



No. S-243389  
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA**  
**IN BANKRUPTCY AND INSOLVENCY**  
**IN THE MATTER OF THE RECEIVERSHIP OF**  
**ECOASIS DEVELOPMENTS LLP AND OTHERS**

BETWEEN

**SANOVEST HOLDINGS LTD.**

PETITIONER

AND

**ECOASIS DEVELOPMENTS LLP,  
ECOASIS BEAR MOUNTAIN DEVELOPMENTS LTD.,  
ECOASIS RESORT AND GOLF LLP,  
0884185 B.C. LTD., 0884188 B.C. LTD.,  
0884190 B.C. LTD., 0884194 B.C. LTD.,  
BM 81/82 LANDS LTD., BM 83 LANDS LTD.,  
BM 84 LANDS LTD., BM CAPELLA LANDS LTD.,  
BM HIGHLANDS GOLF COURSE LTD.,  
BM HIGHLANDS LANDS LTD.,  
BM MOUNTAIN GOLF COURSE LTD., and  
BEAR MOUNTAIN ADVENTURES LTD.**

RESPONDENTS

**SEVENTH REPORT OF THE RECEIVER**  
**ALVAREZ & MARSAL CANADA INC.**

**October 27, 2025**



ALVAREZ & MARSAL

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## 1.0 INTRODUCTION

- 1.1 On September 18, 2024, upon the application of Sanovest Holdings Ltd. (the “**Petitioner**”) in the Supreme Court of British Columbia (the “**Court**”) Action No. S-243389, Vancouver Registry, the Court granted an order (the “**Receivership Order**”) pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) and section 39 of the *Law and Equity Act*, R.S.B.C. 1996 c. 253, as amended appointing Alvarez & Marsal Canada Inc. as receiver and manager (in such capacity, the “**Receiver**”) without security, of certain lands of the Respondent Bear Mountain Adventures Ltd. (“**BMA**”), any interests in real property of Ecoasis Resort and Golf LLP (“**Resorts**”) and all of the assets, undertakings and property of the Respondents Ecoasis Developments LLP (“**EDL**”), Ecoasis Bear Mountain Developments Ltd. (“**EBMD**”), 0884185 B.C. Ltd., 0884188 B.C. Ltd., 0884190 B.C. Ltd., 0884194 B.C. Ltd., BM 81/82 Lands Ltd., BM 83 Lands Ltd., BM 84 Lands Ltd., BM Capella Lands Ltd., BM Highlands Golf Course Ltd., BM Highlands Lands Ltd. and BM Mountain Golf Course Ltd. (collectively, “**Developments**” and together with BMA and Resorts, the “**Ecoasis Entities**”). Developments and Resorts are hereinafter referred to as “**Ecoasis**” and these proceedings are referred to as the “**Receivership Proceedings**”.
- 1.2 Pursuant to paragraph 2(b) of the Receivership Order, Resorts’ operations and business (the “**Resorts Business**”), subject to further order of this Court, shall continue to be managed by EBMD, provided that EBMD and Resorts are required to provide access and cooperation to the Receiver pursuant to paragraphs 7 to 10 of the Receivership Order, including in respect of Resorts and the Resorts Business. For greater clarity, the Resorts Business does not include the ownership, disposition or encumbrance of any interests in real property.
- 1.3 Pursuant to paragraph 4 of the Receivership Order, the Receiver was to deliver, on or before October 25, 2024, a report (the “**Resorts Report**” or the “**First Report**”) and recommendation regarding Resorts, including the inclusion of other assets, undertakings and properties of Resorts, management by EBMD of the Resorts Business and whether EBMD ought to continue to manage the Resorts Business and, if so, on what terms, if any. Accordingly, on October 25, 2024, the Receiver delivered the Resorts Report to 599315 B.C. Ltd. (“**599**”) and Mr. Matthews, and Sanovest Holdings Ltd. (“**Sanovest**”), and their respective legal counsel. 599, Mr. Matthews and Sanovest are hereinafter collectively referred to as the “**Shareholders**”.
- 1.4 Pursuant to paragraph 5 of the Receivership Order, a hearing for the Receiver’s counsel to speak to the Resorts Report, and for any applications resulting from the Resorts Report or any ancillary relief, was scheduled to be held at the Court at 10am on the 6<sup>th</sup> day of November 2024, or such other date as the Court may order. No applications or ancillary relief were sought and accordingly,

on November 4, 2024, the Receiver filed a requisition adjourning the hearing scheduled for November 6, 2024 (the “**November 6 Hearing**”) and, as such, the November 6 Hearing was adjourned.

