

C A N A D A
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL
COURT. No.: 500-11-065700-250

S U P E R I O R C O U R T
Commercial Division

**IN THE MATTER OF A PLAN OF
ARRANGEMENT OR COMPROMISE OF:** **ENERKEM ALBERTA BIOFUELS G.P. INC.,**
-and-
9546-7049 QUÉBEC INC. (ResidualCo1),
-and-
9546-7064 QUÉBEC INC. (ResidualCo2),
Residual Debtors
-and-
ENERKEM ALBERTA BIOFUELS L.P.
Montreal, Quebec.
Mise-en-cause
-and-
DELOITTE RESTRUCTURING INC.
Monitor/Applicant

**SIXTH REPORT TO THE COURT
SUBMITTED BY DELOITTE RESTRUCTURING INC.
IN ITS CAPACITY AS MONITOR**
(Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended)

INTRODUCTION

1. On May 11, 2025, Enerkem Inc. ("**Enerkem Canada**"), Enerkem Alberta Biofuels G.P. Inc. ("**EAB GP**"), Enerkem Limited UK ("**Enerkem UK**"), Enerkem Corporation (Delaware) ("**Enerkem Delaware**"), Enerkem Spain Holdings, Sociedad Limitada (Spain) ("**Enerkem Spain**") (collectively, "**Enerkem**", the "**Company**" or the "**Applicants**") filed an *Application for the Issuance of an Initial Order, an Amended and Restated Initial Order and an Order Approving a Sale and Investment Solicitation Process* (the "**Initial Application**") under the *Companies' Creditors Arrangement Act* (the "**CCAA**"), before the Superior Court of Quebec (the "**Court**") seeking the appointment of Deloitte Restructuring Inc. ("**Deloitte**") as the CCAA monitor in these proceedings (in such capacity the "**Proposed Monitor**") and various other reliefs.
2. On that same date, Deloitte, then in its capacity as Proposed Monitor, issued its first report to the Court (the "**First Report**"). The purpose of the First Report was to provide information to the Court with respect to i) Deloitte's qualifications to act as Monitor, ii) the business, financial affairs and financial results of Enerkem, iii) the proposed restructuring process, iv) the Sale and Investment Solicitations process ("**SISP**"), v) the Key Employee Retention Plan ("**KERP**"), vi) Enerkem's cash flow forecast, vii) the Interim Facility, viii) the charges sought in the Proposed First Day Initial Order and the Proposed Initial Order, and ix) the Proposed Monitor's conclusions and recommendations regarding the relief requested.

3. On May 12, 2025, the Court granted the Initial Application and issued a First Day Initial Order (the "**First Day Order**") which provided for, *inter alia*, i) a stay of proceedings in favour of Enerkem until May 22, 2025 (the "**Stay Period**"), ii) a stay of proceedings in favour of the directors and officers, iii) the appointment of Deloitte as the Monitor under the CCAA (in such capacity the "**Monitor**"), iv) the approval of the Interim Facility of \$12.5M, and v) the granting of various charges including an Administration Charge of \$0.2M, a D&O Charge of \$1.4M, an Interim Lender Charge of \$15M, and a KERP Charge of \$850K (as each of these defined terms are defined in the First Day Order).
4. On May 12, 2025, the Court also granted a SISP order (the "**SISP Order**") which provided for, *inter alia*, the approval of the SISP and the SISP Procedures (as this term is defined in the SISP Order) attached thereto.
5. On May 21, 2025, Deloitte, then in its capacity as Monitor, issued its second report to the Court (the "**Second Report**") as part of the Debtors' CCAA proceedings (the "**CCAA Proceedings**"). The purpose of the Second Report was to provide information to the Court with respect to i) Enerkem's communications to stakeholders and operations, ii) the Monitor's activities since the First Report, iii) the status of the SISP, iv) the modifications sought in the proposed Amended and Restated Initial Order ("**ARIO**"), v) the Cash Flow results for the two-week period ended May 18, 2025, vi) the Cash Flow Projections until August 22, 2025, vii) the request for an extension of the Stay Period, and viii) the Monitor's conclusions and recommendations regarding the relief requested.
6. On May 22, 2025, the Court granted the ARIO, which, *inter alia*, i) extended the Stay Period until August 22, 2025, ii) increased the Administration Charge to \$1M, and ii) increased the D&O Charge to \$2M. The Interim Lender Charge and the KERP Charge were not increased and were maintained in the amounts of \$15M and \$850K, respectively.
7. On July 23, 2025, the Company filed an Application for the Issuance of an Approval and Reverse Vesting Order (the "**RVO Application**"), seeking:
 - (i) an Approval and Reverse Vesting Order providing, *inter alia*, the following relief:
 - i) the approval of the subscription agreement dated July 22, 2025 (the "**Subscription Agreement**"), executed by Enerkem Canada with Repsol Quimica, S.A., Monarch Alternative Capital LP and ESC Sustainable Solutions Fund, L.P. (collectively, the "**Investors**") and transactions contemplated thereunder (the "**Transactions**"), including the transfer and vesting to new "residual" corporations to be incorporated of the excluded assets, excluded contracts and excluded liabilities, as contemplated in the Subscription Agreement, and iii) releases in favour of Enerkem Canada, the Retained Entities¹ and the Investors, as well as certain releases in favour of Enerkem Canada's and the Retained Entities' present and former Directors and Officers;
 - (ii) an Order for the cancellation of security registrations; and,
 - (iii) an Order: i) extending the Stay Period until November 14, 2025, ii) releasing, terminating and discharging certain of the charges granted in these CCAA Proceedings, iii) providing for the enhancement of certain powers of the Monitor with respect to the ResidualCos, and iv) granting certain ancillary relief.
8. On July 30, 2025, the Court granted the Approval and Reverse Vesting Order, the Order Extending the Stay Period until November 17, 2025, Expanding the Powers of the Monitor and Releasing, Terminating and Discharging Certain CCAA Charges as well as the *Ordonnance d'Annulation et de Radiation*.

