



C21189

COURT FILE NUMBER 2601-03446  
COURT COURT OF KING'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY

APPLICANTS IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED  
AND IN THE MATTER OF THE PLAN OF COMPROMISE OR ARRANGEMENT OF RDFN FUM NATURAL PRODUCTS LTD. AND RDFN FUM NATURAL PRODUCTS INC.

**AND**

COURT FILE NUMBER B301-329581  
B301-329616  
COURT COURT OF KING'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY

APPLICANTS AND IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, RSC 1985, c B-3, AS AMENDED  
IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF RDFN FUM NATURAL PRODUCTS LTD. AND RDFN FUM NATURAL PRODUCTS INC.

DOCUMENT **FIRST REPORT OF ALVAREZ & MARSAL CANADA INC. IN ITS CAPACITY AS PROPOSAL TRUSTEE UNDER THE NOTICE OF INTENTION TO MAKE A PROPOSAL AND PROPOSED MONITOR**

**February 26, 2026**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT  
**PROPOSAL TRUSTEE AND PROPOSED MONITOR**  
ALVAREZ & MARSAL CANADA INC.  
Bow Valley Square IV  
Suite 1110, 250 – 6 Avenue S.W.  
Calgary, Alberta T2P 3H7  
Orest Konowalchuk / Marianna Lee  
Telephone: (403) 538-4736 / (604) 639-0845  
Email: [okonowalchuk@alvarezandmarsal.com](mailto:okonowalchuk@alvarezandmarsal.com)  
[marianna.lee@alvarezandmarsal.com](mailto:marianna.lee@alvarezandmarsal.com)

**COUNSEL TO THE PROPOSAL TRUSTEE AND  
PROPOSED MONITOR**

Osler, Hoskin & Harcourt LLP

Suite 2700, Brookfield Place 225 – 6 Avenue S.W.

Calgary, Alberta T2P 1N2

Randal Van de Mosselaer

Telephone: (403) 260-7060

Email: [rvandemosselaer@osler.com](mailto:rvandemosselaer@osler.com)

File: 1279602



**TABLE OF CONTENTS OF THE FIRST REPORT OF THE PROPOSAL  
TRUSTEE**

**INTRODUCTION** .....4

**TERMS OF REFERENCE** .....6

**LIMITATION IN SCOPE OF REVIEW** .....7

**BACKGROUND** .....8

**BOOKS AND RECORDS** .....9

**EVENTS LEADING TO THE NOI** .....11

**CONTINUATION OF PROCEEDINGS UNDER THE CCAA** .....13

**A&M’S QUALIFICATIONS TO ACT AS MONITOR** .....14

**CASH MANAGEMENT SYSTEM** .....15

**ACTIVITIES OF THE COMPANIES AND THE PROPOSAL TRUSTEE** .....15

**CHAPTER 15 PROCEEDINGS** .....17

**CCAA CASH FLOW STATEMENT** .....17

**PROPOSED CHARGES** .....19

**PROPOSAL TRUSTEE’S RECOMMENDATION** .....21

**LISTING OF APPENDICES TO THE FIRST REPORT OF THE PROPOSAL  
TRUSTEE**

**APPENDIX A**      Certificates of Filing of the Proposal

**APPENDIX B**      Affidavit of Mailing filed pursuant to section 50.4(6) of the BIA

**APPENDIX C**      NOI Cash Flow Statement filed pursuant to section 50.4(2) of the BIA

**APPENDIX D**      CCAA Cash Flow Statement

## INTRODUCTION

1. On February 4, 2026 (the “**Filing Date**”), RDFN FUM Natural Products Ltd. (“**FUM Canada**”) and RDFN FUM Natural Products Inc. (“**FUM US**”) each filed Notices of Intention to Make a Proposal (“**NOI**” or the “**Filing**”) pursuant to subsection 50.4(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended (the “**BIA**”). Alvarez & Marsal Canada Inc. (“**A&M**”) was appointed to act as Trustee under the Proposal (the “**Proposal Trustee**”). FUM Canada and FUM US are hereinafter collectively referred to as the “**Companies**” or “**FUM**”, and these proceedings referred to as the “**Proposal Proceedings**”.
2. Pursuant to section 50.4(8) of the BIA, the initial NOI period during which the Companies are required to file a proposal under the Proposal Proceedings is from February 4, 2026 to March 6, 2026.
3. Copies of the certificates of filing of the NOIs (the “**Certificates of Filing**”) issued by the Office of the Superintendent of Bankruptcy (“**OSB**”) are attached hereto as Appendix “**A**”.
4. On February 17, 2026, upon the application of the Companies (the “**Foreign Representative Application**”) and supported by the affidavit of Mr. Braeden Pauls filed in the Proposal Proceedings (the “**First Pauls Affidavit**”), the Court of King’s Bench of Alberta (the “**Court**”) granted an order (the “**Foreign Representative Order**”):
  - a) authorizing A&M, in its capacity as the Proposal Trustee of the Companies, to administer the Proposal Proceedings on a consolidated basis for the purpose of carrying out its administrative duties and responsibility as Proposal Trustee under the BIA; and
  - b) authorizing and empowering FUM Canada to act as foreign representative (the “**Foreign Representative**”) of the Proposal Proceedings for the purpose of having the Proposal Proceedings

recognized in the United States of America (“USA”) or any other foreign jurisdiction.

5. On February 18, 2026, FUM Canada, in its capacity as Foreign Representative, applied to the United States Bankruptcy Court for the District of Nevada (the “**US Court**”) for, among other things, provisional relief and recognition of the Proposal Proceedings as a “foreign main proceeding” pursuant to Chapter 15 of the *United States Bankruptcy Code* (the “**Chapter 15 Proceedings**”). An ex parte application to shorten the time for the hearing was filed by FUM Canada on February 20, 2026. The motion for provisional relief was heard on February 24, 2026, and the US Court granted certain provisional relief in favour of the Companies and directed that a further hearing be held on March 24, 2026.
6. On February 24, 2026, the Companies served an originating application (the “**February 24 Application**”) supported by an affidavit sworn by Mr. Braeden Pauls for an initial order (the “**Initial Order**”), continuing the Proposal Proceedings into proceedings under the *Companies’ Creditors Arrangement Act*, RSC 1985, c. C-36, as amended (the “**CCAA**”, and the proceedings, the “**CCAA Proceedings**”), granting a stay of proceedings for an initial ten (10) day period (the “**Initial Stay Period**”), appointing A&M as Monitor of the Companies (the “**Proposed Monitor**”) and providing for, among other relief:
  - a) granting a charge on the assets, property and undertakings of the Companies (the “**Property**”) not to exceed \$150,000 (the “**Administration Charge**”) as security for the fees and costs of the Proposal Trustee and its independent legal counsel, as well as the US and Canadian legal counsels to the Companies; and
  - b) granting a charge on the Property not to exceed \$200,000 (the “**Directors’ Charge**”) in favour of the Companies’ directors and officers as security for the Companies’ indemnification obligations to them.

7. Copies of materials filed with the Court in these Proposal Proceedings and CCAA Proceedings are available on the Proposal Trustee's website at [www.alvarezandmarsal.com/FUM](http://www.alvarezandmarsal.com/FUM) (the "Website").

## **PURPOSE**

8. This first report ("**First Report**") is intended to provide this Honourable Court with information in respect of the following:
  - a) the Companies' background;
  - b) an overview of the books and records of the Companies;
  - c) the events leading to the filing of the NOI and the reasons for continuing the Proposal Proceedings into the CCAA Proceedings;
  - d) A&M's qualifications to act as Monitor;
  - e) the activities of the Companies and the Proposal Trustee since the Filing Date;
  - f) the Companies' weekly cash flow projection for the period from February 21, 2026 to May 23, 2026;
  - g) the Companies' request for the Administration Charge and Directors' Charge; and
  - h) the Proposal Trustee's recommendations with respect to the above.

## **TERMS OF REFERENCE**

9. In preparing this First Report, the Proposal Trustee has relied upon unaudited financial information and other information provided by the management ("**Management**") of the Companies and other third parties. The Proposal Trustee has not performed an audit, review, or other verification of such information. An examination of the financial forecast as outlined in the *Chartered Professional Accountants of Canada Handbook* has not been performed.

10. Future-oriented financial information relied upon in this First Report is based on the Companies' assumptions regarding future events and actual results achieved will vary from this information and the variations may be material.
11. All references to dollars are in Canadian currency unless otherwise noted.

#### **LIMITATION IN SCOPE OF REVIEW**

12. This First Report has been prepared by the Proposal Trustee pursuant to the rules and regulations set out in the BIA. The BIA provides that the Proposal Trustee shall incur no liability for any act or omission pursuant to its appointment or fulfillment of its duties, save and except for gross negligence or wilful misconduct on its part.
13. This First Report is not and should not be construed or interpreted as an endorsement, comment or recommendation to any creditor, prospective investor, or any persons to advance credit and/or goods and services or to continue to provide credit and/or goods and services or to lend monies to the Companies during these proceedings and/or at any other time.
14. The Proposal Trustee has not audited or reviewed the assets of the Companies, and with respect to such assets, has relied to a significant degree upon information provided by the Companies.
15. In addition, any initial assessments of value are notional and illustrative and are not considered a formal business and/or asset valuation opinion and the Proposal Trustee has not provided such an opinion thereon and is based on the information provided by the Companies and assumptions as discussed herein. Any changes to one or more of the underlying assumptions or the information provided may have a material impact on any calculations and/or conclusions contained in this First Report.
16. The Proposal Trustee is specifically not directed or empowered to take possession of the assets of the Companies or to manage any of the business and affairs of the Companies.