- 1.5 At the request of the Court, a Judicial Management Conference was held on November 15, 2024.
- 1.6 Pursuant to paragraph 6 of the Receivership Order, the Receiver was to deliver, on or before December 2, 2024, or such other date as the Court may order, a report (the “**Developments Report**” or the “**Second Report**”) in respect of a marketing and sales process, to be approved by the Court, and shall only market or sell the Property or business in accordance with that marketing and Sales Process, except for the sale of Property within the limits in paragraph 3(l)(i) of the Receivership Order. Accordingly, on December 2, 2024, the Receiver delivered the Developments Report to 599, Mr. Matthews, and Sanovest, and their respective legal counsel.
- 1.7 On December 9, 2024, pursuant to the recommendations made in the Resorts Report, management of Resorts (“**Resorts Management**”) provided to the Receiver its response (the “**Resorts Response**”) reporting on corrective measures to address deficiencies and challenges described in the Resorts Report, and Management’s plans where such steps could not be implemented in the very near term. On December 20, 2024, the Receiver delivered an interim report with its preliminary comments on the Resorts Response (the “**Third Report**”).
- 1.8 On January 30, 2025, upon the application made by the Receiver on January 24, 2025, a hearing was held to seek advice and directions from the Court including (i) whether the First Report, Second Report and/or the Third Report (collectively, the “**Reports**”), or any of them, ought to be filed with the Court; and (ii) if the Reports, or any of them, were directed by the Court to be filed with the Court, whether any of the Reports, or portions thereof, ought to be filed under seal. The Court confirmed that pursuant to the terms of the Receivership Order the Reports are not required to be filed with the Court.
- 1.9 On April 14, 2025 and June 5, 2025, the Receiver delivered the fourth report (the “**Fourth Report**”) and supplemental report to the Fourth Report (the “**Supplement to the Fourth Report**”), respectively, to 599, Mr. Matthews and Sanovest and their legal counsel, which provided a status update on, among other things, the Resorts Response and the Receiver’s comments and recommendations related to same.
- 1.10 On June 16, 2025, Sanovest filed a notice of application seeking an order approving, among other things, the following: (i) the amendment and restatement of the Receivership Order granted on September 18, 2024, to appoint Alvarez & Marsal Canada Inc. as receiver and manager (the

"Receiver") of the property, operations, and business of Resorts, including its interest in the arbitration proceedings (the "**Hotel Arbitration**"); (ii) a declaration that the Receiver is empowered and authorized to manage and participate in the Hotel Arbitration on behalf of Resorts; and (iii) the inclusion of the Resorts' Business and the Hotel Arbitration within the scope of the Receivership Proceedings.

- 1.11 On June 16, 2025, Sanovest filed a notice of application seeking an order approving, among other things, the following: (i) a declaration of the amount owing to Sanovest as \$67,899,709.85 as at May 26, 2025, with interest accruing thereafter at the rate of 8% per annum compounded quarterly, plus accrued and accruing legal costs on a solicitor-and-his-own-client basis; (ii) a declaration that Sanovest's security interest, including the General Security Agreement dated October 8, 2013, the mortgages dated October 8, 2013 (amended in 2016), and the beneficiary authorization and charge agreements dated October 8, 2013, is valid and enforceable, charging all real and personal property of the Ecoasis Entities.
- 1.12 On June 17, 2025, the Receiver filed its fifth report dated June 17, 2025, in support of its application seeking an order approving, among other things, the following: (i) an increase to the Receiver's borrowings charge (the "**Receiver's Borrowing Charge**") from \$2.5 million to \$6.6 million; and (ii) the activities of the Receiver since the date of the Second Report.
- 1.13 On June 18, 2025, upon the application of the Receiver, the Court granted an order approving (i) an increase to the Receiver's Borrowing Charge; and (ii) the activities of the Receiver since the date of the Second Report.
- 1.14 On June 25, 2025, the Receiver made an application to Court seeking advice and direction from the Court with respect to whether the First Report, Second Report, Third Report, Fourth Report, and Supplement to the Fourth Report (collectively, the "**Reports**"), or portions thereof ought to be filed under seal. The Court confirmed that certain portions of the Reports, as proposed by the Receiver, Sanovest and 599, ought to be redacted due to the confidential nature in respect of the business and assets of Ecoasis.
- 1.15 On July 4, 2025, upon the application of Sanovest, the Court granted a case plan order (the "**Case Plan Order**") which, among other things, scheduled a hearing for November 3-5, 2025 (the "**November Hearing**") before Justice Walker concerning Sanovest's notice of application filed June 16, 2025 (the "**Declaration of Indebtedness Application**"). The Receiver understands that Sanovest will be seeking an order at the November Hearing to affirm, among other things, declarations related to the following:

- a) the Indebtedness (as defined in the Declaration of Indebtedness Application);
  - b) that the Security (as defined in the Declaration of Indebtedness Application) is valid and enforceable;
  - c) that all amounts owing to the Petitioner by Developments are secured under and by the Security; and
  - d) that the Security ranks in priority to the interest in the Property (as defined in the Declaration of Indebtedness Application) of the Ecoasis Entities and all people claiming by, through and under them.
- 1.16 On July 10, 2025, upon the application of Sanovest (as described in section 1.10 above), the Court amended the Receivership Order (the “**Amended Receivership Order**”) to expand the Receivership Proceedings and appoint A&M as receiver and manager, without security, of the Property and all of the Resorts Business, including Resorts’ interest in the arbitration proceedings between Resorts and Bear Mountain Resort & Spa Ltd., BM Management Holdings Ltd. and BM Resort Assets Ltd. For greater clarity, paragraphs 2 and 13 of the Receivership Order, which excluded the Resorts Business and Resorts’ interest in the Hotel Arbitration from the receivership, are no longer of any force or effect.
- 1.17 On July 15, 2025, upon the application of the Receiver, the Court granted an order (the “**SISP Order**”) approving the following:
- a) the sale and investment solicitation process (“**SISP**”) to permit interested parties to participate in a sales process and present offers on some, all or substantially all of the lands, real estate of Ecoasis (the “**Property**”) and the Resorts Business;
  - b) the engagement of a sales agent, Colliers Macaulay Nicolls Inc. (“**Colliers**” or the “**Sales Agent**”) to solicit offers from interested parties in accordance with the SISP;
  - c) a charge (the “**Sales Agent Charge**”) on the Property as security for the payment of the fees of the Sales Agent up to a maximum of \$1 million; and
  - d) a declaration that the contractual rights and remedies of third parties specifically restricting the transfer of the Property and/or the Business of Ecoasis including, but not limited to, provisions with respect to any right of first refusal with respect to the sale of an interest in Ecoasis or its Property and/or Business (a “**ROFR**”), are stayed and suspended in the context of the SISP.
- 1.18 The Receivership Order and the Amended Receivership Order along with other materials filed with the Court in these Receivership Proceedings (the “**Filed Materials**”), are available on the

Receiver's website (the "**Receiver's Website**") at  
[www.alvarezandmarsal.com/ecoasisdevelopments](http://www.alvarezandmarsal.com/ecoasisdevelopments).