¹ The term "Retained Entities" is defined in the Subscription Agreement to include Enerkem UK, Enerkem Delaware and Enerkem Spain.

9. Pursuant to the Transactions, 9546-7049 Québec Inc. ("**ResidualCo1**") and of 9546-7064 Québec Inc. ("**ResidualCo2**") (collectively, the "**ResidualCos**", and together with Enerkem Alberta Biofuels G.P. Inc., the "**Residual Debtors**") were added as parties to these CCAA Proceedings and Enerkem Canada and the Retained Entities ceased to be parties thereto.
10. On November 12, 2025, the Monitor filed the Application for a Stay Extension.
11. On November 17, 2025, the Court granted the Order Extending the Stay of Proceedings until May 15, 2026.
12. On May 8, 2026, the Monitor filed the Application for a Stay Extension.
13. On May 15, 2026, the Court granted the Order Extending the Stay of Proceedings until September 30, 2026.
14. Concurrently with the issuance of this sixth report of the Monitor (the "**Sixth Report**"), the Monitor filed the Application for the Issuance of a Stay Extension (the "**Application**"), seeking a further extension of the Stay Period until November 30, 2026.
15. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars. Capitalized terms not otherwise defined in this report are as defined in the previous reports of the Monitor or the Application.

PURPOSE OF THIS REPORT

16. The purpose of the Sixth Report is to update the Court with respect to:
 - (i) The Monitor's activities since the Fifth Report;
 - (ii) The progress in view of dismantling the Alberta Plant (as defined hereafter);
 - (iii) The Cash Flow results for the 4-month period ended August 31, 2026;
 - (iv) Cash Flow Projections;
 - (v) The request for an extension of the Stay Period; and,
 - (vi) The Monitor's conclusions and recommendations.
17. In preparing the Sixth Report and making the comments herein, the Monitor has been provided with, and has relied upon, unaudited financial information, the Residual Debtors' books and records and financial information prepared by the Residual Debtors and discussions with management ("**Management**") of the Residual Debtors (collectively, the "**Information**"). Except as described in this Sixth Report in respect of the Applicants' Cash Flow Statement (as defined below):
 - (i) The Monitor has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Monitor has not audited or otherwise attempted to verify the accuracy or completeness of such information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards ("**GAAS**") pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Monitor expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information; and,
 - (ii) Some of the information referred to in this Sixth Report consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in Chartered Professional Accountants Canada Handbook, has not been performed.

18. Future oriented financial information referred to in this Sixth Report was prepared based on estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections, even if the assumptions materialize, and the variations could be significant.
19. Unless otherwise indicated, the Monitor's understanding of factual matters expressed in the Sixth Report concerning Enerkem, the Residual Debtors and their business is based on the Information, and not independent factual determinations made by the Monitor.