## **BACKGROUND**

17. Founded in 2016, FUM engages in the design, development, marketing, and sale of alternative wellness-oriented products (the “**Products**”) intended to support habit replacement, including as a sensory alternative for individuals seeking to reduce or discontinue smoking. The Companies’ core product is a refillable handheld non-nicotine, non-electronic, vaporless, smokeless flavoured air device that utilizes replaceable essential oil–infused cores (known as flavor cores). Other Products include disposable air devices and accessories.
18. FUM Canada is the principal operating entity incorporated pursuant to the federal laws of Canada and is extra-provincially registered in the province of Alberta. FUM Canada holds substantially all of the assets and property of the Companies and employs the majority of the employees. Management, finance and operating functions are conducted through FUM Canada.
19. FUM US is a wholly owned subsidiary of FUM Canada and was incorporated pursuant to the laws of the State of Delaware. FUM US was established for the primary purpose of retaining employees in the USA who are paid by, and report to, FUM Canada.
20. Mr. Braeden Pauls is the chief executive officer of FUM Canada and FUM US, as well as a director and shareholder of FUM Canada and the sole director of FUM US. Mr. Josiah Pauls is also a director of FUM Canada.
21. Products sold by FUM are manufactured in the United States, China and Vietnam and are imported to the USA, Canada, the United Kingdom (“**UK**”) and elsewhere for sale. The Companies distribute Products primarily through direct-to-consumer channels worldwide and the majority of the Companies’ sales are generated in the USA with the balance of sales generated in Canada, the UK, Australia and elsewhere.

22. The Companies' inventory of Products is primarily held in a leased warehouse located at 275 South Sandhill Road, Unit 300, Las Vegas, Nevada (the "**Las Vegas Warehouse**"), as well as with third party logistics providers in other countries.
23. FUM is headquartered in Calgary, Alberta where it leases an office space located at Bay 120A, 1212 34 Ave SE, Calgary, Alberta (the "**Head Office**"). Management primarily works remotely and uses the physical Head Office as required.
24. FUM has a total of eighteen (18) employees consisting of eleven (11) employees located in Canada, six (6) in the USA and one (1) in the UK. The Canadian employees primarily consist of the management team while staff in the USA and UK represent warehouse and distribution-focused employees.

#### **BOOKS AND RECORDS**

25. As described in the First Pauls Affidavit, FUM Canada and FUM US prepare financial statements on a consolidated basis with the most recent financial statements dated August 31, 2025 (the "**2025 Financial Statements**").

#### Assets

26. According to the Companies' 2025 Financial Statements, total assets were in the amount of USD \$5.3 million consisting of inventory of Products (USD \$3.4 million), cash (USD \$1.3 million), GST receivables (USD \$268,272), prepaid expenses (USD \$170,377) and equipment (USD \$161,781).
27. As at the Filing Date, the Companies' review of the books and records indicated that total assets were in the amount of USD \$4.8 million consisting of inventory of Products (USD \$3.5 million), cash (USD \$1.1 million), and prepaid expenses (USD \$160,968). No GST receivables were noted.
28. FUM's inventory of Products represent approximately 73% of FUM's total assets which are primarily stored in the Las Vegas Warehouse.

## Liabilities

29. As shown in the creditor listings of the Companies as at February 4, 2026, total liabilities approximated \$9.2 million of which approximately \$7.9 million and \$1.3 million of liabilities relate to FUM Canada and FUM US, respectively.
30. FUM's secured creditors include the following:
- a) Wayflyer Financial LLC and Wayflyer Advances LLC (together, "**Wayflyer**") are owed approximately \$637,455 in respect of two merchant cash advances (the "**Wayflyer Loans**") pursuant to a cash advance agreement dated August 21, 2025 and receivables purchase and service agreement dated May 21, 2025. The Wayflyer Loans are secured by an interest in future receivables against FUM Canada;
  - b) CFT Clear Finance Technology Corp ("**Clearco**") is owed approximately \$1 million in respect of two credit facilities (the "**Clearco Loans**") pursuant to an advance made under the first Clearco agreement dated December 31, 2025 and the second Clearco agreement which is undated. The Clearco Loans are secured by an interest in future receivables against FUM US; and
  - c) WebBank is owed approximately \$1.1 million of which approximately \$993,221 is owed by FUM Canada (the "**Canada WebBank Loan**") and approximately \$103,883 is owed by FUM US (the "**US WebBank Loan**") and together with the Canada WebBank Loan, the "**WebBank Loans**"). The WebBank Loans are secured against all personal property of FUM and an interest in future receivables.
31. FUM's significant unsecured creditors include the following:
- a) BFL Metal Products Co., Ltd. ("**BFL**"), a Chinese limited company, is owed approximately \$3.1 million (approximately USD\$2.3 million) from FUM Canada in respect of a Settlement Agreement (as defined below);

- b) Business Development Bank of Canada (“**BDC**”) is owed approximately \$312,000 (the “**BDC Term Loan**”) from FUM Canada pursuant to a letter of offer dated August 15, 2024. The BDC Term Loan is personally guaranteed by the directors of FUM Canada, Mr. Braeden Pauls and Mr. Josiah Pauls, as well as a shareholder of FUM Canada, pursuant to a loan guarantee dated August 22, 2024;
- c) Amex Bank of Canada is owed approximately \$66,938 from FUM Canada pursuant to a term loan agreement entered into in or around June 2024; and
- d) other unsecured creditors are collectively owed approximately \$2.9 million.

#### **EVENTS LEADING TO THE NOI**

32. The Filing has been a result of a cash liquidity crisis driven by a number of ongoing challenges commencing over the course of the past year including (i) increased debt burden due to significant payments owing to BFL under the terms of the Settlement Agreement (defined below); (ii) rising advertising costs; and (iii) tariffs.

##### BFL Settlement Agreement

33. On October 20, 2025, the Companies entered into a confidential settlement and release agreement (the “**Settlement Agreement**”) with BFL to resolve a trademark infringement lawsuit whereby the Companies were the defendant. The Settlement Agreement contemplates the payment, by the Companies to BFL, of USD \$2.5 million in two tranches. A copy of the Settlement Agreement is attached to the First Pauls Affidavit.
34. The two tranches of payments (the “**Settlement Payments**”) were:
- a) the first tranche of USD \$1.4 million payable in 14 equal instalments of USD \$100,000 on the first day of each month commencing on November 1, 2025; and

- b) the second tranche of USD \$1.1 million payable effective February 1, 2027 and ending on November 1, 2028 consisting of monthly royalty payments of 2.2% on FUM Canada's gross sales internationally.
35. The Companies made the first two payments on November 1, 2025 and December 1, 2025 in accordance with the terms of the Settlement Agreement but failed to make the payments on January 1, 2026 and February 1, 2026 (the “**Defaults**”).
36. As a result of the Defaults, counsel to BFL notified the Companies of its intention to seek an injunction preventing the Companies' sale of Products in the USA and enforcing the Settlement Agreement, among other things. Most recently on February 10, 2026, counsel to BFL notified the Companies of its plans to file a motion on February 24, 2026 seeking enforcement of the Settlement Agreement should BFL not receive the outstanding Settlement Payments, in full.
37. The majority of the Companies' sales are generated in the USA. Should BFL's motion for enforcement of the Settlement Agreement or injunctive relief be granted, the Companies would face significant liquidity challenges hindering FUM's ability to develop a plan to restructure their financial affairs.

#### Advertising Costs

38. The Companies' sales are highly driven by their level of marketing and advertising and the uninterrupted services provided by their logistics and shipping providers. Over the past year, FUM's cash flows were negatively impacted by rising advertising costs and the Companies were not able to consistently make payment on outstanding accounts as they became due.
39. Prior to the Filing Date, certain of the Companies' secured creditors, advertising partners and other service providers had delivered notices to the Companies regarding past-due payments and intention to cease providing services.
40. The majority of the Companies' advertising providers are USA-based corporations that may not recognize the stay of proceedings and protections afforded to the Companies under the BIA. Discontinuation of services or enforcement proceedings

by advertisers and other creditors located in the USA would severely negatively impact the Companies' sales and ability to restructure their financial affairs.

#### Tariffs

41. Tariffs imposed by the USA have contributed to the liquidity crisis faced by the Companies as their Products are manufactured overseas (China and Vietnam) and shipped primarily to the USA and elsewhere. The majority of the inventory of Products are held in the Las Vegas Warehouse and sold in the USA.
42. Absent a stay of proceedings in the USA, enforcement of security by creditors could erode the Companies value whose assets are primarily held and sold in the USA.

#### **CONTINUATION OF PROCEEDINGS UNDER THE CCAA**

43. The Proposal Trustee and Proposed Monitor support the application to continue the Proposal Proceedings under the CCAA for the following reasons:
  - a) the proposed CCAA Proceedings will provide additional flexibility and time to address matters and creditors under proceedings in the USA, to develop a plan or plans of compromise and arrangement, and to return to Court to seek approval of said plan(s) of arrangement or other relief, at the appropriate time;
  - b) the debtor in a CCAA proceeding is only required to return to Court when necessary, thus providing additional flexibility and efficiency as compared to a proposal proceeding under the BIA which obliges the debtor to return at statutorily prescribed intervals for extensions of time to file a proposal. By continuing this matter as a CCAA proceeding, the Companies may incur lower professional costs associated with Court appearances and other matters otherwise required in the Proposal Proceedings;
  - c) in the event that BIA proposal obligations cannot be met within the statutorily prescribed timeframes, continuation as a CCAA proceeding will permit FUM to avoid the negative impact and costs associated with

a bankruptcy and liquidation which would automatically result under the BIA; and

- d) FUM has not filed a proposal (as that term is defined in the BIA) in the Proposal Proceedings.