## **2.0 PURPOSE OF THE SEVENTH REPORT**

2.1 This seventh report (the "**Seventh Report**") has been prepared to provide the Court with information in respect of the following:

- a) the activities of the Receiver since the date of the Fifth Report;
- b) an update on, and recent chronology of, the Hotel Arbitration;
- c) the Receiver's comments on the Declaration of Indebtedness Application;
- d) the Receiver's interim statement of cash receipts and disbursements for the period ending October 17, 2025;
- e) the combined fifth cash flow forecast for the period from October 18, 2025 to December 26, 2025, inclusive of the Developments and Resorts Business (the "**Fifth Cash Flow Forecast**");
- f) the Receiver's application for an order to increase the Receiver's borrowings charge ("**Receiver's Borrowing Charge**") from \$6.6 million to \$8.8 million; and
- g) the Receiver's concluding comments and recommendations related to the above.

## **3.0 TERMS OF REFERENCE**

3.1 In preparing the Seventh Report, the Receiver has relied upon the representations of certain management ("**Management**") and employees of Ecoasis as well as unaudited financial information contained in the books and records of Ecoasis.

3.2 The Receiver has undertaken preliminary reviews and investigations in respect of the assets and liabilities of Ecoasis; however, it has not performed an audit, review or otherwise substantiated the completeness or accuracy of the financial position of Ecoasis that would wholly or partially comply with the Canadian Auditing Standards ("**CASs**") pursuant to the Chartered Professional Accountants Canada Handbook, and accordingly, the Receiver expresses no opinion or other form of assurance contemplated under CASs in respect of the information.

3.3 This Seventh Report has been prepared to seek from this Court approval of an increase to the Receiver's Borrowing Charge. Accordingly, the reader is cautioned that this Seventh Report may not be appropriate for any other purpose.

3.4 Capitalized terms not defined in this Seventh Report have the meanings ascribed to them in the Receivership Order, the Amended Receivership Order, the Reports and Filed Materials.

- 3.5 All monetary amounts in the Seventh Report are expressed in Canadian dollars unless stated otherwise.

#### **4.0 ACTIVITIES OF THE RECEIVER SINCE THE FIFTH REPORT**

- 4.1 Since the date of the Fifth Report, the Receiver's activities have included the following:

##### **Resorts Business**

- a) meeting with the employees of Resorts at Ecoasis' premises to discuss receivership matters and path forward;
- b) working with Resorts Management to plan business operations through to December 31, 2025, including the development of budgets and cash flow forecasts;
- c) establishing cash management procedures, including daily review of bank transactions and other petty cash procedures;
- d) establishing a procedure to review and approve accounts payable on a weekly basis to ensure timely payment of vendor invoices;
- e) working with Resorts Management to obtain access to various statutory accounts;
- f) attending to various emails and correspondence with Resorts Management in respect of the Resorts Business and review of materials provided;
- g) assisting Resorts Management to obtain new credit terms from vendors and attending to other vendor communications;
- h) assisting management with operational matters including obtaining critical agronomy equipment and developing a plan for golf cart staging during inclement weather;
- i) attending a number of bi-weekly operational update meetings with Resorts Management;
- j) retaining an interim controller to assist Resorts with its day-to-day accounting and to prepare financial statements for Resorts;
- k) preparing and placing a notice of the Receivership Proceedings in the Times Columnist on July 18, 2025, pursuant to the *Personal Property Security Act*;
- l) gathering information and preparing the Receiver's statutory Notice and Statement of the Receiver and coordinating mailing of same to known creditors of the Resorts Business on July 21, 2025;
- m) responding to creditor inquiries generally;

##### **Master Planning Report**

- n) continuing to work with Placemark Design Studio Inc. ("Placemark" or the "Development Consultant"), to advance a master plan report (the "Placemark Report") in support of the Receiver's development of a sales and marketing strategy;

- o) reviewing and commenting on the draft Placemark Report;
- p) directing and coordinating with Developments employees to provide information to Placemark and attending to internal reviews of said documentation;
- q) coordinating and attending meetings with Placemark and the Sales Agent to ensure alignment on the Placemark Report and sales and marketing strategy;
- r) attending regular meetings with Placemark to advance and finalize the Placemark Report;