I. THE MONITOR'S ACTIVITIES SINCE THE FIFTH REPORT

20. Since the closing of the Transactions, the Monitor has continued to have various communications with the Company's suppliers and other key stakeholders to explain the situation and the next steps relating to the CCAA Proceedings and the Company's restructuring (the "**Restructuring**").
21. The Monitor has also maintained communication with Enerkem and Fiera (the remaining secured creditor over the EAB assets), as to the remaining steps needed to monetize the biorefinery in Edmonton (the "**Alberta Plant**"), the wind down the Residual Debtors and the eventual termination of the CCAA Proceedings.
22. The Alberta Plant is the only remaining tangible asset in these CCAA Proceedings following the closing of the Transactions.
23. The Monitor has been proactive in responding to the different stakeholders' inquiries relating to the CCAA Proceedings and the Restructuring.
24. The Monitor has also had various communications with the City of Edmonton and Alberta Environment and Protected Areas (the "**AEPA**") with respect to the Alberta Plant previously operated by EAB GP and Enerkem Alberta Biofuels L.P. (collectively, "**EAB**"), as more fully detailed below.
25. The Monitor has carefully and diligently managed liquidity and sought to limit costs whenever possible and justified.
26. Pursuant to the First Day Order, the Residual Debtors have paid all post-filing obligations in the normal course of business.
27. To the Monitor's knowledge, the Residual Debtors have complied and continue to comply with the provisions of the First Day Order, the ARIO and the provisions of the CCAA.
28. The Monitor has been managing the receipts and disbursements transacted through the Monitor's bank accounts in respect of the Residual Debtors' operations.
29. Since the commencement of the CCAA Proceedings, the Monitor has continued to monitor the Residual Debtors' activities with a view to reporting its observations and recommendations to the Court.

II. PROGRESS IN VIEW OF DISMANTLING THE ALBERTA PLANT

The EAB Environmental Incident

30. As more fully described in the Monitor's previous reports, during the fall of 2025, the Monitor engaged a specialized waste management firm to assess options for the disposal of the accumulated water following a potential environmental release incident reported by the City of Edmonton to the AEPA in November 2025. More specifically, due to freezing temperatures in Edmonton, a portion of the accumulated water froze, preventing its immediate disposal.
31. On May 25, 2026, following an increase in temperatures, the weekly monitoring conducted by the specialized waste management firm confirmed that the water had thawed. The Monitor subsequently obtained a quote for the disposal of the water contained within the dike, which dike was successfully drained on June 4, 2026.
32. The Monitor has managed the potential environmental release incident with celerity and diligence. The Monitor considers that the management of this potential environmental release incident is now completed.

The EAB Site Monitoring

33. As mentioned in the Monitor's previous reports, the Monitor proactively retained a specialized waste management firm to conduct weekly monitoring of the EAB site with a view of preventing and promptly addressing potential environmental incidents.
34. During the reporting period, there have been minor environmental incidents, which were proactively addressed by the Monitor.
35. On June 12, 2026, the weekly monitoring conducted by the specialized waste management firm identified the presence of diluted pink dye staining on the concrete surface. Following this observation, the Monitor obtained a quote for the required remediation work, and the dye was cleaned and removed on June 17, 2026.
36. Following a period of heavy rainfall in Edmonton, Alberta in May and June 2026, the weekly monitoring conducted by the specialized waste management firm identified a significant volume of water that had accumulated within a dike. The Monitor subsequently obtained a quote for the disposal of the accumulated water, and the dike was drained between June 16 and June 19, 2026.
37. As of the date of the Sixth Report, the Monitor has not been made aware of any other issues requiring immediate actions.

The Phase II Environmental Site Assessment

38. Since the closing of the Transactions, the Monitor has been in ongoing discussions with the City of Edmonton and its legal counsel, and the AEPA with respect to the obligations of EAB under applicable environmental laws in relation to the Alberta Plant.
39. As mentioned in the Fifth Report, the Monitor has retained Stantec Consulting Ltd. ("**Stantec**") as an environmental consultant in connection with the ongoing environmental site assessment of the Alberta Plant. The Monitor has also instructed Stantec to prepare additional environmental monitoring reports requested by the AEPA to satisfy EAB's obligations in connection with the decommissioning work and the tenant's environmental commitments.