#### **A&M'S QUALIFICATIONS TO ACT AS MONITOR**

- 44. A&M is currently the Proposal Trustee and is familiar with the Companies' business and affairs. The Companies are requesting A&M to continue in its fiduciary role as the court officer as a Monitor pursuant to the CCAA should this Honourable Court grant the proposed Initial Order. A&M has no objections in fulfilling this role should the Court determine it is appropriate to do so.
- 45. A&M is related to Alvarez & Marsal Holdings, LLC, which is an independent international professional services firm, providing, among other things, bankruptcy, insolvency and restructuring services. A&M is a licensed trustee within the meaning of section 2 of the BIA. Furthermore, A&M is not subject to any of the restrictions on who may be appointed as monitor set out in Section 11.7(2) of the CCAA.
- 46. The senior A&M professional personnel with carriage of this matter include experienced insolvency and restructuring practitioners who are Chartered Professional Accountants (Chartered Accountants), Chartered Insolvency and Restructuring Professionals, and Licensed Insolvency Trustees, and who have previously acted in CCAA matters of a similar nature and complexity in Canada.
- 47. Osler, Hoskin & Harcourt LLP ("**Osler**") has been retained to act as the Proposal Trustee's independent legal counsel in the Proposal Proceedings and will be retained to act as the Proposal Monitor's independent legal counsel in the CCAA Proceedings.
- 48. A&M has consented to act as Monitor of the Companies should the Court grant the Companies' request to commence the CCAA Proceedings.

## **CASH MANAGEMENT SYSTEM**

49. The Companies have a decentralized cash management system. All accounting functions, including reconciliations between the Companies finances and bank accounts, are carried out by the Calgary Head Office.
50. The Companies are seeking approval from this Court to continue using their existing Cash Management System in substantially the same manner as before the commencement of the CCAA Proceedings. The Proposed Monitor is of the view that the continued use of the existing Cash Management System is appropriate during these CCAA Proceedings.
51. As part of its monitoring procedures, the Proposed Monitor will:
- a) review disbursements, as reasonably appropriate, for compliance with provisions of the proposed Initial Order;
  - b) review receipts and disbursements processed through the bank accounts; and
  - c) review weekly receipts and disbursements summaries, compare the summaries to the corresponding cash flow forecasts and review variances with Management.

## **ACTIVITIES OF THE COMPANIES AND THE PROPOSAL TRUSTEE**

52. Since the Filing Date, the Proposal Trustee and Management have engaged in the following activities:
- a) the Proposal Trustee mailed by prepaid registered mail a notice to all of the Companies' known creditors on February 9, 2026, notifying the creditors of the Proposal Proceedings pursuant to section 50.4(6) of the BIA and posted same to the Website. The affidavit of mailing is attached herewith as Appendix "**B**";
  - b) Management, with the assistance of the Proposal Trustee, prepared a cash flow statement for the 13-week period from February 14, 2026 to

May 16, 2026 (the “**NOI Cash Flow Statement**”), along with notes and assumptions, which were filed by the Proposal Trustee with the OSB on February 13, 2026 in accordance with section 50.4(2) of the BIA. The NOI Cash Flow Statement and the accompanying notes and assumptions are attached as herewith as Appendix “C”;

- c) Management, with the assistance of the Proposal Trustee and Proposed Monitor, prepared a revised cash flow statement for the 13-week period from February 21, 2026 to May 23, 2026 (the “**CCAA Cash Flow Statement**”);
- d) the Proposal Trustee engaged the services of Osler to act as its independent legal counsel in the Proposal Proceedings;
- e) the Proposal Trustee convened numerous meetings with the Companies and their legal counsel, and Osler relating to matters relevant to the Proposal Proceedings;
- f) the Proposal Trustee held numerous meetings with the Companies and their legal counsel, the Proposal Trustee’s legal counsel, and certain of the secured creditors to discuss the status of the Proposal Proceedings;
- g) preparing and issuing a letter, in consultation with the Proposal Trustee’s legal counsel and FUM’s legal counsel, to certain of FUM’s advertisers in respect of outstanding statements of account;
- h) reviewing application materials related to the Foreign Representative Order and attending the Court hearing for same;
- i) preparing this First Report and reviewing the draft February 24 Application materials related to same;
- j) responding to creditor enquiries generally;
- k) maintaining the Website; and
- l) attending to initial and ongoing monitoring of the Companies’ financial affairs and activities by the Proposal Trustee.

## **CHAPTER 15 PROCEEDINGS**

53. On February 18, 2026, FUM sought from the US Court, amongst other things, recognition of FUM Canada as the Foreign Representative and recognition of the Proposal Proceedings as a "foreign main proceeding". The motion for provisional relief was heard on February 24, 2026, and the US Court granted certain provisional relief in favour of the Companies and directed that a further hearing be held on March 24, 2026.
54. The Chapter 15 Proceedings are necessary for FUM to stabilize its operations by granting the Companies a stay of proceedings and protections from its creditors in the USA, where most of its inventory is held and sales are generated. As described in paragraphs 33 to 37 above, it is the Companies' understanding that BFL intends to seek a motion for injunctive relief and enforce the Settlement Agreement on February 24, 2026. Obtaining the recognition of the Proposal Proceedings in the USA is critical for the Companies to mitigate disruption to operations and maintain relationships with key customers and suppliers while developing a path forward to emerge from restructuring proceedings as a going concern. Should enforcement proceedings by BFL and/or other creditors advance, it is uncertain whether FUM will be able maintain the stability necessary to provide it with the breathing room needed to restructure its financial affairs.

## **CCAA CASH FLOW STATEMENT**

55. Management, with the assistance of the Proposal Trustee and Proposed Monitor, prepared the CCAA Cash Flow Statement for the 13-week period from February 21, 2026 to May 23, 2026 along with notes and assumptions. The CCAA Cash Flow Statement and the accompanying notes and assumptions are attached herewith as Appendix "D".
56. A summary of the Companies' CCAA Cash Flow Statement is presented below:

**RDFN FUM Natural Products Ltd. and RDFN FUM Natural Products Inc.**  
**13-Week Cash Flow Forecast ending May 23, 2026**  
**Unaudited \$CAD 000's**

<b>Receipts</b>	
Sales	5,494
Sales tax collections	527
<b>Total Receipts</b>	<b>6,021</b>
<b>Disbursements</b>	
Inventory purchasing	824
Marketing	1,552
Shipping	667
Platform payments	208
Payroll, benefits and payroll taxes	691
Rent	108
Restructuring professional fees (Canada)	735
Restructuring professional fees (US)	142
Other general and administrative costs	293
Sales tax remittance	432
<b>Total Disbursements</b>	<b>5,652</b>
<b>Net Cash Flow</b>	<b>369</b>
<b>Cash Position</b>	
Opening cash balance	1,595
Net Cash Flow	369
<b>Ending Cash Balance</b>	<b>\$ 1,964</b>

57. Over the Forecast Period, FUM estimates a closing cash balance of \$2 million. Key notes and assumptions in respect of the estimated receipts and disbursements are as follows:

- a) cash receipts totaling \$6 million primarily consist of sale of FUM's reusable air devices and flavor core refills, as well as collections of sales tax corresponding to these sales;
- b) inventory purchasing, marketing, shipping, platform payments, rent, payroll, and other general and administrative expenses were estimated based on historical operating data and are anticipated to be paid on a weekly basis. Vendor listings were reviewed by Management and the timing of certain disbursements were adjusted to reflect anticipated revised payments terms (e.g. cash on delivery);

- c) professional fees include the fees and disbursements of the Proposal Trustee, counsel to the Proposal Trustee and counsel to the Companies;
- d) pre-Filing Canadian sales tax remittances have been paid up to the Filing Date. There may be pre-Filing amounts accrued through to the Filing Date that are unpaid and are subject to the stay of proceedings. Pending further review, these amounts may have priority claims but will remain unpaid, unless they are determined to be paid with the consent of various secured creditors or by order of the Court. Post-Filing GST remittances have been forecast to be paid in the normal course; and
- e) while the cash balance continues to accumulate through the duration of the Forecast Period, FUM continues to sell its Products and employ staff. Maintaining sufficient cash reserves to deal with operational matters (including any Product or employee concerns) is a necessity in these proceedings. FUM does not intend to make any disbursements outside of the intended purposes outlined in the CCAA Cash Flow Statement pending further update to the CCAA Cash Flow Statement with notice to creditors and this Honourable Court.

58. The Proposal Trustee and Proposed Monitor are of the view that the CCAA Cash Flow Statement continues to be a reasonable forecast that will be required to be updated to reflect the timing of receipts and disbursements.

### **PROPOSED CHARGES**

59. The Initial Order seeks approval from this Honourable Court an initial, limited amount of Administration Charge and Directors' Charge (collectively, the "**Initial Order Charges**") during the Initial Stay Period. It is anticipated that an application will be made to Court to, among other things, vary the Initial Order Charges at the expiry of the Initial Stay Period.

### Administration Charge

60. The Companies are seeking a super-priority charge over the Property in an amount not to exceed \$150,000 to secure payment of the fees and disbursements of the Proposed Monitor, counsel to the Proposed Monitor, and counsel to the Companies.
61. These CCAA Proceedings require the necessary involvement of professionals to guide and complete a successful plan of arrangement that includes increased complexity with the inclusion of Chapter 15 Proceedings. As such, it is the Proposed Monitor's respectful view that the Administration Charge is reasonable and appropriate in the circumstances, having regard to the nature of the CCAA Proceedings and the scope and level of work expected to be required, to ensure the continued support of the respective professionals in the Companies' efforts to restructure their affairs.

### Directors' Charge

62. The Companies are seeking a super-priority Directors' Charge against the Property in an amount not to exceed \$200,000 as security for the Companies to indemnify their directors and officers for obligations and liabilities that they may incur in such capacities after the commencement of these CCAA Proceedings, except to the extent such obligation or liability was incurred as a result of the directors' or officers' gross negligence or wilful misconduct.
63. It is the Proposed Monitor's understanding that the Companies do not have directors and officers' liability insurance and have been seeking to obtain insurance coverage without success due to the commencement of the Proposal Proceedings. Notwithstanding that the Proposed Monitor understands the Companies are current in respect of their obligations for payroll and other pre-Filing obligations for which directors may be personally liable, there may be a situation that certain pre-Filing obligations (such as source deductions and sales taxes payable) may be re-assessed or audited by the Canada Revenue Agency or the various state departments of revenue in the USA.