#### **Sales Process**

- s) in consultation with the Receiver's legal counsel, Blake Cassels and Graydon LLP ("**Blakes**"), reviewing revised draft stalking horse bids from Sanovest and its legal counsel, Fasken Martineau DuMoulin LLP ("**Fasken**") and attending numerous meetings with Fasken to discuss Sanovest's stalking horse bid and various matters related to the Receivership Proceedings;
- t) in consultation with Blakes, reviewing draft stalking horse bids from 599 and its legal counsel, Lawson Lundell LLP ("**Lawson**"), and attending numerous meetings with Lawson to discuss 599's stalking horse bid and various matters related to the Receivership Proceedings;
- u) formulating a determination to not proceed with either stalking horse bid from Sanovest or 599 and directing Blakes to communicate same to their respective legal counsels;
- v) retaining Colliers as Sales Agent upon approval by Court under the SISP Order;
- w) gathering and reviewing due diligence materials to be included in a data room prepared and managed by Colliers;
- x) reviewing marketing materials including but not limited to, marketing brochures, social media and ad publications, and video footage, prepared by Colliers to be included as part of the SISP, which commenced on July 22, 2025;
- y) by and through the Sales Agent, responding to questions posed by interested parties in respect of Bear Mountain;
- z) reviewing and executing confidentiality agreements to permit interested parties to access the virtual data room of diligence materials;
- aa) reviewing marketing updates from Colliers and attending meetings to discuss same;
- bb) holding discussions with, seeking advice and providing directions to, Blakes regarding stalking horse bids, brokers, the Placemark Report, the Resorts Business and other matters to advance a marketing and sales process;
- cc) in consultation with Blakes, developing a guidance document to assist interested parties with submissions of a letter of intent ("**LOI**") and a template asset purchase agreement;

- dd) holding meetings with the City of Langford and the District of Highlands, facilitated by Placemark and attended by the Sales Agent, to discuss the master planning as it relates to each municipality;
- ee) reviewing LOIs received, including performing due diligence and holding discussions with Colliers and Blakes;
- ff) notifying interested parties who submitted an LOI under the SISP that either their LOI has been deemed a Qualified LOI (as defined in the SISP) and that they are designated as a Qualified Bidder pursuant to the SISP or that their LOI has not been deemed a Qualified LOI;

**Hotel Arbitration**

- gg) attending to correspondence with Resorts' legal counsel, DLA Piper (Canada) LLP ("DLA"), to discuss status of the Hotel Arbitration and strategy to continue advancing same;
- hh) reviewing submissions prepared by DLA and approving near-term actions by DLA to continue advancing the Hotel Arbitration;
- ii) reviewing and attending to the payment of arbitrator and DLA fees;

**Financial and Accounting**

- jj) holding meetings with Ecoasis' accountant, DMCL, in respect of Developments' and Resorts' historical financial statements, and holding subsequent meetings to coordinate completion of certain accounting reconciliations and transfer of scope of work to the interim controller retained by the Receiver;
- kk) instructing the interim controller, with the assistance of Management and the Receiver, to review the draft financial statements and attend to general account reconciliations;
- ll) distributing the draft financial statements to the Shareholders and attending to any feedback or inquiries in respect of same;
- mm) reviewing budgets prepared by Resorts Management and preparing a combined weekly cash flow forecast inclusive of Resorts and Developments;
- nn) preparing the Fifth Cash Flow Forecast;
- oo) preparing the Receiver's combined interim statement of cash receipts and disbursements;
- pp) reviewing payroll and accounts payable and issuing payments in respect of same;

**Administrative**

- qq) preparation of the Receiver's Sixth Report and Seventh Report;
- rr) attending to discussions and meetings with Blakes and seeking advice in respect of various matters;
- ss) attending separate meetings with each of 599 and Sanovest's legal counsel, to discuss various matters related to the Receivership Proceedings; and

tt) responding to creditor inquiries and attending to other ad-hoc enquiries and matters, in consultation with Blakes, as required.

## **5.0 HOTEL ARBITRATION**

- 5.1 As noted in section 1.10 above, effective July 10, 2025, the Hotel Arbitration has been included in these Receivership Proceedings in accordance with the Amended Receivership Order.
- 5.2 The status of the Hotel Arbitration has been reported in the First Report and Fourth Report, wherein the Receiver most recently reported to the Court that Resorts had claimed damages exceeding \$15 million and a decision on the final award was pending. On April 15, 2025, the arbitrator issued a damages award in favor of Resorts totaling \$2.1 million (the “**Damages Award**”) while reserving a determination on the costs associated with the Hotel Arbitration pending further submissions from the parties.
- 5.3 Since the issuance of the Damages Award, there have been numerous cost submissions made by the Hotel (the counterparty in the Hotel Arbitration as defined in the First Report) and Resorts, by and through its counsel, DLA, and as of the date of this report the arbitrator’s award in respect of the costs is pending.
- 5.4 On May 12, 2025, the Hotel filed an application for leave to appeal the Damages Award, which was dismissed on June 4, 2025. On June 11, 2025 the Hotel filed an application with the Court of Appeal seeking to overturn the June 4, 2025 decision. That application was heard on September 18, 2025 and a decision from the Court of Appeal has not been issued.
- 5.5 On May 13, 2025 the Hotel also filed a petition seeking to set aside the Damages Award on the basis of bias (the “**Bias Petition**”). Due to court scheduling difficulties and unavailability of judge, the hearing of the Bias Petition has been rescheduled for January 2026.
- 5.6 On June 23, 2025, Resorts filed an enforcement petition (the “**Enforcement Petition**”) with the BC Supreme Court seeking to enforce the Damages Award. On four separate occasions in July, August, September and October DLA has attempted to have the Enforcement Petition heard. On each occasion there was no judge available as a judge is not seized of the matter. The Enforcement Petition has most recently been rescheduled to November 7, 2026.
- 5.7 DLA has provided a summary chronology of the Hotel Arbitration events for the period from April 15, 2025 forward, which is attached herewith as **Appendix “A”**.
- 5.8 The Receiver notes that the Hotel Arbitration may form part of an offer by a potential purchaser in the SISF, and the delays noted above increase the Receivership costs, all of which have an impact

on the Receivership proceedings and result in a certain degree of urgency to advance the proceedings for the benefit of these Receivership Proceedings, stakeholders and the potential purchaser. In the event that there is a need to advance the Hotel Arbitration in a more expedient manner, the Receiver may seek directions and assistance from the Court in due course.