40. On June 5, 2026, the AEPA issued an enforcement order ("**Enforcement Order**") in respect of the Alberta Plant, requiring the investigation, remediation, decommission, and reclamation of the site in accordance with Alberta environmental regulations, including contamination assessment and remediation, remediation reporting, site reclamation, and ongoing quarterly progress reporting.
41. As of the date of the Sixth Report, the Monitor has satisfied the requirements set out in the Enforcement Order.
42. Over the past several months, Stantec has conducted its work and has delivered the following reports:

ENERKEM ALBERTA BIOFUELS Summary of Environmental Reports	
Report's Name	Date of Issuance
Annual Waste Management Summary Report	2026-03-17
Phase II report	2026-05-01
Groundwater Monitoring Report	2026-05-08
Soil Monitoring Program Report	2026-05-08
Quarterly Progress Report - June 30, 2026	2026-07-18
Final Decommissioning Plan	2026-09-23
Remedial Action plan	<i>Expected on Oct. 16, 2026</i>

43. The Monitor is continuing its review of the reports obtained and is considering the impact of same on these CCAA proceedings.

The dismantling

44. As mentioned in the Monitor's previous reports, the Monitor conducted the EAB SISP to solicit interest in the specific assets of EAB and received multiple proposals prior to the Phase I Bid Deadline. Following several calls with the Bidders to obtain certain clarifications, the Monitor received amended proposals.
45. Following the receipt of the Phase II Assessment, the Monitor, in consultation with Fiera, determined that it would be appropriate to continue advancing the dismantling process for the EAB assets.
46. Accordingly, the Monitor continued its discussions with bidders having submitted proposals in the context of the EAB SISP to further assess the costs associated with the dismantling of the assets and the rehabilitation of the Alberta Plant. Subject to the outcome of these discussions and the overall economic viability of the proposed transaction, a definitive agreement will be negotiated, which will subsequently be submitted to the Court for approval.
47. In addition to the foregoing, the Monitor has continued its collaboration with key stakeholders, including the AEPA, the City of Edmonton, and the specialized environmental services firm, to advance the planning and execution of the Alberta Plant's decommissioning and dismantling.

EAB Sales Tax Refund

48. As mentioned in the Monitor's previous reports, EAB collected a sales tax refund totaling \$1M.
49. As mentioned in the Application for the Issuance of an Approval and Reverse Vesting Order, the Investors and Fiera reserved their rights with respect to whether EAB's cash and receivables constitute assets and property of EAB or Enerkem.

50. As of the date of this report, no agreement has been reached in that regard. In addition, Fiera has advised the Monitor that it reserves its rights with respect to the allocation of costs and professional fees between the Applicants.

III. THE CASH FLOW RESULTS FOR THE 4-MONTH PERIOD ENDED AUGUST 31, 2026

51. The Residual Debtors' financial performance for the 4-month period commencing on May 1, 2026, and ending August 31, 2026 ("**Initial Cash Flow Period**"), is presented in the Actual Cash Flow annexed hereto as **Appendix A**.

52. The table below provides an overview of the cash balances and cash variances during the Initial Cash Flow Period:

Cash Variation For the 4-month period ended August 31, 2026 <i>in \$000's CAD</i>	
EAB	
Beginning Cash - May 1, 2026	728
Net Cash Variation	(93)
Ending Cash - August 31, 2026	635
Administration Expense Reserve	
Beginning Cash - May 1, 2026	360
Net Cash Variation	(12)
Ending Cash - August 31, 2026	348

EAB

53. The Monitor's comments on the financial performance of EAB during the Initial Cash Flow Period are set out below:

- (i) Compared with the statement of projected cash flow presented to the Court in the Fifth Report dated May 8, 2026 (the "**Cash Flow Statement**"), EAB experienced a favorable variance of approximately \$6K with respect to the cash inflows. This variance is primarily attributable to interest on bank balance.
- (ii) Compared with the Cash Flow Statement, EAB experienced a favorable variance of \$238K in respect of the outflows. The variance is primarily attributable to:
 - i. An unfavorable variance of \$9K due to higher than budgeted costs related to various reports requested by the AEPA, including a wastewater report, decommissioning plan update, and soil and groundwater monitoring reports;
 - ii. A favorable variance of \$9K in Site Maintenance due to the timing of the disbursements;
 - iii. A favorable variance of \$6K in Weekly Monitoring due to the timing of the disbursements, and,
 - iv. A favorable variance of \$154K in professional fees. This variance is primarily due to the delay in the implementation of the dismantling process.