64. The Companies require the services of their directors and officers to continue sale of their Products, maintain compliance with applicable laws and regulations, and develop a viable plan of arrangement. The Companies' directors and officers have the technical and intimate knowledge, experience, and relationships necessary to preserve and maximize the value of the Companies and complete a successful restructuring.
65. The Proposed Monitor has evaluated the Companies' request for the quantum of the Directors' Charge, and is of the view that this amount is reasonable in the circumstances considering the amount of, among other things, payroll, source deductions, vacation pay, and federal, provincial and state sales tax liabilities, as well as the amount of similar Court-approved charges in comparable proceedings.

Priority of the Charges

66. The priorities of the proposed Charges, as among them, shall be as follows:
- a) First: Administration Charge, up to the maximum amount of \$150,000; and
  - b) Second: Directors' Charge, up to the maximum amount of \$200,000.
67. Each of the proposed Charges shall constitute a charge on the Property and as such the Charges shall rank in priority to all other security interests, trusts, liens, charges, encumbrances, and claims of secured creditors, statutory or otherwise, in favour of any person.

**PROPOSAL TRUSTEE'S RECOMMENDATION**

68. The Proposal Trustee is of the view that FUM has been acting in good faith and with due diligence to date in the Proposal Proceedings, and is unaware of any prejudice that would be suffered by any creditor as a result of the continuation of the Proposal Proceedings in the CCAA. Accordingly, based on the foregoing, the Proposal Trustee and Proposed Monitor are of the view that the relief being sought is reasonable in the circumstances and respectfully recommends that this

Honourable Court grant the relief sought by the Companies including the continuation of the Proposal Proceedings under the CCAA and the Initial Order Charges.

All of which is respectfully submitted this 26<sup>th</sup> day of February, 2026

**ALVAREZ & MARSAL CANADA INC.,  
in its capacity as Proposal Trustee of the Companies  
and not in its personal or corporate capacity**



Orest Konowalchuk, CPA, CA, CIRP, LIT  
Senior Vice President



Marianna Lee, CPA, CMA, CIRP  
Director

## APPENDIX A



Industry Canada  
Office of the Superintendent  
of Bankruptcy Canada

Industrie Canada  
Bureau du surintendant  
des faillites Canada

District of: Alberta  
Division No.: 02 - Calgary  
Court No.: 25-3329581  
Estate No.: 25-3329581

In the Matter of the Notice of Intention to make a proposal of:

**RDFN FUM Natural Products Ltd.**

Insolvent Person

**ALVAREZ & MARSAL CANADA INC.**

Licensed Insolvency Trustee

---

Date of the Notice of Intention:

February 04, 2026

---

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL  
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: February 05, 2026, 10:24

E-File/Dépôt Electronique

Official Receiver

Harry Hays Building, 220 - 4th Ave SE, Suite 478, Calgary, Alberta, Canada, T2G4X3, (877)376-9902

**Canada**



Industry Canada  
Office of the Superintendent  
of Bankruptcy Canada

Industrie Canada  
Bureau du surintendant  
des faillites Canada

District of: Alberta  
Division No.: 02 - Calgary  
Court No.: 25-3329616  
Estate No.: 25-3329616

In the Matter of the Notice of Intention to make a proposal of:

**RDFN FUM Natural Products Inc.**

Insolvent Person

**ALVAREZ & MARSAL CANADA INC.**

Licensed Insolvency Trustee

---

Date of the Notice of Intention:

February 04, 2026

---

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL  
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: February 05, 2026, 10:51

E-File/Dépôt Electronique

Official Receiver

Harry Hays Building, 220 - 4th Ave SE, Suite 478, Calgary, Alberta, Canada, T2G4X3, (877)376-9902

**Canada**

## **APPENDIX B**

District of: Alberta  
Division No. 02 - Calgary  
Court No. 25-3329581  
Estate No. 25-3329581

Affidavit of Mailing

In the Matter of the Proposal of  
RDFN FUM Natural Products Ltd.  
Of the City of Calgary, in the Province of Alberta

I, Shailesh Agrawal, of the Trustee's office of Alvarez & Marsal Canada Inc., Bow Valley Square 4, Suite 1110, 250 6th Ave SW, Calgary, AB, T2P 3H7, hereby make oath (or solemnly affirm) and say:

That on the 10 day of February 2026, I did cause to be sent by prepaid ordinary mail to the known creditors of the above named debtor, whose names and addresses appear on the paper writing marked Exhibit "A" annexed hereto, a copy of: Form 33, Notice of Intention to Make a Proposal, the Certificate of Filing and the Consent of the Trustee to Act.



---

Shailesh Agrawal  
Phone: (403) 538-7555  
Fax: (403) 538-7551

SWORN (or SOLEMNLY DECLARED) before me in the city of Calgary in the Province of Alberta, this 17th day of February 2026.



---

Brinton Wolever, Commissioner of Oaths  
For the Province of Alberta  
Expires February 6, 2027  
Appointee # 0773543



February 9, 2026

**In the Matter of the Notice of Intention to Make a Proposal of  
RDFN FUM Natural Products Ltd.**

**TO THE CREDITORS OF RDFN FUM NATURAL PRODUCTS LTD.:**

On February 4, 2026, RDFN FUM Natural Products Ltd. (the “**Company**”) filed a Notice of Intention to Make a Proposal (the “**NOI**”) pursuant to Section 50.4(1) of the *Bankruptcy and Insolvency Act (Canada)*, R.S.C. 1985, c. B-3 (the “**BIA**”) and Alvarez & Marsal Canada Inc. (“**A&M**”) was appointed as Proposal Trustee of the Company (the “**Proposal Trustee**”). A copy of the NOI, together with the list of creditors, are enclosed herewith. This information, along with other relevant materials, is also available at the Proposal Trustee’s website at: [www.alvarezandmarsal.com/FUM](http://www.alvarezandmarsal.com/FUM).

Please be advised that the Company is not bankrupt and has availed itself of a procedure whereby an insolvent person, with creditor and Court approval, restructures its financial affairs. The role of the Proposal Trustee in this matter is to monitor the cash flow of the Company during the restructuring process, to assist with the development of the Proposal, and to liaise with creditors, who will ultimately make the decision regarding the Proposal.

Pursuant to section 69.1 (1) of the BIA, upon the filing of the NOI, that being February 4, 2026, no creditor shall have any remedy against the Company or its property or shall commence or continue any action, execution or other proceedings for the recovery of a claim provable in bankruptcy until the bankruptcy of the Company.

The Company is required to file a Proposal within 30 days from the date of filing of the NOI unless the Company is granted an extension from the Court for a period not exceeding 45 days for any individual extension and not exceeding 5 months, in aggregate, after the expiry of the initial 30 day period.

The amounts indicated on the attached list of creditors were estimated by the Company as at the date of filing the NOI. If you do not agree with the amount, **you do not need to notify the Proposal Trustee of any discrepancies in the claim amount at this time.** You will be provided an opportunity prove your claim when a Proof of Claim form and related documentation are sent to you at a later date.

Should you require any further information with respect to this matter, please feel free to contact the Proposal Trustee by email at [FUM@alvarezandmarsal.com](mailto:FUM@alvarezandmarsal.com) or visit the Proposal Trustee’s website.

Yours very truly,

Alvarez & Marsal Canada Inc.,  
in its capacity as Proposal Trustee of  
RDFN FUM Natural Products Ltd., and not in its personal or corporate capacity

Per:

A handwritten signature in blue ink, appearing to read 'Orest Konowalchuk'.

Orest Konowalchuk, Licensed Insolvency Trustee  
Senior Vice President

Enclosure



Industry Canada  
Office of the Superintendent  
of Bankruptcy Canada

Industrie Canada  
Bureau du surintendant  
des faillites Canada

District of: Alberta  
Division No.: 02 - Calgary  
Court No.: 25-3329581  
Estate No.: 25-3329581

In the Matter of the Notice of Intention to make a proposal of:

**RDFN FUM Natural Products Ltd.**

Insolvent Person

**ALVAREZ & MARSAL CANADA INC.**

Licensed Insolvency Trustee

---

Date of the Notice of Intention:

February 04, 2026

---

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL  
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: February 05, 2026, 10:24

E-File/Dépôt Electronique

Official Receiver

Harry Hays Building, 220 - 4th Ave SE, Suite 478, Calgary, Alberta, Canada, T2G4X3, (877)376-9902

**Canada**

**CONSENT TO ACT AS TRUSTEE  
IN THE MATTER OF THE DIVISION I PROPOSAL OF  
RDFN FUM Natural Products Ltd.  
OF THE CITY OF CALGARY, IN THE PROVINCE OF ALBERTA**

We, ALVAREZ & MARSAL CANADA INC., of Bow Valley Square 4, Suite 1110, 250 6<sup>th</sup> Avenue S.W., Calgary, AB T2P 3H7, CONSENT to our acting as Trustee under the Division I proposal and in respect of the Notice of Intention to Make a Proposal of RDFN FUM Natural Products Ltd. contemplated herein.

Dated at Calgary, Alberta this 4<sup>th</sup> day of February, 2026.

**Alvarez & Marsal Canada Inc.**  
*Licensed Insolvency Trustee*

**Per:**

  
\_\_\_\_\_  
**Orest Konowalchuk, LIT**  
**Senior Vice President**  
*Licensed Insolvency Trustee*

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

- FORM 33 -  
Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

In the Matter of the Proposal of  
RDFN FUM Natural Products Ltd.  
of the city of Calgary, in the Province of Alberta

Take notice that:

1. I, RDFN FUM Natural Products Ltd., an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. Alvarez & Marsal Canada Inc. of Bow Valley Square 4, Suite 1110, 250 6th Ave SW, Calgary, AB, T2P 3H7, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the city of Calgary in the Province of Alberta, this 4th day of February 2026.