#### **6.0 DECLARATION OF INDEBTEDNESS APPLICATION**

- 6.1 As noted in section 1.15 above, the Court granted the Case Plan Order and scheduled the November Hearing to address the Declaration of Indebtedness Application. In support of this application, Sanovest has filed several affidavits with the Court.
- 6.2 The Receiver has received certain information available to the Shareholders in respect to the Declaration of Indebtedness Application. The Receiver is not aware of any additional information in its possession that is not already available to the Shareholders. Consequently, the Receiver has not conducted a review of the materials filed in support of the Declaration of Indebtedness Application, as such a review would involve examining documents already submitted to this Court.

#### **7.0 RECEIVER'S INTERIM STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**

- 7.1 The Receiver's combined interim statement of cash receipts and disbursements inclusive of the Developments and Resorts Business for the period from September 18, 2024, to October 17, 2025 (the "**Reporting Period**") is summarized in the table below:

**Ecoasis Developments LLP et al. and Ecoasis Resort and Golf LLP  
Receiver's Interim Statement of Cash Receipts and Disbursements  
For the Period September 18, 2024 to October 17, 2025**

|                                                       |                   |
|-------------------------------------------------------|-------------------|
| <b>Receipts</b>                                       |                   |
| Receiver's certificates                               | \$ 6,600,000      |
| Receipts from operations                              | 2,636,748         |
| Cash on hand                                          | 300,981           |
| Bear Mountain Legacy Homes - property taxes           | 43,466            |
| Reimbursement from Resorts - pre Resorts Receivership | 22,484            |
| Pinehurst administration fee                          | 1,575             |
| Interest on deposits                                  | 8,388             |
| Other receipts                                        | 3,701             |
| GST Refund                                            | 5,397             |
| <b>Total Receipts</b>                                 | <b>9,622,740</b>  |
| <b>Disbursements</b>                                  |                   |
| Property taxes                                        | 3,563,100         |
| Payroll                                               | 1,689,713         |
| Computer, subscriptions and IT                        | 62,187            |
| Other Developments costs                              | 30,649            |
| Appraisal                                             | 5,000             |
| Bear Mountain Legacy Homes                            | 13,679            |
| Professional fees - Receiver, counsel                 | 1,507,739         |
| Food & beverage                                       | 108,305           |
| Pro shop                                              | 55,422            |
| Guest Services (golf and tennis)                      | 86,482            |
| Tennis                                                | 16,156            |
| Shared operating expenses                             | 140,606           |
| Agronomy                                              | 331,647           |
| Leases                                                | 182,286           |
| Insurance                                             | 96,061            |
| Other professional fees                               | 924,113           |
| Lighspeed repayment                                   | 20,145            |
| Bank fees                                             | 742               |
| Statutory                                             | 164               |
| GST paid                                              | 216,500           |
| PST paid                                              | 46,538            |
| <b>Total Disbursements</b>                            | <b>9,097,236</b>  |
| <b>Cash on hand in trust</b>                          | <b>\$ 525,504</b> |

- 7.2 As at October 17, 2025, cash held in trust by the Receiver totaled \$525,504.
- 7.3 Total receipts during the Reporting Period totaled \$9.6 million and consisted primarily of the Receiver's borrowings ("**Receiver Borrowings**") totaling \$6.6 million and receipts from Resorts operations totaling \$2.6 million.
- 7.4 Total disbursements during the Reporting Period were \$9.1 million consisting primarily of the following:
- a) property taxes, arrears, interest and penalties for the years 2024 and 2025 totaling \$3.6 million;
  - b) payroll costs for Developments and Resorts staff (inclusive of regular wages and salaries, source deductions and third-party payroll provider fees) totaling \$1.7 million;

- c) professional fees and disbursements of the Receiver and its legal counsel through to July 31, 2025 in respect of Developments and August 31, 2025 in respect of Resorts, totaling approximately \$1.5 million; and
- d) other professional fees, including Placemark and DLA, totaling \$924,113.

## 8.0 FIFTH CASH FLOW FORECAST

- 8.1 The Receiver has prepared the Fifth Cash Flow Forecast, inclusive of the Developments and Resorts Business, for the period from October 18, 2025 to December 26, 2025 (the “**Forecast Period**”). The Fifth Cash Flow Forecast is appended herewith as **Appendix “B”** and is summarized in the table below:

| Ecoasis Developments LLP et al. and Ecoasis Resort and Golf LLP<br>Fifth Cash Flow Forecast<br>For the period October 18, 2025 to December 26, 2025<br>\$CAD'000s |                   |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| <b>Cash operating receipts</b>                                                                                                                                    |                   |
| Resorts receipts                                                                                                                                                  | \$ 520            |
|                                                                                                                                                                   | <b>520</b>        |
| <b>Cash operating disbursements - Developments</b>                                                                                                                |                   |
| Payroll                                                                                                                                                           | 83                |
| Other expenses                                                                                                                                                    | 12                |
|                                                                                                                                                                   | <b>95</b>         |
| <b>Cash operating disbursements - Resorts</b>                                                                                                                     |                   |
| Payroll                                                                                                                                                           | 646               |
| Food & beverage                                                                                                                                                   | 16                |
| Shared operating expenses                                                                                                                                         | 89                |
| Agronomy                                                                                                                                                          | 75                |
| Guest Services (golf and tennis)                                                                                                                                  | 71                |
| Pro shop                                                                                                                                                          | 10                |
| Leases                                                                                                                                                            | 19                |
| Insurance                                                                                                                                                         | 28                |
| Remittances (GST, PST, EHT, WCB)                                                                                                                                  | 67                |
| Other expenses                                                                                                                                                    | 92                |
|                                                                                                                                                                   | <b>1,112</b>      |
| <b>Net operating cash flow</b>                                                                                                                                    | <b>(687)</b>      |
| <b>Other cash disbursements</b>                                                                                                                                   |                   |
| Professional fees - Receiver, counsel - Developments                                                                                                              | 653               |
| Other professional fees - Developments                                                                                                                            | 154               |
| Professional fees - Receiver, counsel - Resorts                                                                                                                   | 186               |
| Other professional fees - Resorts                                                                                                                                 | 193               |
|                                                                                                                                                                   | <b>1,185</b>      |
| <b>Net cash flow (deficit)</b>                                                                                                                                    | <b>\$ (1,872)</b> |
| <b>Cash continuity</b>                                                                                                                                            |                   |
| Opening cash balance                                                                                                                                              | \$ 526            |
| Net cash flow (deficit)                                                                                                                                           | (1,872)           |
| Receiver's Certificate                                                                                                                                            | 1,725             |
| <b>Ending cash balance</b>                                                                                                                                        | <b>\$ 378</b>     |
| <b>Receiver's borrowings</b>                                                                                                                                      |                   |
| Opening balance                                                                                                                                                   | 6,600             |
| Receiver's borrowings (repayments)                                                                                                                                | 1,725             |
| <b>Ending Receiver's borrowings</b>                                                                                                                               | <b>\$ 8,325</b>   |

- 8.2 Net cash outflows of approximately \$1.9 million are expected during the Forecast Period and a closing cash balance of approximately \$378,000 is forecast as at December 26, 2025.
- 8.3 Key assumptions in respect of the Fifth Cash Flow Forecast include the following:
- a) receipts totaling approximately \$520,000 consist of Resorts operations including initiation fees, member dues, daily golf, tennis and food & beverage sales;
  - b) Developments operating disbursements totaling \$95,000 consists primarily of payroll costs for Developments staff (\$83,000) and other routine operating expenses such as utilities, IT, and repairs and maintenance, among other things;
  - c) Resorts operating disbursements totaling \$1.1 million consist primarily of payroll costs (\$646,000), food & beverage (\$16,000), shared operating expenses (\$89,000) agronomy (\$75,000), guest services (\$71,000), Pro shop (\$10,000), leases (\$19,000), insurance (\$28,000), statutory remittances (\$67,000) and other operating expenses (\$92,000); and
  - d) other disbursements totaling \$1.2 million consist of the Receiver's and its legal counsel's fees and disbursements (\$839,000) and other professional and/or consulting fees including Placemark to respond to questions in respect of the Placemark Report and masterplan, and DLA to advance the Hotel Arbitration and external accountants and disbursements (\$347,000).
- 8.4 Receiver Borrowings are estimated to total \$8.3 million at the end of the Forecast Period. Pursuant to paragraph 28 of the Receivership Order, as amended by order of the Court on June 18, 2025, the Receiver is permitted to borrow up to \$6.6 million in the Receivership Proceedings. Receiver Borrowings to date have been funded by Sanovest.

## **9.0 RECEIVER'S BORROWINGS**

- 9.1 As noted in section 7.3, Receiver Borrowings totaled \$6.6 million as at October 17, 2025, and the Receiver estimates borrowing \$8.3 million by December 26, 2025. The Receiver is currently permitted to borrow up to \$6.6 million and is seeking an increase of \$2.2 million to the Receiver's Borrowing Charge for a total of \$8.8 million.
- 9.2 The Receiver is seeking a \$2.2 million increase to the Receiver's Borrowing Charge to fund the Receiver's activities undertaken to advance the SISF, Resorts operations and for other receivership costs.
- 9.3 The Interim Lender is supportive of increasing the Receiver's Borrowing Charge to \$8.8 million.

**10.0 RECEIVER'S CONCLUSIONS AND RECOMMENDATIONS**

- 10.1 Based on the foregoing, the Receiver respectfully requests that the Court approve an increase to the Receiver's Borrowing Charge to a maximum of \$8.8 million.

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All of which is respectfully submitted to this Honourable Court this 27<sup>th</sup> day of October 2025