- (iii) In summary, compared with the Cash Flow Statement, EAB experienced a net favorable variance of approximately \$244K.

Administration Expense Reserve

54. As mentioned in the Fifth Report, the Administration Expense Reserve represents an amount retained and held by the Monitor to pay the administrative expense costs for so long as may be reasonably required to wind down and/or dissolve and/or bankrupt the ResidualCos and the Excluded Entities, as applicable. Any unused portion of the Administrative Expense Reserve after payment or reservation for all administrative expense costs shall be transferred by the Monitor to the Company upon the termination of the CCAA Proceedings and the discharge of the Monitor.
55. Compared with the Cash Flow Statement, the Monitor experienced a favorable variance of approximately \$88K. This favorable variance in professional fees is mainly explained by the delay in winding down the ResidualCos.

IV. THE CASH FLOW PROJECTIONS

56. The Monitor prepared the statement of projected cash flow (the "**10-Week Cash Flow Statement**") for the 10-Week period starting September 21, 2026, to November 29, 2026 (the "**Cash Flow Period**") for the purpose of forecasting the estimated liquidity needs during the Cash Flow Period. A copy of the Cash Flow Statement is provided in **Appendix B** of this Sixth Report.
57. The Cash Flow Statement has been prepared by the Monitor using probable and hypothetical assumptions set out in the notes to the Cash Flow Statement.
58. Based on the Monitor's work and the foregoing qualifications and limitations, nothing has come to its attention that causes it to believe that, in all material respects:
- (i) The hypothetical assumptions are not consistent with the purpose of the 10-Week Cash Flow Statement;
 - (ii) As at the date of the Sixth Report, the probable assumptions are not suitably supported and consistent with the plans of the Residual Debtors or do not provide a reasonable basis for the 10-Week Cash Flow Statement, given the hypothetical assumptions; or,
 - (iii) The 10-Week Cash Flow Statement does not reflect the probable and hypothetical assumptions.
59. Since the 10-Week Cash Flow Statement is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, the Monitor expresses no opinion as to whether the projections in the 10-Week Cash Flow Statement will be achieved. The Monitor expresses no opinion or other form of assurance with respect to the accuracy of any financial information presented in this report, or relied upon in preparing this report.
60. The 10-Week Cash Flow Statement has been prepared solely for the purpose described in the Notes to the 10-Week Cash Flow Statement, and readers are cautioned that the 10-Week Cash Flow Statement may not be appropriate for other purposes.
61. The key assumptions used in the 10-Week Cash Flow Statement are based on the current status of the Residual Debtors and the projected level of operations for the coming weeks.

V. THE REQUEST FOR AN EXTENSION OF THE STAY PERIOD

62. The current Stay Period expires on September 30, 2026, and the Monitor is requesting an extension of the Stay Period up to and including November 27, 2026.
63. The Monitor is seeking an extension of the Stay Period until November 27, 2026, to allow the Monitor sufficient time to, *inter alia*:
- (i) continue and finalize its discussions with the City of Edmonton and the AEPA in respect of the Alberta Plant;
 - (ii) complete the Decommissioning Plan and the RAP with the assistance of its environmental consultants;
 - (iii) select a successful bidder in the context of the EAB SISP, finalize a transaction for the dismantling and liquidation of the Alberta Plant, and seek the Court's authorization of same; and,
 - (iv) submit the Decommissioning Plan to the AEPA and obtain its approval.
64. As illustrated in the 10-Week Cash Flow Statement, the remaining funds at the end of the extension period will be limited and, should the dismantling process be further delayed, it is highly probable that EAB will be required to file for bankruptcy, which would result in the trustee abandoning EAB's assets for the benefit of the Government of Alberta.
65. The Monitor is of the opinion that the Residual Debtors have acted in good faith and continue to act in good faith in these CCAA Proceedings.
66. As described in this Sixth Report, the 10-Week Cash Flow Statement indicates that the Residual Debtors should have sufficient liquidity to continue to meet their obligations in the ordinary course of business up to November 27, 2026.