*Braden Pauls*

---

RDFN FUM Natural Products Ltd.  
Insolvent Person

To be completed by Official Receiver:

Feb 4, 2026

---

Filing Date

---

Official Receiver

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

- FORM 33 -  
 Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the Matter of the Proposal of  
 RDFN FUM Natural Products Ltd.  
 of the city of Calgary, in the Province of Alberta

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Abstrax Tech	1672 Reynolds Ave Irvine CA 92614 USA		44,675.96
Adopter Media, LLC	7495 West Azure Drive, Suite 110 Las Vegas NV 89130 USA		61,149.64
ADVANCED LIGHTING SERV...	940 Empire Mesa Way Las Vegas NV 89011 USA		5,059.76
Alabama Department of Revenue	50 North Ripley Street Montgomery AL 36130 USA		1,718.63
American Express Canada Inc.	222 Bay St Suite 2200 Toronto ON M5K 1E1		66,687.00
Arizona Department of Revenue	1600 West Monroe Street Phoenix AZ 85007 USA		250.00
Arkansas Dept. of Finance & Admin.	P.O. Box 9941 Little Rock AR 72203 USA		3,049.27
Australia GST	PO Box 9003, NSW Penrith 02740 Australia		75,539.00
Best Creation Technology	Shenzhen, Guangdong Shenzhen China		621,017.84
BFL Metal Products Co., Ltd.	Huayi Decoration Materials City, Guangdong Foshan China		3,128,000.00
Business Development Bank of Canada	5 Place Ville Marie, Montreal, QC H3B 2G2 Montreal QC H3B 2G2		312,000.00
California Dept. of Tax & Fee Admin.	P.O. Box 942879 Sacramento CA 94279 USA		250.00
Cassels Brock & Blackwell LLP	Suite 3200, 40 Temperance St Toronto ON M5H 0B4		754.27
Colorado Department of Revenue	P.O. Box 17087 Denver CO 80217 USA		3,096.20
Common Thread Collective, LLC	66 W Flagler Street, Suite 900 - #2039 Miami FL 33130 USA		27,669.20

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

- FORM 33 -  
 Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the Matter of the Proposal of  
 RDFN FUM Natural Products Ltd.  
 of the city of Calgary, in the Province of Alberta

<b>List of Creditors with claims of \$250 or more.</b>			
<b>Creditor</b>	<b>Address</b>	<b>Account#</b>	<b>Claim Amount</b>
Connecticut Dept. of Revenue Services	450 Columbus Blvd - Suite 1 Hartford CT 06103 USA		1,059.97
CW Publishing	Capital House, 6th Floor 25 Chapel Street, London NW1 5DH London UK		250.00
Design 1st, Inc.	1840 Woodward Drive, Suite-1 Ottawa ON K2C 0P7		630.00
DHL eCommerce	2700 South Commerce Pkwy, Suite 300 Weston FL 33331 USA		102,130.76
Epsilon Economics	111 S Wacker Drive, Suite 5001 Chicago IL 60606 USA		11,012.00
Flexport International, LLC	100 California Street, 5th Floor San Francisco CA 94111 USA		26,729.00
Florida Department of Revenue	5050 W Tennessee St Tallahassee FL 32399 USA		6,330.00
Georgia Department of Revenue	1800 Century Boulevard NE Atlanta GA 30345 USA		3,280.37
Google LLC	1600 Amphitheatre Pkwy Mountain View CA 94043 USA		546,422.54
GrayRobinson, PA	Post Office Box 3068 Orlando FL 32802 USA		223,898.38
Hawaii Department of Taxation	P.O. Box 259 Honolulu HI 96809 USA		324.94
Hill&Foster Inc.	1112 9 St SW Calgary AB T2R 1C4		11,175.80
Howard Employment Law	1385 West 8th Ave, Suite 400 Vancouver BC V6H 3V9		1,096.96
Humani HR Inc.	1400-18 King St E Toronto ON M5C 1C4		7,368.48
Idaho State Tax Commission	P.O. Box 36 Boise ID 83722 USA		920.05

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

- FORM 33 -  
 Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the Matter of the Proposal of  
 RDFN FUM Natural Products Ltd.  
 of the city of Calgary, in the Province of Alberta

<b>List of Creditors with claims of \$250 or more.</b>			
Creditor	Address	Account#	Claim Amount
Illinois Department of Revenue	P.O. Box 19035 Springfield IL 62794 USA		4,646.74
Indiana Department of Revenue	100 N Senate Ave Indianapolis IN 46204 USA		2,742.85
Iowa Department of Revenue	1305 E Walnut Street Des Moines IA 50319 USA		992.95
J. J. Keller & Associates	3003 Breezewood Ln Neenah WI 54956 USA		488.66
Kansas Department of Revenue	P.O. Box 3506 Topeka KS 66625 USA		1,450.24
Kentucky Department of Revenue	P.O. Box 5222 Frankfort KY 40602 USA		1,117.77
KPMG LLP	2200, 10175-101 Street Edmonton AB T5J 0H3		9,032.10
Landsberg Orora, LLC	4775 W Harmon Ave Las Vegas NV 89103 USA		208,985.00
Loop Solutions Inc.	251, Little Falls Drive Wilmington DE 19808 USA		10,535.92
Louisiana Department of Revenue	617 North Third Street Baton Rouge LA 70821 USA		1,589.84
Maine Revenue Services	P.O. Box 1060 Augusta ME 04332 USA		2,392.86
Maryland Comptroller of Maryland	80 West Street Annapolis MD 21401 USA		1,273.29
Massachusetts Dept. of Revenue	P.O. Box 7010 Boston MA 02204 USA		1,957.66
Meta Platforms, Inc.	1 Hacker Way Menlo Park CA 94025 USA		190,185.58
Michigan Department of Treasury	430 West Allegan Street Lansing MI 48922 USA		2,807.56

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

- FORM 33 -  
 Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the Matter of the Proposal of  
 RDFN FUM Natural Products Ltd.  
 of the city of Calgary, in the Province of Alberta

<b>List of Creditors with claims of \$250 or more.</b>			
<b>Creditor</b>	<b>Address</b>	<b>Account#</b>	<b>Claim Amount</b>
Minnesota Department of Revenue	600 N Robert Street St. Paul MN 55101 USA		250.00
Mississippi Department of Revenue	P.O. Box 22808 Jackson MS 39225 USA		250.00
Missouri Department of Revenue	301 West High Street Jefferson City MO 65101 USA		250.00
Money MX Consulting Group	1801-1 Yonge Street Toronto ON M5E 1W7		12,802.65
MORRISON & FOERSTER LLP	P.O. BOX 742335 Los Angeles CA 90074 USA		12,240.00
Nebraska Dept. of Revenue	P.O. Box 94818 Lincoln NE 68509 USA		1,010.39
Nevada Department of Taxation	1550 College Parkway Suite 115 Carson City NV 89706 USA		1,578.26
New Jersey Division of Taxation	P.O. Box 999 Trenton NJ 08646 USA		250.00
New Mexico Taxation & Revenue	P.O. Box 630 Santa Fe NM 87504 USA		1,087.80
New York State Dept. of Taxation & Finance	W.A. Harriman Campus Albany NY 12227 USA		6,619.01
NoFraud LLC	228 Park Ave S PMB 17422 New York NY 10003 USA		2,853.33
North Carolina Dept. of Revenue	P.O. Box 25000 Raleigh NC 27640 USA		2,960.38
North Dakota Office of State Tax	600 E Boulevard Ave Bismarck ND 58505 USA		250.00
Ohio Department of Taxation	P.O. Box 530 Columbus OH 43216 USA		4,230.27
Oklahoma Tax Commission	2501 N Lincoln Blvd Oklahoma City OK 73194 USA		1,307.38

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

- FORM 33 -  
 Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the Matter of the Proposal of  
 RDFN FUM Natural Products Ltd.  
 of the city of Calgary, in the Province of Alberta

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Pennsylvania Department of Revenue	P.O. Box 280946 Harrisburg PA 17128 USA		250.00
Prologis Management, LLC	3883 Howard Hughes Parkway, Suite 850 Las Vegas NV 89169 USA		34,508.75
Red Points Solutions S.L.	Berlin 38, 1st floor Barcelona 08029 Spain		12,240.00
Reddit, Inc.	548 Market Street #16093 San Francisco CA 94104 USA		37,533.08
Rhode Island Division of Taxation	One Capitol Hill Providence RI 02908 USA		475.29
Shedpoint Ventures, Lp	1212 34 Avenue Southeast Calgary AB T2G 1V7		1,665.03
Siena Labs Inc.	1209 Orange Street Wilmington DE 19801 USA		24,480.00
Simkins LLP	7-12 Tavistock Square, London WC1H 9LT London UK		44,888.34
South Carolina Dept. of Revenue	P.O. Box 125 Columbia SC 29214 USA		250.00
South Dakota Dept. of Revenue	445 E Capitol Ave Pierre SD 57501 USA		250.00
Tennessee Department of Revenue	P.O. Box 20207 Nashville TN 37202 USA		3,467.83
Texas Comptroller of Public Accounts	P.O. Box 13528 Austin TX 78711 USA		9,064.43
ThoughtLeaders, LTD	27 Carlabeck St Tel Aviv 6713223 Israel		209,582.80
Transformative Legal, LLC	4160 N Craftsman Court, Suite 204 Scottsdale AZ 85251 USA		70,510.68
Utah State Tax Commission	210 N 1950 W Salt Lake City UT 84134 USA		1,475.93

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

- FORM 33 -  
 Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the Matter of the Proposal of  
 RDFN FUM Natural Products Ltd.  
 of the city of Calgary, in the Province of Alberta

