attached, and readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Calgary in the Province of Alberta, this 12th day of May 2025.

Deloitte Restructuring Inc. - Licensed Insolvency Trustee

700 Bankers Court, 850 - 2nd Street SW
Calgary AB T2P 0R8
Phone: (403) 267-1700 Fax: (403) 718-3681

District of: Alberta
Division No. 02 - Calgary
Court No.
Estate No.

FORM 29 - Attachment
Trustee's Report on Cash-flow Statement
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the Matter of the Proposal of
CatalX CTS Ltd.
of the City of Calgary, in the Province of Alberta

Purpose:

This statement of projected cash-flow is prepared in accordance with Subsection 50.4(2) of the Bankruptcy and Insolvency Act.

Projection Notes:

The projection has been prepared solely for the purpose described in the notes attached, and readers are cautioned that it may not be appropriate for other purposes.

Assumptions:

The cash-flow has been prepared based on assumptions regarding future events, therefore actual results may vary from the estimates herein and these variances may be material.

Dated at the City of Calgary in the Province of Alberta, this 12th day of May 2025.

Deloitte Restructuring Inc. - Licensed Insolvency Trustee

700 Bankers Court, 850 - 2nd Street SW
Calgary AB T2P 0R8
Phone: (403) 267-1700 Fax: (403) 718-3681

APPENDIX “B”

District of: **Alberta**
Division No.: **02 - Calgary**
Court No.: **B301-223290**
Estate No.: **25-3223290**

IN THE MATTER OF THE PROPOSAL OF
CATALX CTS LTD.
OF THE CITY OF CALGARY, IN THE PROVINCE OF ALBERTA

MINUTES OF THE FIRST MEETING OF CREDITORS

1. The first meeting of creditors ("**FMOC**") for the proposal of CatalX CTS Ltd. ("**Catalx**" or the "**Company**") was held on June 2, 2025, at 2:00 pm MST via a virtual meeting through a Microsoft Teams video conference.

ATTENDANCE

2. The following parties were in attendance:

   Chairperson: Amendra Singh, Office of the Superintendent of Bankruptcy
   Trustee: Jeff Keeble, Licenced Insolvency Trustee, Deloitte Restructuring Inc.
   Secretary: James Doney, Secretary, Deloitte Restructuring Inc.
   Other Parties:
   Naomi McGregor, Deloitte Restructuring Inc.
   Andrew Stott, Deloitte Restructuring Inc.
   Jessica MacKinnon, Proposal Trustee's legal counsel, Burnet, Duckworth & Palmer LLP
   Pavin Takhar, Company Debtor's legal counsel, Miller Thomson
   Tingting Zhang, Office of the Superintendent of Bankruptcy
   Creditors: See attached attendance list

CALL TO ORDER AND QUORUM

3. Mr. Keeble welcomed those present to the FMOC, introduced the parties present and indicated that Mr. Singh would be acting as the Chairperson for the FMOC. A roll call was held to identify the creditors present, and the meeting was then handed over to the Chairperson.

4. The Chairperson called the FMOC to order at 2:30pm and indicated that the FMOC had been properly called and constituted and a quorum was present as at least one creditor was present who was eligible to vote in person or by proxy.

5. The Chairperson indicated that any decisions he made in the FMOC could be challenged and appealed to the Court.

6. The Chairperson informed the creditors present that the agenda for the FMOC was as follows:

   a. Consider the affairs of Catalx and the terms and conditions of the proposal filed by Catalx on May 14, 2025 (the "**Proposal**");

   b. Answer any questions the creditors have on the Company or the Proposal;

   c. Hold a vote on the Proposal;

   d. Elect any parties who want to act as inspectors in the estate; and

   e. Deal with any other matters or questions from the creditors.

NOTICE

7. The Chairperson turned the meeting over to Deloitte Restructuring Inc. ("**Deloitte**"), the Licensed Insolvency Trustee acting in the Proposal (the **"Proposal Trustee"**), and Ms. McGregor advised that the notice of the Proposal and FMOC for Catalx were emailed on May 15, 2025, or sent via regular mail where an email was unavailable.

8. Ms. McGregor informed all persons present, that a creditor would not be entitled to vote unless they have lodged with the Proposal Trustee a proof of claim prior to the time specified for the FMOC.

DOCUMENTS TABLED

9. Ms. McGregor advised that the following documents were tabled and noted to be available to the creditors attending the meeting:

   - Statement of affairs;
   - Notice of the meeting mailed to creditors May 15, 2025;
   - Proof of mailing for the meeting;
   - The Proposal;
   - Blank proof of claim and voting letter;
   - Cash flow statement; and
   - The Proposal Trustee's Report to Creditors

PROPOSAL TRUSTEE'S REPORT

10. The Chairperson asked the Proposal Trustee to review the Proposal Trustee's Report to Creditors dated May 14, 2025 (the "**Report**"). Ms. McGregor reviewed the Report in detail and highlighted the following items, among others:

    a. CatalX operated an internet-based platform for the trading of crypto assets through services provided by its platform-support supplier, Bittrex Global GMBH and its affiliates ("**Bittrex Global**"). In addition to other services provided to Catalx, Bittrex Global processed trades for Catalx's clients and served as custodian for the Crypto assets held by Catalx's customers.

    b. On November 20, 2023, Bittrex Global publicly announced its decision to wind-down its operations and cease the provision of all trading services effective as of December 4, 2023.

    c. Catalx determined it was not feasible for it to continue to operate its platform without the support of Bittrex Global and, as a result, on December 4, 2023, in conjunction with Bittrex Global, Catalx decided to commence an orderly wind-down of its business and operations.

    d. In addition to the wind down of Bittrex Global, Catalx had several other factors contribute to its operations being ceased including, but not limited to:

       i. On or around November 24, 2023, Catalx ceased allowing withdrawals of customer deposits due to liquidity constraints;

       ii. Financial obligations were not being met as they became due;

       iii. Extraordinary events, including a suspected security breach and alleged misappropriation resulting in the loss of a significant portion of the Crypto assets held by Catalx on behalf of its customers; and

iv. Customer complaints filed with the Alberta Security Commission ("**ASC**") which led to the ASC opening an investigation against Catalx and issuing a Cease Trade Order on December 21, 2023.

11. On January 19, 2024, Deloitte was appointed by an Order of the Court of King's Bench of Alberta (the "**Court**") as receiver-manager (the "**Receiver**") of Catalx and Catalx Management Ltd. (collectively, the "**Companies**").

12. The Receiver conducted a forensic investigation (the "**Forensic Investigation**") around the allegations regarding the misappropriation of Crypto assets owned and/or held by Catalx on behalf of its clients and has realized on all assets of the Companies.