**Alvarez & Marsal Canada Inc.,**  
in its capacity as Receiver of Ecoasis  
and not in its personal capacity



Per: Anthony Tillman  
Senior Vice President

## **Appendix A**

### **DLA Hotel Arbitration Chronology of Events**

**Ecoasis and Bear Mountain Arbitration Chronology between April 15, 2025 – October 21, 2025**

| <b>Date:</b>        | <b>Description:</b>                                                                                                                                                               |
|---------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| April 15, 2025      | Arbitrator issues Damages Award in favour of Ecoasis in the amount of \$2,058,017.63. Costs associated with arbitration is reserved pending further submissions from the parties. |
| May 12, 2025        | Bear Mountain files application for leave to appeal of the Damages Award of April 15, 2025.                                                                                       |
| May 13, 2025        | Bear Mountain files its petition to set aside the Damages Award on the basis of bias.                                                                                             |
| June 4, 2025        | Justice Winteringham dismisses Bear Mountain's leave to appeal application.                                                                                                       |
| June 11, 2025       | Bear Mountain files application to vary the order of Justice Winteringham. Court of Appeal refused to hear the matter in the summer and set for September 18, 2025.               |
| June 23, 2025       | Ecoasis' enforcement petition filed with respect to the Damages Award.                                                                                                            |
| July 29, 2025       | Ecoasis attempted to be heard in general chambers with respect to its enforcement petition. No judge available.                                                                   |
| August 22, 2025     | Ecoasis attempted to be heard in general chambers with respect to its enforcement petition. No judge available.                                                                   |
| September 8, 2025   | Final written submissions related to costs are submitted to the arbitrator. Arbitrator is currently drafting his award with respect to costs.                                     |
| September 9, 2025   | Ecoasis attempted to be heard in general chambers with respect to its enforcement petition. No judge available.                                                                   |
| September 18, 2025  | Hearing of Bear Mountain's application to vary the decision of Justice Winteringham. Currently reserved.                                                                          |
| October 16-17, 2025 | Scheduled hearing date for Bear Mountain's bias petition. Ecoasis attempted to have its enforcement petition heard at the same time. No judge was available.                      |
| November 7, 2025    | Date set for Ecoasis enforcement petition in general chambers.                                                                                                                    |
| January 22-23, 2026 | Scheduled hearing date for Bear Mountain's bias petition.                                                                                                                         |

**Appendix B**  
**Fifth Cash Flow Forecast**

**Enosis Developments LLP et al. and Enosis Resort and Golf LLP**  
**Fifth Cash Flow Forecast**  
**For the period October 18, 2025 to December 26, 2025**  
**SCAD 100k**