<b>List of Creditors with claims of \$250 or more.</b>			
Creditor	Address	Account#	Claim Amount
Vermont Department of Taxes	133 State Street Montpelier VT 05633 USA		250.00
Virginia Department of Taxation	P.O. Box 2158 Richmond VA 23218 USA		2,484.62
Washington Dept. of Revenue	P.O. Box 47474 Olympia WA 98504 USA		6,306.25
Wayflyer Limited	28-32 Upper Pembroke Street Dublin Ireland		635,651.76
WebBank	100 Shockoe Slip, 2nd Floor Richmond VA 23219 USA		993,221.41
West Virginia State Tax Dept.	P.O. Box 3784 Charleston WV 25337 USA		843.68
Wisconsin Department of Revenue	P.O. Box 8901 Madison WI 53708 USA		1,948.93
Wyoming Department of Revenue	122 West 25th St Cheyenne WY 82002 USA		250.00
ZonKeepers	55 Plaza Pde Suite 103, Tower 2, Queensland Maroochydore 04558 Australia		1,015.92
<b>Total</b>			<b>7,874,299.24</b>

*Braeden Pauls*

RDFN FUM Natural Products Ltd.  
 Insolvent Person

## Exhibit "A"

Name	Address	City	Province/State	Postal code/ZIP	Country
Business Development Bank of Canada	5 Place Ville Marie, Montreal, QC H3B 2G2	Montreal	QC	H3B 2G2	Canada
Abstrax Tech	1672 Reynolds Ave	Irvine	CA	92614	USA
Adopter Media, LLC	7495 West Azure Drive, Suite 110	Las Vegas	NV	89130	USA
ADVANCED LIGHTING SERV...	940 Empire Mesa Way	Las Vegas	NV	89011	USA
Alabama Department of Revenue	50 North Ripley Street	Montgomery	AL	36130	USA
American Express Canada Inc.	222 Bay St Suite 2200	Toronto	ON	M5K 1E1	Canada
Arizona Department of Revenue	1600 West Monroe Street	Phoenix	AZ	85007	USA
Arkansas Dept. of Finance & Admin.	P.O. Box 9941	Little Rock	AR	72203	USA
Australia GST	PO Box 9003, NSW	Penrith		02740	Australia
Best Creation Technology	Shenzhen, Guangdong	Shenzhen			China
BFL Metal Products Co., Ltd.	Huayi Decoration Materials City, Guangdong	Foshan			China
California Dept. of Tax & Fee Admin.	P.O. Box 942879	Sacramento	CA	94279	USA
Cassels Brock & Blackwell LLP	Suite 3200, 40 Temperance St	Toronto	ON	M5H 0B4	Canada
Common Thread Collective, LLC	66 W Flagler Street, Suite 900 - #2039	Miami	FL	33130	USA
CW Publishing	Capital House, 6th Floor 25 Chapel Street, London NW1 5DH	London			UK
Colorado Department of Revenue	P.O. Box 17087	Denver	CO	80217	USA
Connecticut Dept. of Revenue Services	450 Columbus Blvd - Suite 1	Hartford	CT	06103	USA
Design 1st, Inc.	1840 Woodward Drive, Suite-1	Ottawa	ON	K2C 0P7	Canada
DHL eCommerce	2700 South Commerce Pkwy, Suite 300	Weston	FL	33331	USA
Epsilon Economics	111 S Wacker Drive, Suite 5001	Chicago	IL	60606	USA
Flexport International, LLC	100 California Street, 5th Floor	San Francisco	CA	94111	USA
Florida Department of Revenue	5050 W Tennessee St	Tallahassee	FL	32399	USA
Georgia Department of Revenue	1800 Century Boulevard NE	Atlanta	GA	30345	USA
Google LLC	1600 Amphitheatre Pkwy	Mountain View	CA	94043	USA
GrayRobinson, PA	Post Office Box 3068	Orlando	FL	32802	USA
Hawaii Department of Taxation	P.O. Box 259	Honolulu	HI	96809	USA
Hill&Foster Inc.	1112 9 St SW	Calgary	AB	T2R 1C4	Canada
Howard Employment Law	1385 West 8th Ave, Suite 400	Vancouver	BC	V6H 3V9	Canada
Humani HR Inc.	1400-18 King St E	Toronto	ON	M5C 1C4	Canada
Idaho State Tax Commission	P.O. Box 36	Boise	ID	83722	USA
Illinois Department of Revenue	P.O. Box 19035	Springfield	IL	62794	USA
Indiana Department of Revenue	100 N Senate Ave	Indianapolis	IN	46204	USA
Iowa Department of Revenue	1305 E Walnut Street	Des Moines	IA	50319	USA
J. J. Keller & Associates	3003 Breezewood Ln	Nenah	WI	54956	USA
Kansas Department of Revenue	P.O. Box 3506	Topeka	KS	66625	USA
Kentucky Department of Revenue	P.O. Box 5222	Frankfort	KY	40602	USA
KPMG LLP	2200, 10175-101 Street	Edmonton	AB	T5J 0H3	Canada
Landsberg Orora, LLC	4775 W Harmon Ave	Las Vegas	NV	89103	USA
Loop Solutions Inc.	251, Little Falls Drive	Wilmington	DE	19808	USA
Louisiana Department of Revenue	617 North Third Street	Baton Rouge	LA	70821	USA
Maine Revenue Services	P.O. Box 1060	Augusta	ME	04332	USA
Maryland Comptroller of Maryland	80 West Street	Annapolis	MD	21401	USA
Massachusetts Dept. of Revenue	P.O. Box 7010	Boston	MA	02204	USA
Meta Platforms, Inc.	1 Hacker Way	Menlo Park	CA	94025	USA
Michigan Department of Treasury	430 West Allegan Street	Lansing	MI	48922	USA
Minnesota Department of Revenue	600 N Robert Street	St. Paul	MN	55101	USA
Mississippi Department of Revenue	P.O. Box 22808	Jackson	MS	39225	USA
Missouri Department of Revenue	301 West High Street	Jefferson City	MO	65101	USA
Money MX Consulting Group	1801-1 Yonge Street	Toronto	ON	M5E 1W7	Canada
MORRISON & FOERSTER LLP	P.O. BOX 742335	Los Angeles	CA	90074	USA
Nebraska Dept. of Revenue	P.O. Box 94818	Lincoln	NE	68509	USA
Nevada Department of Taxation	1550 College Parkway Suite 115	Carson City	NV	89706	USA
New Jersey Division of Taxation	P.O. Box 999	Trenton	NJ	08646	USA
New Mexico Taxation & Revenue	P.O. Box 630	Santa Fe	NM	87504	USA
New York State Dept. of Taxation & Finance	W.A. Harriman Campus	Albany	NY	12227	USA
NoFraud LLC	228 Park Ave S PMB 17422	New York	NY	10003	USA
North Carolina Dept. of Revenue	P.O. Box 25000	Raleigh	NC	27640	USA
North Dakota Office of State Tax	600 E Boulevard Ave	Bismarck	ND	58505	USA
Ohio Department of Taxation	P.O. Box 530	Columbus	OH	43216	USA
Oklahoma Tax Commission	2501 N Lincoln Blvd	Oklahoma City	OK	73194	USA
Pennsylvania Department of Revenue	P.O. Box 280946	Harrisburg	PA	17128	USA
Prologis Management, LLC	3883 Howard Hughes Parkway, Suite 850	Las Vegas	NV	89169	USA
Red Points Solutions S.L.	Berlin 38, 1st floor	Barcelona		08029	Spain
Reddit, Inc.	548 Market Street #16093	San Francisco	CA	94104	USA
Rhode Island Division of Taxation	One Capitol Hill	Providence	RI	02908	USA
Shedpoint Ventures, Lp	1212 34 Avenue Southeast	Calgary	AB	T2G 1V7	Canada
Siena Labs Inc.	1209 Orange Street	Wilmington	DE	19801	USA
Simkins LLP	7-12 Tavistock Square, London WC1H 9LT	London			UK
South Carolina Dept. of Revenue	P.O. Box 125	Columbia	SC	29214	USA
South Dakota Dept. of Revenue	445 E Capitol Ave	Pierre	SD	57501	USA
Tennessee Department of Revenue	P.O. Box 20207	Nashville	TN	37202	USA
Texas Comptroller of Public Accounts	P.O. Box 13528	Austin	TX	78711	USA
ThoughtLeaders, LTD	27 Carlabech St	Tel Aviv		6713223	Israel
Transformative Legal, LLC	4160 N Craftsman Court, Suite 204	Scottsdale	AZ	85251	USA
Utah State Tax Commission	210 N 1950 W	Salt Lake City	UT	84134	USA
Vermont Department of Taxes	133 State Street	Montpelier	VT	05633	USA
Virginia Department of Taxation	P.O. Box 2158	Richmond	VA	23218	USA
Washington Dept. of Revenue	P.O. Box 47474	Olympia	WA	98504	USA
Wayflyer Limited	28-32 Upper Pembroke Street	Dublin			Ireland
WebBank	100 Shockoe Slip, 2nd Floor	Richmond	VA	23219	USA
West Virginia State Tax Dept.	P.O. Box 3784	Charleston	WV	25337	USA
Wisconsin Department of Revenue	P.O. Box 8901	Madison	WI	53708	USA
Wyoming Department of Revenue	122 West 25th St	Cheyenne	WY	82002	USA
ZonKeepers	55 Plaza Pde Suite 103, Tower 2, Queensland	Maroochydore		04558	Australia

District of: Alberta  
Division No. 02 - Calgary  
Court No. 25-3329616  
Estate No. 25-3329616

Affidavit of Mailing

In the Matter of the Proposal of  
RDFN FUM Natural Products Inc.  
Of the City of Wilmington, in the state of Delaware, USA

I, Shailesh Agrawal, of the Trustee's office of Alvarez & Marsal Canada Inc., Bow Valley Square 4, Suite 1110, 250 6th Ave SW, Calgary, AB, T2P 3H7, hereby make oath (or solemnly affirm) and say:

That on the 10 day of February 2026, I did cause to be sent by prepaid ordinary mail to the known creditors of the above named debtor, whose names and addresses appear on the paper writing marked Exhibit "A" annexed hereto, a copy of: Form 33, Notice of Intention to Make a Proposal, the Certificate of Filing and the Consent of the Trustee to Act.