13. The Proposal Trustee advised that all matters in the receivership have effectively concluded, and the Receiver intends on applying imminently to Court for its discharge.

14. The Proposal Trustee summarized the key terms of the Proposal as follows:

    a. The Proposal outlines three funding sources:

        i. Mr. Jae Park ("**Mr. Park**" or the "**Proposal Sponsor**"), along with the current and former directors of Catalx sponsoring the Proposal (the "**Participating Directors**"), which specifically excludes Mr. Jae Ho Lee ("**Mr. Lee**"), will advance a total of $210,000 (the "**Proposal Proceeds**");

        ii. Residual balance in the receivership estate, currently estimated to be $95,000 (the "**Receivership Proceeds**"); and

        iii. Any proceeds from the investigations (the "**Investigation Funds**") of the ASC or Royal Canadian Mounted Police ("**RCMP**").

    b. All creditors form a single class of unsecured creditors, with any amounts available for distribution to be allocated on a pro-rata basis.

    c. Claims denominated in currencies commonly known as Crypto, will be converted to Canadian Dollars at the fair market value of the crypto currency at 12:00 pm (MST) on May 14, 2025.

    d. The following are conditions precedent to the implementation of the Proposal:

        i. The required majority of the unsecured creditors accept the Proposal;

        ii. The Court approves the Proposal, including the Releases in respect of the Released Parties (as both are defined and discussed later herein);

        iii. The Proposal Proceeds are paid to the Proposal Trustee within 30 days of Court approval; and

        iv. The Receivership Proceeds are paid to the Proposal Trustee upon the discharge of the Receiver.

    e. The Proposal provides the comprehensive Releases for Catalx and the Participating Directors, covering a wide range of claims, both known and unknown, related to Catalx's business and affairs before the implementation date of the Proposal; however, the Releases specifically exclude claims related to contractual rights of creditors rising from contracts with the directors and claims based on allegations of misrepresentation made by the directors to creditors or wrongful or oppressive conduct by directors. These exclusions help ensure that creditors' essential rights and statutory protections remain intact.

15. The Proposal Trustee summarized the Company's affairs as reported on the Company's Statement of Affairs.

16. The Proposal Trustee advised that in the event the Proposal is refused by the creditors, Catalx would be deemed to have made an assignment in bankruptcy, which would result in no foreseeable recovery to unsecured creditors.

QUESTION PERIOD

17. The Chairperson opened the floor to questions. Creditors raised numerous questions regarding various matters both verbally and through the chat function of the video conference. Below is a summary of topics addressed during the question period.

Proposal administration and proof of claims

18. Questions raised included is a proof of claim required, how to file a proof of claim, how are claims valued, where can information with respect to these proceedings be found, how to contact the Proposal Trustee, who was notified of the Proposal and how.

19. The Proposal Trustee advised that all available information with respect to the receivership proceedings and the Proposal can be found on the Proposal Trustee's website at https://www.insolvencies.deloitte.ca/en-ca/Pages/Catalx.aspx

20. Contact information for the Proposal Trustee can be found on the Proposal Trustee's website or the Proposal Trustee can be contact by email at calgaryrs@deloitte.ca.

21. The *Bankruptcy and Insolvency Act (Canada)* ("**BIA**") requires the Proposal Trustee to notify all known creditors with claims of $250 or more. The Notice to Creditors (the "**Creditors Package**") with respect to these proposal proceedings was sent to all known creditors (regardless of the estimated claim value) on May 15, 2025, via email. Where the Proposal Trustee did not have the creditor's email, a copy of the Creditors Package was sent via regular mail.

22. There is a total of 6,200 creditors identified through the Company's books and records, of which only 183 creditor packages were returned undeliverable due to invalid email addresses. Of these 142 creditors, claim amounts were estimated to be less than $250; consequently, no further action was taken by the Proposal Trustee.

23. The Creditor Package is also available on the Proposal Trustee's website.

24. Creditors were required to file a proof of claim prior to date and time scheduled for the FMOC to be able to vote on the Proposal. Creditors are also required to file a proof of claim to participate in the distribution of funds through the Proposal (if accepted by the creditors and approved by the Court).

25. Creditors who have not filed a claim with the Proposal Trustee will receive a final 30-day notice to file their claim or else they will not be able to participate in any distributions.

26. Claims denominated in currencies commonly known as Crypto, will be converted to Canadian Dollars at the fair market value of the crypto currency at 12:00 pm (MST) on May 14, 2025.

27. The Proposal Trustee understands that creditors are unable to access their Catalx accounts as the platform is no longer available. The Receiver and Proposal Trustee have exhausted all available options to access the platform to allow creditors access to their accounts. The Proposal Trustee has recovered transaction histories for each customer to generate statements of account and these will be provided to creditors upon request.

28. Creditors needing a statement of account or assistance with filing their proof of claim should contact the Proposal Trustee at calgaryrs@deloitte.ca.

Proposal terms and conditions

29. Creditors in attendance of the FMOC expressed scepticism that the Proposal, if approved, may absolve the directors of any liability in exchange for a small recovery of funds. Several questions were raised about what legal actions could be taken against the directors, including potential class action lawsuits.

30. Other related questions included what was the benefit of the Proposal to creditors, what are the reasons for accepting the Proposal, does the Proposal impede creditors from taking future legal action against Catalx and/or the directors of Catalx, what will the recoveries be, and what is the timing of distributions?

31. The Proposal Trustee advised that the Proposal Sponsor elected to file a Proposal and has willingly foregone his secured claim in order to provide some recovery to the unsecured creditors.

32. In the event the Proposal is rejected by the creditors and/or the Court, Catalx will be deemed to have made an assignment into bankruptcy.

33. It is the Proposal Trustee's view that in the case of a bankruptcy, there would be no recoveries available to the unsecured creditors as:

    a. The Proposal Proceeds would not be advanced to Catalx;

    b. The only amounts available to creditors will be the Receivership Proceeds and the Investigation Funds, the amount of which are unknown; and

    c. The claim of the secured creditor and Proposal Sponsor, Mr. Park, if deemed to be a valid and enforceable secured claim, would rank ahead of all other creditors in a bankruptcy and there would be no funds available for the unsecured creditors.

34. The Proposal provides the comprehensive releases for Catalx and the Participating Directors, covering a wide range of claims, both known and unknown, related to Catalx's business and affairs before the implementation date; however, this does not release the Participating Directors from claims under Section 50(14) of the BIA related to contractual rights and allegations of misrepresentation or wrongful conduct.