VI. THE MONITOR'S CONCLUSIONS AND RECOMMENDATIONS

67. Considering the foregoing, the Monitor is of the view that the extension of the Stay Period up to November 27, 2026, is required to proceed with the dismantling of the Alberta Plant and, thereafter, conduct the orderly wind-down of the Residual Debtors and terminate the CCAA Proceedings.
68. It is the Monitor's view that the continuation of the CCAA Proceedings is beneficial to the Residual Debtors' creditors and stakeholders.
69. The Monitor respectfully submits to the Court its Sixth Report.

DATED AT MONTREAL, this 24th day of September 2026.

DELOITTE RESTRUCTURING INC.

In its capacity as Court-Appointed Monitor of the
Applicants



Benoit Clouâtre, CPA, CIRP, LIT
Senior Vice President



Jean-François Nadon, CPA, CIRP, LIT
President

APPENDIX A

Energkem Alberta Biofuels ("EAB")
Budget-to-Actual Analysis for the period ended
August 31, 2026
In 000's CAD

For the 4-month period ended August 31, 2026					Notes
	Actual	Budget [1]	Var. (\$)	Var. (%)	
<u>Receipts</u>					
Revenue from dismantling	-	-	-	0%	Note 1
Other receipts	6	-	6	0%	
Total receipts	6	-	6	100%	
<u>Disbursements</u>					
Environmental fees:					
Phase 2 site assessment	(29)	(20)	(9)	-47%	Note 2
Site maintenance	(6)	(15)	9	59%	Note 3
Weekly monitoring	(6)	(12)	6	50%	Note 4
Utilities	-	-	-	0%	
Insurance	(12)	(10)	(2)	-20%	
Professional fees	(46)	(200)	154	77%	Note 5
Contingency	-	(80)	80	100%	
Total Disbursements	(99)	(337)	238	71%	
Net cash flow	(93)	(337)	244	72%	
Net cash (Shortfall) - Beginning	728	728	(0)	0%	
Net cash (Shortfall) - End	635	391	244	62%	
<u>Administration Expense Reserve</u>					
Net Cash - Beginning	360	360	-	0%	
Other receipts	2	-	2	0%	Note 6
Professional fees	(13)	(100)	87	87%	Note 7
Net Cash - End	348	260	88	34%	

Note 1 - Other Receipts : The favorable variance of \$6K in other receipts is explained by interests on the bank balance.

Note 2 - Phase 2 Site Assessment : The unfavorable variance of \$9K is due to higher than budgeted costs related to various reports requested by AEPA such as waste waste report, decommissioning plan update, and soil and groundwater monitoring reports.

Note 3 - Site Maintenance : The favorable variance of \$9K is due to the timing of the disbursements.

Note 4 - Weekly Monitoring : The favorable variance of \$6K is due to the timing of the disbursements.

Note 5 - Professional Fees : The favorable variance of \$154K in professional fees is mainly explained by the fact that the implementation of the dismantling was delayed.

Note 6 - Admin. Expense Reserve - Other Receipts : The favorable variance of \$2K in other receipts is explained by interests on the bank balance.

Note 7 - Admin. Expense Reserve - Professional Fees : The Admin. Reserve represents an amount retained and held by the Monitor to pay the administrative expense costs for so long as may be reasonably required to wind down and/or dissolve and/or bankrupt the ResidualCos and the Excluded Entities, as applicable. Any unused portion of the Administrative Expense Reserve after payment or reservation for all administrative expense costs shall be transferred by the Monitor to the Company upon the termination of the CCAA Proceedings and the discharge of the Monitor. The favorable variance of \$60K in professional fees is mainly explained by the delay in winding down the ResidualCos.

APPENDIX B

Enerkem Alberta Biofuels ("EAB")

