

CANADA
Province of Alberta

District of
Division of
Court No.
Estate No.

Ontario
09-Toronto
31-2935921
31-2935921

TRUSTEE'S PRELIMINARY REPORT
IN THE MATTER OF THE BANKRUPTCY OF
Tehama Inc.

Trustee: Deloitte Restructuring Inc. ("**Deloitte**")

Section A - Background

Tehama Inc. ("**Tehama**") is a private corporation incorporated under the Canada Business Corporations Act on May 17, 2019 and is extra provincially registered to carry on business in the Province of Ontario. The directors of Tehama are Paul Vallee, Shane Chance, and Michael Aiello. Tehama is a small Canadian company in the business of providing a next-generation "desktop as a service" (DaaS) platform which enables customers to utilize cloud-based virtual offices, room, and desktops worldwide.

On January 20, 2023, Tehama commenced proceedings under the (the "**CCAA Proceedings**") under the *Companies' Creditors Arrangement Act*, R.S.C., 1985, c. C-36 (the "**CCAA**"), pursuant to the Initial Order of Justice Kimmel of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated January 20, 2023 (the "**Initial Order**"). On January 30, 2023 the Court granted the Amended and Restated Initial Order (the "**ARIO**"). The ARIO provided for a stay of proceedings until March 31, 2023 (the "**Stay**"), pursuant to which creditors were restrained from enforcing or exercising any rights or remedies against Tehama. The Stay was extended from time to time with the last Stay extension expiring on April 21, 2023.

Since the date of the Initial Order, the monitor filed four (4) reports in connection with the CCAA proceedings. The Fourth Report of the Monitor dated April 14, 2023 outlined the closing of the sale of Tehama assets and concluded that there was no ongoing benefit for the CCAA Proceedings to continue. The Court terminated the CCAA Proceedings pursuant to the Discharge Order dated April 20, 2023.

Subsequently, Tehama has made an assignment into bankruptcy effective April 24, 2023. Deloitte was appointed as trustee in bankruptcy of the Tehama estate (in such capacity, "**Bankruptcy Trustee**").

Further details and all documents related to the CCAA Proceedings, and these bankruptcy proceedings can be found on the Bankruptcy Trustee's website: <https://www.insolvencies.deloitte.ca/en-ca/Pages/Tehama-Inc.aspx>

In preparing this report, the Bankruptcy Trustee has relied on unaudited financial information, and the books and records of Tehama. Deloitte has not performed an independent review or audit of the information obtained and does not express an opinion or any other form of assurance on the information presented herein. The

Bankruptcy Trustee may refine or alter its observations as further information is obtained or is brought to its attention after the date of this report.

The Bankruptcy 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 the Bankruptcy Trustee's preliminary report (the "**Report**"). Any use that any party makes of this Report, or any reliance on or decisions to be made based on it is the responsibility of such party.

Section B – Assets and Books and Records

All Tehama assets were sold in the CCAA Proceedings.

The Bankruptcy Trustee has taken possession of the books and records of the Company and is using them to complete its statutory duties.

Section C – Current State of Operations

1. Conservatory and Protective Measures

All Tehama assets were sold in the CCAA Proceedings.

2. Carrying on Business

The Company's operations ceased prior to the Date of Bankruptcy.

Section D – Legal Proceedings

The Bankruptcy Trustee has not commenced any legal proceedings nor is the Bankruptcy Trustee aware of any proceedings commenced against the estate.

The Bankruptcy Trustee has retained Goodmans LLP as its legal counsel ("**Counsel**").

Section E – Creditor Claims Filed

Below is a summary of claims submitted to the Bankruptcy Trustee as at 5:00 pm MTN on May 10, 2023:

Nature of Debt	\$'000
Deemed Trust	-
Secured Claim	-
Preferred Claims	-
Unsecured Claims	73
Total	73

Section F – Creditors

The following is a summary of Tehama's known creditors at the Date of Bankruptcy:

	(\$'000)
Deemed Trust/Contingency Claims	Unknown
Secured	Unknown
Preferred Secured	Unknown
Ordinary Unsecured	11,000
	11,000

*Estimated amounts are based on the books and records of Tehama as at the Date of Bankruptcy.

1. Deemed Trust/Contingent Claims

The Bankruptcy Trustee is not aware of any deemed trust/contingent claims at the time of this Report.

2. Secured Claims

The Bankruptcy Trustee is not aware of any secured claims at the time of this Report.

3. Preferred Unsecured Claims

The Bankruptcy Trustee is not aware of any preferred unsecured claims at the time of this Report.

4. Ordinary Unsecured Claims

The ordinary unsecured claims listed above total approximately \$11,000,018 which generally consists of debts owing to trade creditors.

Section G – Reviewable Transactions and Preferences

The Bankruptcy Trustee is not aware of any reviewable transactions or preferences.

Section H – Other Matters

The Bankruptcy Trustee received a \$20,000 retainer from the directors of Tehama prior to the filing of the bankruptcy documents. The retainer is to be repaid if sufficient funds are realized within the Estate to cover the costs of the Bankruptcy Trustee.

There are no other reportable matters at this time.

Trustee's Preliminary Report
Tehama Inc.

Dated in Calgary, Alberta on 11th day of May, 2023.

DELOITTE RESTRUCTURING INC.

In its capacity as Trustee in Bankruptcy
of Tehama Inc.
and not in its personal or corporate capacity.

A handwritten signature in black ink, appearing to read "R Adlington", written over a horizontal line.

Ryan Adlington, CA, CPA, CIRP, LIT
Senior Vice-President