---

Shailesh Agrawal  
Phone: (403) 538-7555  
Fax: (403) 538-7551

SWORN (or SOLEMNLY DECLARED) before me in the city of Calgary in the Province of Alberta, this 17th day of February 2026.



---

Brinton Wolever, Commissioner of Oaths  
For the Province of Alberta  
Expires February 6, 2027  
Appointee # 0773543



February 9, 2026

**In the Matter of the Notice of Intention to Make a Proposal of  
RDFN FUM Natural Products Inc.**

**TO THE CREDITORS OF RDFN FUM NATURAL PRODUCTS INC.:**

On February 4, 2026, RDFN FUM Natural Products Inc. (the “**Company**”) filed a Notice of Intention to Make a Proposal (the “**NOI**”) pursuant to Section 50.4(1) of the *Bankruptcy and Insolvency Act (Canada)*, R.S.C. 1985, c. B-3 (the “**BIA**”) and Alvarez & Marsal Canada Inc. (“**A&M**”) was appointed as Proposal Trustee of the Company (the “**Proposal Trustee**”). A copy of the NOI, together with the list of creditors, are enclosed herewith. This information, along with other relevant materials, is also available at the Proposal Trustee’s website at: [www.alvarezandmarsal.com/FUM](http://www.alvarezandmarsal.com/FUM).

Please be advised that the Company is not bankrupt and has availed itself of a procedure whereby an insolvent person, with creditor and Court approval, restructures its financial affairs. The role of the Proposal Trustee in this matter is to monitor the cash flow of the Company during the restructuring process, to assist with the development of the Proposal, and to liaise with creditors, who will ultimately make the decision regarding the Proposal.

Pursuant to section 69.1 (1) of the BIA, upon the filing of the NOI, that being February 4, 2026, no creditor shall have any remedy against the Company or its property or shall commence or continue any action, execution or other proceedings for the recovery of a claim provable in bankruptcy until the bankruptcy of the Company.

The Company is required to file a Proposal within 30 days from the date of filing of the NOI unless the Company is granted an extension from the Court for a period not exceeding 45 days for any individual extension and not exceeding 5 months, in aggregate, after the expiry of the initial 30 day period.

The amounts indicated on the attached list of creditors were estimated by the Company as at the date of filing the NOI. If you do not agree with the amount, **you do not need to notify the Proposal Trustee of any discrepancies in the claim amount at this time.** You will be provided an opportunity prove your claim when a Proof of Claim form and related documentation are sent to you at a later date.

Should you require any further information with respect to this matter, please feel free to contact the Proposal Trustee by email at [FUM@alvarezandmarsal.com](mailto:FUM@alvarezandmarsal.com) or visit the Proposal Trustee’s website.

Yours very truly,

Alvarez & Marsal Canada Inc.,  
in its capacity as Proposal Trustee of  
RDFN FUM Natural Products Inc., and not in its personal or corporate capacity

Per:

Orest Konowalchuk, Licensed Insolvency Trustee  
Senior Vice President

Enclosure



Industry Canada  
Office of the Superintendent  
of Bankruptcy Canada

Industrie Canada  
Bureau du surintendant  
des faillites Canada

District of: Alberta  
Division No.: 02 - Calgary  
Court No.: 25-3329616  
Estate No.: 25-3329616

In the Matter of the Notice of Intention to make a proposal of:

**RDFN FUM Natural Products Inc.**

Insolvent Person

**ALVAREZ & MARSAL CANADA INC.**

Licensed Insolvency Trustee

---

Date of the Notice of Intention:

February 04, 2026

---

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL  
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: February 05, 2026, 10:51

E-File/Dépôt Electronique

Official Receiver

Harry Hays Building, 220 - 4th Ave SE, Suite 478, Calgary, Alberta, Canada, T2G4X3, (877)376-9902

**Canada**

**CONSENT TO ACT AS TRUSTEE  
IN THE MATTER OF THE DIVISION I PROPOSAL OF  
RDFN FUM Natural Products Inc.  
OF THE CITY OF CALGARY, IN THE PROVINCE OF ALBERTA**

We, ALVAREZ & MARSAL CANADA INC., of Bow Valley Square 4, Suite 1110, 250 6<sup>th</sup> Avenue S.W., Calgary, AB T2P 3H7, CONSENT to our acting as Trustee under the Division I proposal and in respect of the Notice of Intention to Make a Proposal of RDFN FUM Natural Products Inc. contemplated herein.

Dated at Calgary, Alberta this 4<sup>th</sup> day of February, 2026.

**Alvarez & Marsal Canada Inc.**  
*Licensed Insolvency Trustee*

**Per:**

  
\_\_\_\_\_  
**Orest Konowalchuk, LIT**  
**Senior Vice President**  
*Licensed Insolvency Trustee*

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

- FORM 33 -  
Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

In the Matter of the Proposal of  
RDFN FUM Natural Products Inc.  
of the city of Wilmington, in the state of Delaware, USA

Take notice that:

1. I, RDFN FUM Natural Products Inc., an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. Alvarez & Marsal Canada Inc. of Bow Valley Square 4, Suite 1110, 250 6th Ave SW, Calgary, AB, T2P 3H7, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the city of Calgary in the Province of Alberta, this 4th day of February 2026.

*Braeden Pauls*

---

RDFN FUM Natural Products Inc.  
Insolvent Person

To be completed by Official Receiver:

Feb 4 2026

---

Filing Date

---

Official Receiver

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

- FORM 33 -  
Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

In the Matter of the Proposal of  
RDFN FUM Natural Products Inc.  
of the city of Wilmington, in the state of Delaware, USA

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Clearco Funding Inc.	100 King St W Suite 1600, Toronto, ON M5X 1A9 Toronto ON M5X 1A9		1,007,446.10
Ramp Business Corporation	28 W 23rd St, Floor 2 New York NY 10010 USA		95,689.06
Shopify Inc.	151 O'Connor St Ottawa On K2P 2L8		73,315.89
WebBank	100 Shockoe Slip, 2nd Floor, Richmond, VA 23219 Richmond VA 23219 USA		103,883.06
<b>Total</b>			1,280,334.11

*Braeden Pauls*

---

RDFN FUM Natural Products Inc.  
Insolvent Person

**Exhibit "A"**

<b>Name</b>	<b>Address</b>	<b>City</b>	<b>Province/State</b>	<b>Postal code/ZIP</b>	<b>Country</b>
Clearco Funding Inc.	100 King St W Suite 1600, Toronto, ON M5X 1A9	Toronto	ON	M5X 1A9	Canada
WebBank	100 Shockoe Slip, 2nd Floor, Richmond, VA 23219	Richmond	VA	23219	USA
Ramp Business Corporation	28 W 23rd St, Floor 2	New York	NY	10010	USA
Shopify Inc.	151 O'Connor St	Ottawa	On	K2P 2L8	Canada

## APPENDIX C

District of: Alberta  
Division No. 02 - Calgary  
Court No.  
Estate No. 25-3329616

- FORM 30 -

Report on Cash-Flow Statement by the Person Making the Proposal  
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the Matter of the Proposal of  
RDFN FUM Natural Products Inc.  
of the city of Wilmington, in the state of Delaware, USA

The Management of RDFN FUM Natural Products Inc., has/have developed the assumptions and prepared the attached statement of projected cash flow of the insolvent person, as of the 13th day of February 2026, consisting of a 13-week cash flow statement and accompanying notes and assumptions..

The hypothetical assumptions are reasonable and consistent with the purpose of the projection described in the notes attached, and the probable assumptions are suitably supported and consistent with the plans of the insolvent person and provide a reasonable basis for the projection. All such assumptions are disclosed in the notes attached.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

The projection has been prepared solely for the purpose described in the notes attached, using a set of hypothetical and probable assumptions set out in the notes attached. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Dated at the city of Calgary in the Province of Alberta, this 13th day of February 2026.

*Braeden Pauls*

---

RDFN FUM Natural Products Inc.  
Debtor

**Braeden Pauls, CEO**

---

Name and title of signing officer

---

Name and title of signing officer

District of: Alberta  
Division No. 02 - Calgary  
Court No.  
Estate No. 25-3329616

FORM 30 - Attachment  
Report on Cash-Flow Statement by the Person Making the Proposal  
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the Matter of the Proposal of  
RDFN FUM Natural Products Inc.  
of the city of Wilmington, in the state of Delaware, USA

Purpose:

Please refer to the additional items attached.

Projection Notes:

Please refer to the additional items attached.

Assumptions:

Please refer to the additional items attached.

Dated at the city of Calgary in the Province of Alberta, this 13th day of February 2026.

*Braeden Pauls*

---

RDFN FUM Natural Products Inc.  
Debtor

District of: Alberta  
Division No. 02 - Calgary  
Court No.  
Estate No. 25-3329616

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

In the Matter of the Proposal of  
RDFN FUM Natural Products Inc.  
of the city of Wilmington, in the state of Delaware, USA

The attached statement of projected cash flow of RDFN FUM Natural Products Inc., as of the 13th day of February 2026, consisting of a 13-week cash flow statement and accompanying notes and assumptions, has been prepared by the management of the insolvent person (or the insolvent debtor) for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached.

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

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

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

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

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

Dated at the city of Calgary in the Province of Alberta, this 13th day of February 2026.

Alvarez & Marsal Canada Inc. - Licensed Insolvency Trustee  
Per:



---

Orest Konowalchuk - Licensed Insolvency Trustee  
Bow Valley Square 4  
Suite 1110, 250 6th Ave SW  
Calgary AB T2P 3H7  
Phone: (403) 538-7555 Fax: (403) 538-7551

District of: Alberta  
Division No. 02 - Calgary  
Court No.  
Estate No. 25-3329616

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

In the Matter of the Proposal of  
RDFN FUM Natural Products Inc.  
of the city of Wilmington, in the state of Delaware, USA

Purpose:

Please refer to the additional items attached.

Projection Notes:

Please refer to the additional items attached.