35. The releases specifically exclude claims related to contractual rights of creditors rising from contracts with the directors and claims based on allegations of misrepresentation made by the directors to creditors or wrongful or oppressive conduct by directors.

36. The Proposal Sponsor's counsel advised creditors there had been no wrongdoing on the part of the Proposal Sponsor, and that due to the corporate veil, any claims against the Proposal Sponsor or Participating Directors would most likely be unsuccessful.

37. The Proposal Trustee clarified there has been no indication that the Proposal Sponsor or Participating Directors have been involved; however, a full investigation into the Proposal Sponsor and Participating Directors has not been conducted.

38. The Proposal Trustee further advised that it cannot provide legal advice to the creditors; however, creditors are entitled to consult with their own legal counsel with respect to pursuing legal actions against Catalx and/or the directors of the Company.

39. Should the Proposal be accepted by the creditors and/or Court, funds will be distributed as follows:

    a. First, payment of all costs to administer the Proposal; and

    b. Secondly to all creditors with proven claims. Each creditor with a proven claim will receive payment, in cash, on a pro rata basis of the balance of available funds.

40. The distributions of cash by the Proposal Trustee will be made:

    a. Upon the expiry of six months from the implementation date of the Proposal. The Proposal Trustee confirmed the timelines regarding the ongoing investigations remain unknown, however there needed to be an end date to ensure the Proposal is not left unresolved for an extended period of time;

    b. Subject to any levy owed to the Superintendent of Bankruptcy pursuant to the BIA; and

    c. In full and final satisfaction of each proven claim.

41. The recovery for creditors is unknown at the date of the FMOC as it is dependent on:

    a. Costs incurred to administer the Proposal; and

    b. The quantum of claims filed with the Proposal Trustee.

42. The distributions are not expected to be significant, and the Report estimates that $111,520 may be available for distribution to the creditors through the Proposal.

43. The creditors present were not happy with this small potential return on their investments through the Proposal.

Voting on the Proposal

44. Questions raised included who can vote, can a creditor change their vote, and what recourse is available to creditors if they wish to dispute the voting results.

45. The Proposal Trustee reiterated that only creditors who filed a proof of claim prior to the date and time scheduled for the FMOC are able to vote on the Proposal. For clarity, the deadline to file a claim for voting purposes was 2:00 PM (MST) on June 2, 2025.

46. Creditors are able to change their vote up to the time the vote is called at the FMOC if they have filed valid and accepted proofs of claim with valid proxies (if required).

47. The Proposal is deemed accepted by creditors when the voting results meet the statutory requirements being the majority in number and 2/3 in value of the proven claims voting in favour of the Proposal.

48. There is no avenue for creditors to call for a revote at the FMOC after the vote is properly called and motioned in the event that the creditors are unsatisfied with the results of the vote after they are tabulated.

49. In the event the Proposal is accepted by the creditors, the Proposal Trustee will proceed with an application to have the Proposal approved by the Court.

50. Creditors are able to attend the Court application to dispute the voting results and any appeal or revoting process is at the discretion of the Court.

51. The details with respect to the date and time of the Court application to have the Proposal approved will be posted on the Proposal Trustee's website. Alternatively, creditors may request to be added to the service list.

Bankruptcy Scenario

52. Questions raised included what happens in a bankruptcy, and do creditors need to file a claim in the bankruptcy.

53. The Proposal Trustee reiterated that in the event the Proposal is not accepted by the creditors, Catalx will be deemed bankrupt. The bankruptcy would be administered in accordance with the BIA.

54. The bankruptcy Trustee would attempt to recover all available assets of the Company for the general benefit of the creditors, including any Investigation Funds.

55. Creditors must file a proof of claim to be included in any potential distribution to creditors.

56. The Proposal Trustee also indicated that the bankruptcy trustee can take direction from creditors such as advancing investigations into Catalx's operations or taking actions against directors or Catalx subject to funding being available to do so. The Proposal Trustee added that section 38 of the BIA allows creditors to take actions in their own names, with the approval of the Court, if the Trustee refuses to do so or does not have funds available. The creditors who join the action can recover their costs and claims in full and any excess would have to go back to the estate.

Investigations

57. Creditors requested updates with respect to investigations conducted by the ASC, RCMP and the Receiver.

58. The Proposal Trustee advised creditors that the ASC commenced an investigation after being notified of unauthorized transactions in the Catalx Wallet and issued an Interim Cease Trade Order which was effective from December 21, 2023, to January 5, 2025.

59. The Forensic Investigation revealed a difference between the expected balance of customer assets, consisting of fiat and Crypto, and the actual amount held by Catalx as of January 19, 2024, the date of receivership. Based on the books and records of Catalx available to the Receiver, the estimated value of customer assets which is made up of approximately 590 distinct Crypto amounts to approximately USD$13,958,536; however, the actual value of these assets is only approximately USD$151,070. This difference results in a shortfall of customer assets amounting to approximately USD$13,807,467 (the "**Shortfall**"). The primary cause of the Shortfall was the use of customer assets for purposes unrelated to customer activities. Beginning no later than May of 2021 and persisting until the Platform's de-facto end in the fall of 2023, unauthorized withdrawals of customer assets, facilitated the diversion of assets from the Catalx Wallet to external, unauthorized wallets and Crypto exchange accounts.

60. Additional details with respect to the ASC investigation and the Forensic Investigation can be found in the First Report of the Receiver at https://www.insolvencies.deloitte.ca/en-ca/Pages/Catalx.aspx

61. The Receiver has ceased conducting additional work on the Forensic Investigation due to funding constraints in the receivership estate.

62. The Receiver has cooperated with the ASC providing its findings from the Forensic Investigation.

63. The Receiver and Proposal Trustee also understand that the RCMP have an open investigation with respect to Catalx. To date the RCMP have not contacted the Receiver/Proposal Trustee and the status of said investigation is unknown.

64. The Receiver and Proposal Trustee will continue to cooperate with the ASC, other judicial bodies, and law enforcement where it is necessary and appropriate for us to do so.

Insurance claims

65. Questions raised included, what insurance was in place and is there any recoveries through insurance.

66. Catalx advertised to its customers that their funds and assets were safeguarded by bonding insurance. However, based on the Forensic Investigation it is evident that the purported safeguards did not effectively shield customers from the misuse of their assets.

67. Based on the Receiver's review and discussions with insurance providers regarding the policies held by Catalx, Catalx may not have been in compliance with policy terms and conditions. In addition, there appears to be coverage limitations and may not extend to customers.