Cash flow for the 10-week period ending November 29, 2026

in \$000 CAD

Week ending	27-Sep	04-Oct	11-Oct	18-Oct	25-Oct	01-Nov	08-Nov	15-Nov	22-Nov	29-Nov	Total 10-Week
Inflows											
Revenue from dismantling [1]	-	-	-	-	-	-	-	-	-	-	-
Total inflows	-	-	-	-	-	-	-	-	-	-	-
Outflows											
Environmental fees:											
Environmental consulting firm support	(7)	-	-	(25)	-	-	(25)	-	-	(25)	(83)
Site maintenance	(30)	-	-	-	-	-	-	-	-	-	(30)
Weekly monitoring	(2)	(2)	-	-	-	(4)	-	-	-	(4)	(12)
Utilities	-	-	(21)	-	-	-	(10)	-	-	-	(31)
Insurance	-	(4)	-	-	-	(2)	-	-	-	(2)	(8)
Professional fees	(30)	-	-	(75)	-	-	(75)	-	-	(75)	(255)
Contingency	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(55)
Total outflows	(74)	(11)	(26)	(106)	(5)	(11)	(116)	(5)	(5)	(112)	(474)
Net cash flow	(74)	(11)	(26)	(106)	(5)	(11)	(116)	(5)	(5)	(112)	(474)
Net cash (Shortfall) - Beginning	635	561	550	523	417	412	400	285	279	274	635
Net cash (Shortfall) - End	561	550	523	417	412	400	285	279	274	162	162

Administration Expense Reserve [2]											
Net cash - Beginning	348	348	348	348	323	323	323	298	298	298	348
Professional fees	-	-	-	(25)	-	-	(25)	-	-	(25)	(75)
Net cash - End	348	348	348	323	323	323	298	298	298	273	273

Note 1 : As no agreement has been finalized, the current budget assumes no inflows from dismantling proceeds.

Note 2 : Amount retained and held by the Monitor to pay the administrative expense costs for so long as may be reasonably required to wind down and/or dissolve and/or bankrupt the ResidualCos and the Excluded Entities, as applicable. Any unused portion of the Administrative Expense Reserve after payment or reservation for all administrative expense costs shall be transferred by the Monitor to the Company upon the termination of the CCAA Proceedings and the discharge of the Monitor.

NOTES TO THE CASH FLOW STATEMENT

NOTE A – PURPOSE

The purpose of these cash flow projections is to determine the liquidity requirements of Enerkem during the CCAA proceedings until November 30, 2026.

NOTE B

The Cash Flow Statement has been prepared by the Monitor using probable and hypothetical assumptions set out in the notes to the Cash Flow Statement.

NOTE C - DEFINITIONS

(1) CASH FLOW STATEMENT:

In respect of a company, means a statement indicating, on a weekly basis (or such other basis as is appropriate in the circumstances), the projected cash-flow of the company as defined in section 2(1) of the Act based on Probable and Hypothetical Assumptions that reflect the company's planned course of action for the period covered.

(2) HYPOTHETICAL ASSUMPTIONS:

Means assumptions with respect to a set of economic conditions or courses of action that are not necessarily the most probable in the company's judgment but are consistent with the purpose of the Cash Flow Statement.

(3) PROBABLE ASSUMPTIONS:

Means assumptions that:

- (i) The company believes reflect the most probable set of economic conditions and planned courses of action, **Suitably Supported** that are consistent with the plans of the company; and
- (ii) Provide a reasonable basis for the Cash Flow Statement.

(4) SUITABLY SUPPORTED:

Means that the Assumptions are based on either one or more of the following factors:

- (i) The past performance of the company;
- (ii) The performance of other industries/market participants engaged in similar activities as the company;
- (iii) Feasibility studies;
- (iv) Marketing studies; or
- (v) Any other reliable source of information that provides objective corroboration of the reasonableness of the Assumptions.

The extent of detailed information supporting each Assumption, and an assessment as to the reasonableness of each Assumption, will vary according to circumstances and will be influenced by factors such as the significance of the Assumption and the availability and quality of the supporting information.

NOTE C – ASSUMPTIONS

Assumptions	Source	Probable Assumption	Hypothetical Assumption
EAB's CF ASSUMPTIONS			
<u>Opening Cash Balance</u>	Based on current bank balances	X	
<u>Forecasted Cash Disbursements:</u>			
Environmental consulting firm support	Based on the information received		X
Site maintenance	Based on quote received and on the expected level of work required		X
Weekly monitoring	Based on quote received and on the expected level of work required		X
Utilities	Based on the Company's historical costs		X
Insurance	Based on the Company's historical costs and actual contracts for commercial insurance	X	
Professional fees	Based on estimate of professional fees related to the monitoring of the site and the dismantling of the plant to be incurred in the following weeks. The level of professional fees to be incurred could vary depending on the negotiation around the work to be performed for the dismantling and the dismantling agreement.		X
Contingency	Contingency of \$5K per week		X