| Week                                                 | Actual                 | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast   | Forecast   | Forecast | Forecast | Total                  |
|------------------------------------------------------|------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|------------|------------|----------|----------|------------------------|
| Week ending                                          | 18-Sep-24 to 17-Oct-25 | Week 1   | Week 2   | Week 3   | Week 4   | Week 5   | Week 6   | Week 7   | Week 8   | Week 9   | Week 10  | Week 11  | Week 12  | Week 13    | Week 14    | Week 15  | Week 16  | 18-Sep-24 to 26-Dec-25 |
| <b>Cash operating receipts</b>                       |                        |          |          |          |          |          |          |          |          |          |          |          |          |            |            |          |          |                        |
| Reimbursement from Resorts - pre Resorts Receivables | 22                     | -        | -        | -        | -        | -        | -        | -        | -        | -        | -        | -        | -        | -          | -          | -        | -        | 22                     |
| Other receipts                                       | 62                     | -        | -        | -        | -        | -        | -        | -        | -        | -        | -        | -        | -        | -          | -          | -        | -        | 62                     |
| Resorts receipts                                     | 2,637                  | 37       | 43       | 29       | 165      | 20       | 20       | 22       | 155      | 14       | 14       | -        | -        | -          | -          | -        | -        | 3,157                  |
|                                                      | 2,722                  | 37       | 43       | 29       | 165      | 20       | 20       | 22       | 155      | 14       | 14       | -        | -        | -          | -          | -        | -        | 3,242                  |
| <b>Cash operating disbursements - Developments</b>   |                        |          |          |          |          |          |          |          |          |          |          |          |          |            |            |          |          |                        |
| Payroll                                              | 563                    | 15       | 2        | 16       | -        | 18       | -        | -        | 16       | -        | 18       | -        | -        | -          | -          | -        | -        | 646                    |
| Other expenses                                       | 145                    | -        | -        | 4        | 1        | 2        | -        | -        | 4        | 1        | 2        | -        | -        | -          | -          | -        | -        | 157                    |
|                                                      | 707                    | 15       | 2        | 19       | 1        | 20       | -        | -        | 19       | 1        | 20       | -        | -        | -          | -          | -        | -        | 803                    |
| <b>Cash operating disbursements - Resorts</b>        |                        |          |          |          |          |          |          |          |          |          |          |          |          |            |            |          |          |                        |
| Payroll                                              | 1,128                  | 134      | -        | 136      | -        | 130      | -        | -        | 126      | -        | 120      | -        | -        | -          | -          | -        | -        | 1,774                  |
| Food & beverage                                      | 110                    | 3        | 2        | 2        | 1        | 2        | 1        | 1        | 2        | 1        | 1        | 1        | 1        | 1          | 1          | 1        | 1        | 126                    |
| Shared operating expenses                            | 134                    | 4        | 20       | 7        | 2        | 7        | 24       | 3        | 3        | 5        | 1        | 17       | 89       | 223        | 89         | 223      | 89       | 223                    |
| Agromony                                             | 343                    | 8        | 30       | 3        | 6        | 3        | 10       | 3        | 6        | 3        | 6        | 3        | 6        | 75         | 417        | 75       | 417      | 417                    |
| Guest Services (golf and tennis)                     | 107                    | 12       | 13       | 2        | -        | 2        | 19       | 12       | -        | 2        | 10       | -        | -        | 71         | 179        | -        | -        | 179                    |
| Pro shop                                             | 57                     | 10       | -        | -        | -        | -        | -        | -        | -        | -        | -        | -        | -        | 10         | 67         | -        | -        | 67                     |
| Leases                                               | 181                    | -        | 19       | -        | -        | -        | -        | -        | -        | -        | -        | -        | -        | 19         | 199        | -        | -        | 199                    |
| Insurance                                            | 89                     | -        | 1        | 13       | -        | -        | -        | -        | 13       | -        | -        | -        | -        | 28         | 117        | -        | -        | 117                    |
| Remittances (GST, PST, EHT, WCB)                     | 84                     | -        | 47       | -        | -        | -        | -        | -        | 11       | -        | 9        | -        | -        | 67         | 151        | -        | -        | 151                    |
| Other expenses                                       | 20                     | 5        | 6        | 15       | 5        | 16       | 5        | 21       | 5        | 15       | -        | -        | -        | 92         | 112        | -        | -        | 112                    |
|                                                      | 2,253                  | 176      | 136      | 178      | 14       | 159      | 59       | 190      | 17       | 150      | 33       | -        | -        | 1,112      | 3,365      | -        | -        | 3,365                  |
| <b>Net operating cash flow</b>                       | (239)                  | (154)    | (95)     | (169)    | (151)    | (159)    | (40)     | (186)    | (138)    | (155)    | (19)     | -        | -        | (687)      | (926)      | -        | -        | (926)                  |
| <b>Other cash disbursements</b>                      |                        |          |          |          |          |          |          |          |          |          |          |          |          |            |            |          |          |                        |
| Professional fees - Receiver, counsel - Developments | 1,458                  | -        | -        | 203      | -        | -        | 200      | -        | -        | 250      | -        | -        | -        | 653        | 2,111      | -        | -        | 2,111                  |
| Other professional fees - Developments               | 776                    | -        | -        | -        | 139      | -        | -        | 15       | -        | -        | -        | -        | -        | 154        | 930        | -        | -        | 930                    |
| Professional fees - Receiver, counsel - Resorts      | 141                    | -        | -        | -        | 36       | -        | 50       | -        | -        | 100      | -        | -        | -        | 186        | 327        | -        | -        | 327                    |
| Other professional fees - Resorts                    | 198                    | 10       | -        | -        | 33       | 5        | 70       | 5        | 70       | -        | -        | -        | -        | 193        | 391        | -        | -        | 391                    |
| Property taxes                                       | 3,563                  | -        | -        | -        | -        | -        | -        | -        | -        | -        | -        | -        | -        | -          | 3,563      | -        | -        | 3,563                  |
|                                                      | 6,137                  | 10       | -        | 203      | 207      | 5        | 320      | 20       | 70       | 350      | -        | -        | -        | 1,185      | 7,322      | -        | -        | 7,322                  |
| <b>Net cash flow (deficit)</b>                       | (\$ 6,375)             | (\$ 164) | (\$ 95)  | (\$ 371) | (\$ 56)  | (\$ 164) | (\$ 360) | (\$ 206) | (\$ 68)  | (\$ 505) | (\$ 19)  | -        | -        | (\$ 1,872) | (\$ 8,248) | -        | -        | (\$ 8,248)             |
| <b>Cash continuity</b>                               |                        |          |          |          |          |          |          |          |          |          |          |          |          |            |            |          |          |                        |
| Opening cash balance                                 | \$ 301                 | \$ 526   | \$ 362   | \$ 267   | \$ 645   | \$ 589   | \$ 976   | \$ 616   | \$ 410   | \$ 478   | \$ 397   | -        | -        | 526        | 301        | -        | -        | 301                    |
| Net cash flow (deficit)                              | (6,375)                | (164)    | (95)     | (371)    | (56)     | (164)    | (360)    | (206)    | (68)     | (505)    | (19)     | -        | -        | (1,872)    | (8,248)    | -        | -        | (8,248)                |
| Receiver's Certificate                               | 6,600                  | -        | -        | 750      | -        | 550      | -        | -        | -        | 425      | -        | -        | -        | 1,725      | 8,325      | -        | -        | 8,325                  |
| <b>Ending cash balance</b>                           | \$ 526                 | \$ 362   | \$ 267   | \$ 645   | \$ 589   | \$ 976   | \$ 616   | \$ 410   | \$ 478   | \$ 397   | \$ 378   | -        | -        | 378        | \$ 378     | -        | -        | \$ 378                 |
| <b>Receiver's borrowings</b>                         |                        |          |          |          |          |          |          |          |          |          |          |          |          |            |            |          |          |                        |
| Opening balance                                      | -                      | 6,600    | 6,600    | 6,600    | 7,350    | 7,350    | 7,900    | 7,900    | 7,900    | 7,900    | 8,325    | -        | -        | 6,600      | -          | -        | -        | -                      |
| Receiver's borrowings (repayments)                   | 6,600                  | -        | -        | 750      | -        | 550      | -        | -        | -        | 425      | -        | -        | -        | 1,725      | 8,325      | -        | -        | 8,325                  |
| <b>Ending Receiver's borrowings</b>                  | \$ 6,600               | \$ 6,600 | \$ 6,600 | \$ 7,350 | \$ 7,350 | \$ 7,900 | \$ 7,900 | \$ 7,900 | \$ 7,900 | \$ 8,325 | \$ 8,325 | -        | -        | 8,325      | \$ 8,325   | -        | -        | \$ 8,325               |

**Notes**

- 1 Other receipts include monthly interest on deposits, other miscellaneous receipts, and Gold Tee's 50% portion of the Outstanding Property Taxes related to Cypress Gates.
- 2 Resorts receipts include initiation fees, GMEA transfer fees, member dues, and daily golf, tennis and food & beverage sales, net of credit card transaction fees.
- 3 Payroll costs are for biweekly salaries and wages, source deductions, and extended benefits.
- 4 Other expenses include insurance, subscriptions, IT, office supplies and other miscellaneous expenses.
- 5 Service line costs represent costs associated with the individual service line, excluding payroll costs.
- 6 Shared operating costs relate to waste management, IT services, subscriptions, and other shared costs.
- 7 Lease costs are related to golf carts, other golf equipment and agromony equipment.
- 8 Insurance represents monthly instalments for general liability, property, umbrella, and other policies.
- 9 Other expenses include pro shop inventory, capital improvements and non-routine maintenance.