68. As at the date of the FMOC, the Proposal Trustee is not aware of any open or pending insurance claims and does not anticipate any recoveries through potential insurance claims.

Other matters

69. Other questions raised by creditors included the whereabouts of Mr. Lee, the current investment activities of Mr. Park, and confirmation that Bittrex Global is a creditor.

70. The Proposal Trustee understands that Mr. Lee is overseas; however, his whereabouts is unknown. Mr. Lee has had very limited interaction with the Receiver and no contact with the Proposal Trustee.

71. Mr. Lee has been excluded from the Proposal, including the releases provided to the Participating Directors.

72. The Proposal Trustee and counsel for the Proposal Sponsor has no knowledge of Mr. Park's investment dealings outside of Catalx.

73. Based on available books and records of Catalx, Bittrex Global is an unsecured creditor and has not filed a claim with the Proposal Trustee. The Proposal Trustee understands that Bittrex Global is in liquidation. Additional details with respect to the Bittrex Global liquidation can be found at https://bittrexglobal.com.

VOTING

74. The Chairperson called for a motion to vote on the Proposal. On a motion duly made by Brian Loos and seconded by Julien Murdaca-Gauthier, the Proposal Trustee proceeded to call a vote on the Proposal.

75. Several creditors in attendance requested to amend their votes, resulting in the Proposal Trustee requesting those individuals who had filed claims prior to the meeting to confirm their amended votes by either messaging the meeting chat or email to calgaryrs@deloitte.ca.

76. The meeting adjourned for 20 minutes to allow the Proposal Trustee to collect any final votes and last minute claims and update the voting summary based on any new or amended votes.

77. The meeting reconvened at 3:30 pm and the results were announced as follows:

	Value of Claims		# of Claims	
Votes	$	%	#	%
For	2,169,637	68%	79	76%
Against	805,282	25%	15	14%
No vote lodged with Trustee	206,995	7%	10	10%
Total Claims Filed	**3,181,915**	**100%**	**104**	**100%**

78. Two creditors in attendance of the FMOC indicated their claims, each in excess of $200,000, voting against the Proposal were not including in count. Ms. McGregor confirmed that those two claims were included in the count against the Proposal. Ms. McGregor further clarified that the "No vote" in the amount of $206,995 reflected the proven claims received prior to the FMOC with no votes lodged with the Proposal Trustee.

79. The Chairperson declared that the Proposal was deemed accepted by the creditors as filed given the voting results met the statutory requirements as a majority in number and 2/3 in value of proven claims voted in favour of the Proposal.

80. Some of the creditors in attendance at the FMOC were dissatisfied with the results of the vote and requested a revote on the Proposal. The Proposal Trustee and the Proposal Trustee's legal counsel confirmed that the voting procedure is prescribed in the BIA and is binding. Consequently, there is no avenue for a revote at the FMOC, however, creditors may appear in Court to contest the approval of the Proposal.

81. The Proposal Trustee further advised that the notice of the application to approve Proposal will be served on all proven creditors, in addition to being posted on the Proposal Trustee's website at https://www.insolvencies.deloitte.ca/en-ca/Pages/Catalx.aspx.

82. Subsequent to the FMOC, the Proposal Trustee conducted a recount of all votes and notes the following:

    a. The value of two claims in favour of the Proposal were inadvertently unaccounted for due to a formula error;

    b. The value of two claims against the Proposal were inadvertently unaccounted for due to a formula error;

    c. One claim voting against the Proposal was filed via email at the commencement of the FMOC and was inadvertently missed in the voting results shown above;

    d. One vote was changed from in favour of the Proposal to against which was not properly reflected in the voting results shown above; and

    e. One voting letter against the Proposal was received prior to the motion to vote but was inadvertently missed. This claim had been accounted for as a "No vote lodged with the Trustee" in the voting results shown above.

83. The overall value of the claims previously missed in the count were not material and did not impact the outcome of the vote in favour of the proposal as tabulated in the FMOC. The revised results are as follows:

	Value of Claims		# of Claims	
Votes	$	%	#	%
For	2,221,798	68%	79	76%
Against	850,949	26%	16	15%
No vote lodged with Trustee	204,413	6%	9	9%
Total Claims Filed	**3,277,160**	**100%**	**104**	**100%**

84. A detailed voting summary is attached hereto and forms part of these minutes.

INSPECTORS

85. The Chairperson advised the FMOC attendees of the role of estate inspectors and their responsibilities. The Proposal Trustee advised that inspectors are effectively the eyes and ears of the creditors who work closely with and oversee the Trustee and provide directions and approve fees and disbursements in the estate. A party cannot act as an inspector if they are conflicted and/or a party to any contested action against the Company. Nominal inspector fees are paid, and meetings can be held by conference call. An inspector can resign at any time from the position.

86. Alessandro Tirone advised that he may be interested to act as an inspector, however, he would like further information on the role and responsibilities prior to accepting.

87. On a motion duly made by Cameron Waite and seconded by Henry Ulaszonek, the appointment of Alessandro Tirone as estate inspector was approved, subject to his acceptance of the position.

88. Subsequent to the FMOC, Mr. Tirone was provided with the inspector's handbook and confirmed his acceptance of the inspector role. The Proposal Trustee will schedule the first meeting of inspectors in due course.

ADJOURNMENT

89. The Chairperson called for a motion to adjourn the meeting. On a motion duly made by Brian Loos and seconded by Julien Murdaca-Gauthier, the meeting was adjourned at 4:08 pm.

____
Amendra Singh, Chairperson
Office of the Superintendent of Bankruptcy

____
Jeff Keeble, Proposal Trustee
Deloitte Restructuring Inc.

District of: **Alberta**
Division No.: **02 - Calgary**
Court No.: **B301-223290**
Estate No.: **25-3223290**

IN THE MATTER OF THE PROPOSAL OF
CATALX CTS LTD.
OF THE CITY OF CALGARY, IN THE PROVINCE OF ALBERTA

ATTENDANCE LIST

Debtor and representatives:	Pavin Takhar, counsel to Proposal Sponsor
Chairperson and representatives:	Amendra Singh, OSB Tingting Zhang, OSB - Attendee
Trustee and representatives:	Jeff Keeble, Deloitte Naomi McGregor, Deloitte Andrew Stott, Deloitte – Attendee James Doney, Deloitte – Secretary Jessica MacKinnon, counsel to Proposal Trustee

Creditors:

NAME	Claim Filed
[redacted]	Y
[redacted]	Y
[redacted]	Y
[redacted]	Y
[redacted]	Y
[redacted]	Y
[redacted]	Y
[redacted]	Y
[redacted]	Y
[redacted]	Y
[redacted]	Y
[redacted]	Y
[redacted]	Y
[redacted]	Y
[redacted]	Y
[redacted]	Y
[redacted]	Y
[redacted]	Y
[redacted]	Y
[redacted]	Y
[redacted]	N
[redacted]	N
[redacted]	Unknown
[redacted]	N
[redacted]	N
[redacted]	N
[redacted]	N

NAME	Claim Filed
[redacted]	Unknown
[redacted]	Unknown
[redacted]	N
[redacted]	N
[redacted]	N
[redacted]	N
[redacted]	Unknown
[redacted]	Unknown
[redacted]	N
[redacted]	N
[redacted]	N
[redacted]	N
[redacted]	Unknown
[redacted]	Unknown
[redacted]	N
[redacted]	N
[redacted]	N
[redacted]	N
[redacted]	N
[redacted]	N

District of	Alberta
Division No.	02 - Calgary
Court No.	B301-223290
Estate No.	25-3223290

Voting Summary

In the Matter of the Proposal of
CatalX CTS Ltd.
of the City of Calgary, in the Province of Alberta

Insolvency Date: 14-May-2025
Estate Number: 25-3223290

Result of Voting

	Total #			*Dollar Value of Claims*		*Percentage by Votes*		*Percentage by Value*		*Result*	
Class	*Votes*	*Yes*	*No*	*Yes*	*No*	*Yes*	*No*	*Yes*	*No*	*By Votes*	*ByValue*
	95	79	16	2,221,798.06	850,948.88	83.16	16.84	72.31	27.69	App.	App.

List of creditors

Class	*Creditor Name*	*Type*	*Account #*	*$ Admitted for Voting*	*Voted By*	*Vote*
	[redacted]			2,421.87		For
	[redacted]			29,942.74		Against
	[redacted]			1,377.50		For
	[redacted]			14,717.89		Against
	[redacted]			5,760.27		Against
	[redacted]			815.51		For
	[redacted]			32,042.86		Against
	[redacted]			10,372.00		Against
	[redacted]			3,085.00		For
	[redacted]			5,625.23		For
	[redacted]			288,997.42		Against
	[redacted]			337.96		For
	[redacted]			6,887.51		For
	[redacted]			5,067.15		For
	[redacted]			258,975.23		Against
	[redacted]			30,335.59		For
	[redacted]			18,339.87		Against
	[redacted]			798.25		For
	[redacted]			37,109.21		For
	[redacted]			91,249.97		For
	[redacted]			31,605.02		Against
	[redacted]			230.59		Against

List of creditors

Class	*Creditor Name*	*Type*	*Account #*	*$ Admitted for Voting*	*Voted By*	*Vote*
	[redacted]			2,296.53		For
	[redacted]			13,131.41		For
	[redacted]			97,969.96		For
	[redacted]			3,090.88		For
	[redacted]			1,803.24		For
	[redacted]			11,778.70		For
	[redacted]			46,396.66		For
	[redacted]			19,459.51		For
	[redacted]			106,380.62		For
	[redacted]			50,207.28		For
	[redacted]			70,769.56		For
	[redacted]			23,649.89		For
	[redacted]			4,980.21		Against
	[redacted]			9,319.57		For
	[redacted]			24,850.00		For
	[redacted]			14,270.99		For
	[redacted]			19,242.50		For
	[redacted]			22,214.39		For
	[redacted]			70,783.91		For
	[redacted]			28,660.33		Against
	[redacted]			50,022.46		For
	[redacted]			80,735.98		For
	[redacted]			69,166.80		For
	[redacted]			5,643.92		For
	[redacted]			9,141.18		For
	[redacted]			19,626.77		For
	[redacted]			6,661.14		For
	[redacted]			55,461.32		For
	[redacted]			11,009.71		For
	[redacted]			2,943.43		For
	[redacted]			9,046.74		For
	[redacted]			50,804.44		For
	[redacted]			8,137.83		For
	[redacted]			8,204.45		For
	[redacted]			95,386.02		Against
	[redacted]			7,917.19		Against
	[redacted]			9,136.79		For

List of creditors

Class	*Creditor Name*	*Type*	*Account #*	*$ Admitted for Voting*	*Voted By*	*Vote*
	[redacted]			17,611.95		For
	[redacted]			18,267.72		For
	[redacted]			5,696.60		For
	[redacted]			15,100.23		For
	[redacted]			20,000.00		Against
	[redacted]			7,352.78		For
	[redacted]			1,193.15		For
	[redacted]			111,467.62		For
	[redacted]			6,732.46		For
	[redacted]			19,797.66		For
	[redacted]			12,898.78		For
	[redacted]			7,921.63		For
	[redacted]			566.70		For
	[redacted]			19,121.10		For
	[redacted]			45,068.61		For
	[redacted]			44,128.13		For
	[redacted]			1,448.60		For
	[redacted]			5,420.96		For
	[redacted]			2,162.69		For
	[redacted]			32,924.11		For
	[redacted]			105,132.01		For
	[redacted]			132,218.92		For
	[redacted]			1,220.01		For
	[redacted]			3,416.82		For
	[redacted]			52,713.50		For
	[redacted]			269.20		For
	[redacted]			38,320.98		For
	[redacted]			7,707.17		For
	[redacted]			174,134.85		For
	[redacted]			12,500.00		For
	[redacted]			3,021.24		Against
	[redacted]			2,123.31		For
	[redacted]			2,582.55		For
	[redacted]			5,204.52		For
	[redacted]			94,156.06		For
	[redacted]			26,747.37		For

* Some or all of secured amount shown has been excluded from voting

APPENDIX “C”

District of Alberta
Division No. 02 - Calgary
Court No. B301-223290
Estate No. 25-3223290

BANKRUPTCY AND INSOLVENCY
FILED
by Email
Mar 09, 2026
Calgary
FAILLITE ET INSOLVABILITÉ

Final

C30362
MB

In the Matter of the Proposal of
CatalX CTS Ltd.
of the City of Calgary, in the Province of Alberta
Form 12
Final Statement of Receipts and Disbursements

RECEIPTS			
1.	Payment Receipt		
	Proposal	210,000.00	210,000.00
2.	Miscellaneous		
	Interest allocation	2,180.90	
	Transfer from Receiver	108,586.87	110,767.77
TOTAL RECEIPTS			**320,767.77**
DISBURSEMENTS			
3.	Fees Paid		
	To registrar	150.00	
	To official receiver	179.92	
	To court	40.00	369.92
4.	Other notices and reports		
	Other notices and reports	37.55	
	Postage	152.10	189.65
5.	Inspector		
	Fees	120.00	120.00
6.	Trustee's remuneration		
	Trustee's fees	402,624.25	
	Loss absorbed by trustee	-232,060.97	
	GST charged on Trustee remuneration	8,528.16	179,091.44
7.	Legal fees and legal services costs		
	Legal Counsel to estate	42,724.50	
	Legal fees/disbursements	16,771.00	59,495.50
8.	Federal and Provincial taxes		
	GST on legal fees	2,968.28	
	GST on administrative disbursement	39.01	3,007.29
9.	Miscellaneous		
	Notice of first meeting to creditors (proposal)	250.68	
	Notice of first meeting to creditors (proposal) - postal fees	149.85	400.53
TOTAL DISBURSEMENTS			**242,674.33**
Note: How much of the total disbursements was paid for services provided by persons related to the trustee?		0.00	
Amount available for distribution			**78,093.44**
10.	Levy payable under section 147 of the Act		3,904.67

11. Unsecured creditors

Proved claims of		23,111,520.58			
Final dividend	0.34%	78,093.44	less levy	3,904.67	74,188.77

Status of Proposal: Full performance, January 22, 2026.

Notes:

1. CatalX CTS Ltd. ("Catalx"), formerly Catalx Exchange Inc., operated an internet-based platform for the trading of crypto assets, which

enabled customers to buy, sell, hold, deposit, and withdraw crypto assets such as Bitcoin, Ether, and anything commonly considered to be a crypto asset, digital or virtual currency, or digital or virtual token ("Crypto").

2. Catalx Management Ltd. (together with Catalx, the "Companies") provided business administration and management services exclusively to Catalx, including but not limited to administrative, management, regulatory, finance, information technologies support, and corporate communication functions. On November 20, 2023, the Companies' platform-support supplier publicly announced its decision to wind-down its operations and cease the provision of all trading services effective as of December 4, 2023, and commenced an orderly wind-down of its business and operations.

3. On January 19, 2024, Deloitte Restructuring Inc. ("Deloitte") was appointed by an Order of the Court of King's Bench of Alberta (the "Court") as receiver-manager (the "Receiver") without security, of the property of the Companies including, without limitation, all of the Companies' current and future assets, undertakings, and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof.

4. The Receiver conducted an investigation of the allegations regarding the misappropriation of Crypto assets owned and/or held by Catalx on behalf of its clients and has realized on all assets of the Companies.

5. On May 14, 2025 (the "Date of Filing"), Catalx filed a proposal (the "Proposal") pursuant to the provisions of Part III Division I of the Bankruptcy and Insolvency Act, RSC 1985, c B-3 as amended (the "BIA") and Deloitte consented to act and was duly appointed Licensed Insolvency Trustee (the "Proposal Trustee") in the BIA Proposal proceedings for Catalx.

6. The first meeting of creditors occurred on June 2, 2025, wherein the Proposal was approved by the required majority of creditors, and Alessandro Tirone was appointed as estate inspector.

7. On June 20, 2025, the Court granted an Order Discharging Receiver, and concurrently approving the Proposal (the "Approval Order").

8. The Proposal provided for three (3) funding sources (collectively the "Cash Pool") including:
i) Mr. Jae Park (the "Proposal Sponsor") along with current and former directors of Catalx, specifically excluding Mr. Jae Ho Lee, will advance $210,000 (the "Proposal Proceeds");
ii) Remaining funds in the Companies' Receivership proceedings (the "Receivership Proceeds"); and
iii) Any and/or all proceeds received or recovered for the benefit of Catalx or Catalx's creditors by the Receiver, the Proposal Trustee, Catalx, the Alberta Securities Commission (the "ASC"), the Royal Canadian Mounted Police (the "RCMP"), or any other regulatory or law enforcement agency as a result of ongoing investigations in relation to Catalx and its former director and Chief Financial Officer Mr. Jae Ho Lee (the "Investigation Funds") within six (6) months of the implementation date of the Proposal.

9. Per Section 8.1 of the Proposal, the implementation of the Proposal (the "Implementation Date") would be conditional upon the following:
i) The acceptance of the Proposal at the first meeting of creditors;
ii) The granting of an Approval Order; and
iii) The Proposal Proceeds and Receivership Proceeds being paid to the Proposal Trustee.

10. The above terms were complied with, and the Implementation Date of the Proposal was effective July 22, 2025.

11. On August 5, 2025, the Trustee caused to be sent to all known creditors with claims exceeding $250 notice to file proofs of claim on or before September 5, 2025, in accordance with Section 149 of the BIA (the "30 Day Notice").

12. This final statement of receipts and disbursements and dividend sheet represent a full accounting of all estate recoveries and final distribution of the Cash Pool to proven creditors (the "Final Distribution").

13. At the Date of Filing, Catalx had listed unsecured creditors on their Statement of Affairs totaling approximately $34.0 million, representing $32.3 million in customer claims and $1.7 million in trade creditors. Upon the conclusion of the claims process, proven unsecured claims currently total approximately $23.1 million, representing $18.6 million in customer claims and $4.5 million in trade creditors.

14. In the Proposal Trustee's Report to Creditors, the Proposal Trustee had initially estimated its professional fees, including Proposal Trustee fees and legal fees (the "Professional Fees") to be approximately $177,500 (plus GST and disbursements) resulting in $111,520 being available for distribution to unsecured creditors (including levy).

District of	Alberta
Division No.	02 - Calgary
Court No.	B301-223290
Estate No.	25-3223290

In the Matter of the Proposal of
CatalX CTS Ltd.
of the City of Calgary, in the Province of Alberta
Form 12 — Concluded
Final Statement of Receipts and Disbursements

Final

15. Professional Fees have proven higher than anticipated due to several factors, including but not limited to the following:
i) The Proposal Trustee initially based its fee estimates on the Receiver's interactions with customers. The Receiver corresponded with 190 individuals holding claims totaling approximately $3.8 million. To date, the Proposal Trustee has interacted with nearly 1,000 individuals and has dedicated a significant amount of time assisting claimants. This assistance has included explaining the Proposal administration, the claims and voting process, completing claim forms, preparing statements of account, and addressing individuals' grievances regarding the conduct of Catalx, fraud allegations, and the status of ongoing investigations. The Proposal Trustee received a significant response from unproven customers to the 30 Day Notice, resulting in several claims being filed near the claim deadline;
ii) Inconsiderable efforts were made by the Proposal Trustee during the claims review process, including verifying supporting documentation from claimants and reconciling this information to Catalx records; and
iii) Issuing notices of disallowance where applicable.

16. As a result, we advise Professional Fees, including estimated costs to complete, total $462,120 (plus GST and disbursements). In an effort to provide a recovery to the unsecured creditors, the Proposal Trustee has voluntarily agreed to absorb a loss of $232,061 (plus GST) on its fees representing 57.6% of its cumulative fees, in order to provide approximately $78,000 for distribution to unsecured creditors (including levy).

17. The ASC commenced proceedings (the "ASC Proceedings") against Catalx, the Proposal Sponsor, and Mr. Jae Ho Lee. The ASC Proceedings remain on-going; however, there are no anticipated recoveries for the Proposal estate.

18. The Proposal Trustee confirms there have been no developments with the RCMP or any other regulatory or law enforcement agency, and that no Investigation Funds have materialized within the six (6) months of the Implementation Date.

19. Catalx has fully complied with all Proposal provisions, and was issued a certificate of full performance effective January 22, 2026.

Dated at the City of Calgary in the Province of Alberta, this 5th day of February 2026.

Deloitte Restructuring Inc. - Licensed Insolvency Trustee

700 Bankers Court, 850 - 2nd Street SW
Calgary AB T2P 0R8
Phone: (403) 267-1700 Fax: (403) 718-3681

Approved by the following inspectors:

Alessandro Stefano Tirone
Alessandro Tirone

Taxed at the sum of $ 242,674.33 this 6 day of March, 2026.

Registrar M. Park

APPENDIX "D"

B301 223290

BANKRUPTCY AND INSOLVENCY
FILED
by Email
Mar 16, 2026
Calgary
FAILLITE ET INSOLVABILITE

GPAS 133147141 / jg

IN THE COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE OF CALGARY
ESTATE NO: 25-3223290

IN THE MATTER OF THE PROPOSAL OF CATALX CTS LTD.

NOTICE OF OBJECTION

TO: [redacted]
AND TO: Deloitte Restructuring Inc., 700 Bankers Court, 850 - 2nd Street SW, Calgary, AB T2P 0R8

I, [redacted] residing in [redacted], being a proven unsecured creditor of CatalX CTS Ltd. in the amount of [redacted], hereby give formal notice of my objection to the Final Statement of Receipts and Disbursements and the Application for Discharge of the Trustee.

The grounds for my objection are as follows:

1. **Reasonableness of Professional Fees:** The total receipts of the estate are reported at **$320,767.77**. Total disbursements, including Trustee remuneration and legal fees, amount to **$242,674.33**. These professional fees consume approximately **75.6%** of the total funds recovered. I object to the reasonableness of these fees given the recovery for unsecured creditors is only **0.34%**.
2. **Status of Investigation Funds:** The original Proposal identified potential "Investigation Funds" from recoveries involving former director Jae Ho Lee. The Final Statement indicates no such funds materialized within the six-month period. I object to the discharge of the Trustee until a more detailed accounting of the specific efforts made to coordinate with the RCMP and ASC to recover these misappropriated customer assets is provided to the creditors.
3. **Disproportionate Loss to Customers:** My proven claim of [redacted] is being settled for an estimated [redacted] before the 5% levy). I request that the Court review all administrative expenses to ensure that the maximum possible distribution is made to the affected customers before the Trustee is released from their fiduciary duties.

Due to my current residence in [redacted] and the resulting inability to travel to Calgary for filing, I am submitting this objection electronically and request to appear at the hearing on **July 23, 2026, at 2:00 PM** via the virtual courtroom link.

Dated this 14 day of March, 2026.

[redacted]

APPENDIX "E"

From: [redacted]
[redacted] [redacted]
Subject: RE: [EXT] BANKRUPTCY FILING – 25-3223290 – NOTICE OF OBJECTION – AMER GHOULEH
Date: Wednesday, March 18, 2026 12:15:00 PM

[redacted]

We confirm receipt of your notice of objection to the Final Statement of Receipts and Disbursements and the Proposal Trustee's discharge.

Your objection has been filed in accordance with section 152(6) of the Bankruptcy and Insolvency Act (BIA). Creditors have fifteen (15) days to file objections with the Registrar and Proposal Trustee, ending March 25, 2026. After this period, the Proposal Trustee must apply to the Court to address all objections raised by unsecured creditors of the Proposal Trustee's fees and disbursements. This application will be in addition to the discharge application scheduled for July 23, 2026, and all objecting creditors will be notified of the hearing. Please note that the filing of an objection will result in a delay of the final dividend distribution. Additionally, the Trustee and its legal counsel will incur further costs to attend Court for the objection application which will impact creditor recoveries. Creditors who have submitted objections have the option to withdraw their objection at any time, which may help avoid these additional delays and expenses.

Your stated grounds for objection are:

1. Reasonableness of Fees
2. Status of Investigation Funds
3. Disproportionate Loss to Creditors

Although the Proposal Trustee is not required to respond, we want to address your concerns given the limited recoveries in this administration and our commitment to creditors.

1. **Reasonableness of Fees**: Professional fees were higher than anticipated due to: (i) a high volume of creditor claims; (ii) increased efforts by the Trustee to review claims and respond to numerous creditor queries; and (iii) the issuance of notices of disallowance where applicable. Despite these factors, to enable distributions to unsecured creditors, the Proposal Trustee absorbed a loss of $232,061 (plus GST), representing 57.6% of its cumulative fees. As noted above, additional Court applications to address objections will incur further fees, which will impact creditor recoveries.

2. **Status of Investigation Funds:** The Proposal anticipated potential "Investigation Funds" from various agencies, but no such funds were recovered within six months of the Implementation Date, and no dollar value was attributed to the recovery of Investigation Funds in the Proposal Trustee's Report to Creditors. With respect to ongoing investigations, the Proposal Trustee made efforts to contact the RCMP for updates but did not receive any response. Additionally, the Proposal Trustee has provided the Alberta Securities Commission (ASC) with all findings to date; however, the ASC's investigation is still underway, and no further updates have been provided to us at this time. The ASC hearing is currently scheduled for November 2026.

3. **Disproportionate Loss to Creditors:** The Proposal Trustee has already received a positive comment letter from the Office of the Superintendent of Bankruptcy and taxation from the Court prior to sending notice of final dividend and application for discharge of Trustee. The Proposal maximizes creditor recovery compared to the alternative of bankruptcy, which would have resulted in nil distributions. Distributions are lower than expected because of the higher than anticipated number of creditors with proven claims. The larger pool of creditors reduced the proportion each creditor receives.

If you require any further information, the Proposal Trustee would be willing to discuss this matter with you or your legal counsel.
Kind regards
DELOITTE RESTRUCTURING INC.
solely in its capacity as
Proposal Trustee of the Estate of
Catalx CTS Ltd.
and not in its personal or corporate capacity.

From: [redacted]
Sent: Friday, March 13, 2026 5:39 PM
To: [redacted]
Cc: [redacted]
Subject: [EXT] BANKRUPTCY FILING – 25-3223290 – NOTICE OF OBJECTION – AMER GHOULEH

Dear Registrar and Deloitte Restructuring Inc.,

Please find attached the formal Notice of Objection regarding the matter of the Proposal of **CatalX CTS Ltd. (Estate No. 25-3223290)**.

I am a proven unsecured creditor with a claim of [redacted]. Due to my current residence in [redacted] and travel restrictions, I am submitting this filing electronically.

- **Attached Document:** Notice_of_Objection[redacted]df (Signed and dated)
- **I am formally objecting to the following:**
    - The Final Statement of Receipts and Disbursements and Dividend Sheet: I object to the reasonableness of the professional fees ($242,674.33) relative to the total receipts ($320,767.77), which has resulted in a recovery of only 0.34% for creditors.
    - The Application for Discharge of the Trustee: I oppose the discharge of Deloitte Restructuring Inc. scheduled for July 23, 2026. I believe the Trustee should not be released until a more transparent accounting of the "Investigation Funds" and efforts to recover misappropriated assets is provided.
- **Administrative Notes:**
    - Electronic Signature: This document was signed via DocuSign. I have included the DocuSign Certificate of Completion as a separate attachment to verify authenticity.
    - Dividend Sheet: While the Trustee noted that a full dividend sheet was excluded to protect personal information, I am formally objecting to the distribution amount assigned to my proven claim.
    - Filing Request Form: If a Filing Request Form is required for this bankruptcy matter, please provide the digital version and I will return it immediately.
    - Payment: Please advise on the procedure for paying the required filing fees via credit card.

I confirm my intention to appear at the virtual court hearing on **July 23, 2026, at 2:00 PM MST** via virtual courtroom #55 (the provided Webex link).

Sincerely,
[redacted]

[redacted]

APPENDIX "F"

Deloitte.

District of:	Alberta
Division No.	02 - Calgary
Court No.	B301-223290
Estate No.	25-3223290

In the matter of the proposal of
CatalX CTS Ltd.

For professional services rendered for the period March 13, 2026, to April 02, 2026 in relation to the notice of objection to final dividend. filed by an unsecured proven creditor.

Trustee Fees

Name	Title	Rate	Hours	Amount
Poon, Cassie	Partner	735	1.2	882.00
Doney, James	Manager	475	7.5	3,562.50
Stott, Andrew	Manager	475	3.7	1,757.50
Trustee Fees			12.4	6,202.00
Less: Courtesy Discount (57.6%)				(3,572.35)
Total Trustee Fees after discount				**2,629.65**
Notice enclosing ASRD and final dividend				594.00
Postage on notice				1,163.74
Total Disbursements				**1,757.74**
Total Trustee Fees after discount				2,629.65
Total Disbursements				1,757.74
GST on Trustee Fees and Disbusements				219.37
Total Trustee Fees and Disbursements				**4,606.76**

Legal Fees

Legal Fees	4,000.00
GST on Legal Fees	200.00
Total Legal Fees	**4,200.00**

Total Professional Fees

Trustee Fees and Disbursments (including GST)	4,606.76
Legal Fees (including GST)	4,200.00
Total Professional Fees	**8,806.76**

Deloitte.

District of: Alberta
Division No. 02 - Calgary
Court No. B301-223290
Estate No. 25-3223290

In the matter of the proposal of
CatalX CTS Ltd.

For professional services rendered for the period March 13, 2026, to April 02, 2026 in relation to the notice of objection to final dividend, filed by an unsecured proven creditor.

Date	Name	Hours	Description
13-Mar-26	Stott, Andrew	0.2	Review objection and circulate to team
16-Mar-26	Stott, Andrew	0.7	Review objection notice from customer and draft response
17-Mar-26	Stott, Andrew	0.5	Update draft response to customer objecting to final dividend
18-Mar-26	Stott, Andrew	0.1	Issue response to objecting creditor
18-Mar-26	Doney, James	0.4	Emails to/from A. Stott and C. Poon re creditor response and proposed next steps, researched notice requirements re taxation hearings
24-Mar-26	Doney, James	0.4	Email from/to creditor re file status, updating address, prepared draft invoice re time in relation to taxation hearing
24-Mar-26	Stott, Andrew	1	Draft Report to Court to seek an order to 1) Dismiss objection received and 2) seek further costs
25-Mar-26	Doney, James	0.9	Emails from/to A. Stott re all prior correspondence with objecting creditor, reviewed draft Report
25-Mar-26	Stott, Andrew	0.6	Finalize initial draft report and internal correspondence on the same
26-Mar-26	Doney, James	1.6	Detailed review of draft Report, making significant changes, reviewed draft invoice and discussed accruals for closing costs with N. McGregor
27-Mar-26	Stott, Andrew	0.1	Internal Correspondence on the Draft Second Report
30-Mar-26	Doney, James	0.2	Drafted application and form of Order
1-Apr-26	Stott, Andrew	0.5	Internal correspondence with respect to the Second Report, update report with appendices and summary tables, Send to C.Poon for final review
Accrual to close	Doney, James	0.8	Prepare and serve notice of taxation hearing on proven creditors and OSB, filing with Court
Accrual to close	Poon, Cassie	0.5	Attend taxation hearing.
Accrual to close	Doney, James	1.8	Prepare and file the Amended Statement of Receipts and Disbursements ("ASRD") obtain inspector approval, and filing all requisite materials with OSB, obtain comment letter, follow up to closing
Accrual to close	Poon, Cassie	0.7	Review and approve ASRD; chair final inspector meeting
Accrual to close	Doney, James	1.4	Serve ASRD on proven creditors, enclosing final dividend payment
Total		12.4	

Deloitte.

District of: Alberta
Division No. 02 - Calgary
Court No. B301-223290
Estate No. 25-3223290

In the matter of the proposal of
CatalX CTS Ltd.

Summary of Disbursements

Description	Date	Copies	Pages	Total Pages	Page Fee	Postage	GST	Total
Notice enclosing ASRD and final dividend	TBD	792	5	3,960	594.00	1,163.74	87.89	1,845.63

Postage rates	Amount	Letters	Total
Domestic	1.44	776	1,117.44
USA	1.75	6	10.50
International	3.58	10	35.80
		792	1,163.74

www.deloitte.ca