Assumptions:

Please refer to the additional items attached.

Dated at the city of Calgary in the Province of Alberta, this 13th day of February 2026.

Alvarez & Marsal Canada Inc. - Licensed Insolvency Trustee

Per:



---

Orest Konowalchuk - Licensed Insolvency Trustee  
Bow Valley Square 4  
Suite 1110, 250 6th Ave SW  
Calgary AB T2P 3H7  
Phone: (403) 538-7555 Fax: (403) 538-7551

RDFN FUM Natural Products Ltd. and RDFN FUM Natural Products Inc.  
13-Week Cash Flow Forecast ending May 16, 2026  
Unaudited \$CAD 000's

	Notes	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	13 Week
	week ended	21-Feb	28-Feb	7-Mar	14-Mar	21-Mar	28-Mar	4-Apr	11-Apr	18-Apr	25-Apr	2-May	9-May	16-May	Total
<b>Receipts</b>															
Sales	1	\$ 386	\$ 386	\$ 435	\$ 435	\$ 435	\$ 435	\$ 435	\$ 422	\$ 422	\$ 422	\$ 422	\$ 415	\$ 415	\$ 5,465
Sales tax collections		37	37	42	42	42	42	42	40	40	40	40	40	40	524
<b>Total Receipts</b>		<b>423</b>	<b>423</b>	<b>477</b>	<b>477</b>	<b>477</b>	<b>477</b>	<b>477</b>	<b>462</b>	<b>462</b>	<b>462</b>	<b>462</b>	<b>455</b>	<b>455</b>	<b>5,989</b>
<b>Disbursements</b>															
Inventory purchasing	2	-	157	46	14	-	20	-	587	-	-	-	-	-	824
Marketing	3	-	438	-	54	-	-	486	-	52	-	471	-	51	1,552
Shipping	4	47	47	53	53	53	53	53	51	51	51	51	50	50	663
Platform payments	5	16	16	16	16	16	16	16	16	16	16	16	16	16	208
Payroll, benefits and payroll taxes	6	100	-	100	-	100	-	-	100	-	100	-	100	-	600
Rent	7	-	36	-	-	-	36	-	-	-	36	-	-	-	108
Restructuring professional fees (Canada)	8	42	260	-	-	35	-	185	-	35	-	185	-	35	777
Restructuring professional fees (US)	8	-	54	-	-	-	-	54	-	-	-	34	-	-	142
Other general and administrative costs	9	14	14	13	53	13	13	13	53	13	13	13	54	14	293
Sales tax remittance	10	213	-	-	-	133	-	-	-	-	152	-	-	-	498
Critical supplier payments	11	101	101	101	101	-	-	-	-	-	-	-	-	-	404
<b>Total Disbursements</b>		<b>533</b>	<b>1,123</b>	<b>329</b>	<b>291</b>	<b>350</b>	<b>138</b>	<b>807</b>	<b>807</b>	<b>167</b>	<b>368</b>	<b>770</b>	<b>220</b>	<b>166</b>	<b>6,069</b>
<b>Net Cash Flow</b>		<b>(110)</b>	<b>(700)</b>	<b>148</b>	<b>186</b>	<b>127</b>	<b>339</b>	<b>(330)</b>	<b>(345)</b>	<b>295</b>	<b>94</b>	<b>(308)</b>	<b>235</b>	<b>289</b>	<b>(80)</b>
<b>Cash Position</b>															
Opening cash balance		1,187	1,193	493	641	827	954	1,293	963	618	913	1,007	699	934	1,187
Net Cash Flow		(110)	(700)	148	186	127	339	(330)	(345)	295	94	(308)	235	289	(80)
<b>Ending Cash Balance</b>		<b>\$ 1,077</b>	<b>\$ 493</b>	<b>\$ 641</b>	<b>\$ 827</b>	<b>\$ 954</b>	<b>\$ 1,293</b>	<b>\$ 963</b>	<b>\$ 618</b>	<b>\$ 913</b>	<b>\$ 1,007</b>	<b>\$ 699</b>	<b>\$ 934</b>	<b>\$ 1,223</b>	<b>\$ 1,107</b>

This unaudited statement of projected cash flow was prepared by management in accordance with Section 50.4(2) of the *Bankruptcy and Insolvency Act* using probable and hypothetical assumptions set out in Notes 1-11 and should be read in conjunction with (i) the attached Notes; (ii) the accompanying Report on Cash Flow Statement by RDFN FUM Natural Products Ltd. and RDFN FUM Natural Products Inc.; and (iii) the Proposal Trustee's Report on the Cash-Flow Statement.

Dated as at February 13, 2026

RDFN FUM Natural Products Ltd. and  
RDFN FUM Natural Products Inc.

  
Mr. Braeden Pauls, Chief Executive Officer

Alvarez & Marsal Canada Inc., in its capacity  
as Proposal Trustee of RDFN FUM Natural Products Ltd. and  
RDFN FUM Natural Products Inc.

  
Orest Konowalchuk, CPA, CA, CIRP, LIT  
Senior Vice President

In the Matter of the Notice of Intention  
to make a Proposal of  
RDFN FUM Natural Products Ltd. and RDFN FUM Natural Products Inc.

**Notes to the Consolidated Statement of Cash Flow for the 13-week  
period ending May 16, 2026**

**Purpose and General Assumptions of the Cash Flow Statement**

RDFN FUM Natural Products Ltd. and RDFN FUM Natural Products Inc. (together, “**FUM**” or the “**Company**”) has prepared this Cash Flow Statement and the accompanying Notes to the Cash Flow Statement (collectively the “**Cash Flow Statement**”) in support of the proposal proceedings that has been filed under the Bankruptcy and Insolvency Act (“**BIA**”) on February 4, 2026 (the “**Filing Date**”).

The Company has prepared the Cash Flow Statement based on probable and hypothetical assumptions that reflect the Company’s planned course of action for the period from February 13, 2026 to May 16, 2026 (the “**Cash Flow Period**”). Management is of the opinion that, as at the date of filing the Cash Flow Statement, the assumptions used to develop the projection represent the most probable set of economic conditions facing the Company and that the assumptions used proved a reasonable basis for and are consistent with the purpose of the Cash Flow Statement.

The information contained in the Cash Flow Statement is subject to changing assumptions and/or receipt of new or additional information; actual results may vary. This Cash Flow Statement should not be used for any other purpose, and creditors are cautioned that the information provided in the Cash Flow Statement could vary based on changing future circumstances.

The projected cash flow statement is prepared in Canadian dollars.

**Hypothetical and Probable Assumptions of the Cash Flow Statement**

1. Sales (presented net of sales tax) are highly correlated with the Company’s level of marketing and is based on historical revenues and the Company’s anticipated ongoing sales volumes of its wellness products. Approximately 70% of sales are generated in the United States with the balance of sales generated in Canada, the United Kingdom, Australia and elsewhere.
2. Inventory purchases are based on expected cost of current purchase orders paid on various payments terms to maintain appropriate stock of saleable goods. The Company currently has a significant stock of inventory on hand and anticipates a significant restocking of its primary wellness products to occur in or around Week 11.
3. Marketing costs are based on historical marketing performance and the anticipated necessary marketing spend to generate the sales values represented in Note 1. This value has been determined to be the optimal amount of marketing spend for maximum profitability.
4. Shipping is the estimated cost to ship products from the warehouse to customers for sold orders and is based on historical costs representing approximately 10% to 15% of sales.
5. Platform payments are the costs of online sales platforms (e.g. Shopify), platform subscriptions and software necessary for operations.

6. Payroll, benefits and payroll taxes includes salaries, wages, source deductions and employee medical benefits for 18 employees consisting of eleven (11) in Canada, six (6) in the United States and one (1) in the United Kingdom. Payroll is paid on a semi-monthly basis.
7. Rent includes monthly disbursements for the Company's sole warehouse and shipping location located in Las Vegas, Nevada and an office in Calgary, Alberta.
8. Restructuring professional fees include the estimated fees and disbursements of the Company's Canadian and United States legal counsels as well as the Proposal Trustee and its legal counsel.
9. Other general and administrative costs include costs for, among other things, accounting support and bookkeeping, insurance, supplies and utilities.
10. Sales tax remittances include estimates of the remittance of sales tax for products sold.
11. Critical supplier payments include estimated potential payments of accounts due and owing prior to the Filing Date to several suppliers deemed critical to the operations by the Company.

District of: Alberta  
Division No. 02 - Calgary  
Court No.  
Estate No. 25-3329581

- FORM 30 -

Report on Cash-Flow Statement by the Person Making the Proposal  
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the Matter of the Proposal of  
RDFN FUM Natural Products Ltd.  
of the city of Calgary, in the Province of Alberta

The Management of RDFN FUM Natural Products Ltd., has/have developed the assumptions and prepared the attached statement of projected cash flow of the insolvent person, as of the 13th day of February 2026, consisting of a 13-week cash flow statement and accompanying notes and assumptions..

The hypothetical assumptions are reasonable and consistent with the purpose of the projection described in the notes attached, and the probable assumptions are suitably supported and consistent with the plans of the insolvent person and provide a reasonable basis for the projection. All such assumptions are disclosed in the notes attached.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

The projection has been prepared solely for the purpose described in the notes attached, using a set of hypothetical and probable assumptions set out in the notes attached. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Dated at the city of Calgary in the Province of Alberta, this 13th day of February 2026.

*Braeden Pauls*

---

RDFN FUM Natural Products Ltd.  
Debtor

Braeden Pauls, CEO

---

Name and title of signing officer

---

Name and title of signing officer

District of: Alberta  
Division No. 02 - Calgary  
Court No.  
Estate No. 25-3329581

FORM 30 - Attachment  
Report on Cash-Flow Statement by the Person Making the Proposal  
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the Matter of the Proposal of  
RDFN FUM Natural Products Ltd.  
of the city of Calgary, in the Province of Alberta

Purpose:

Please refer to the additional items attached.

Projection Notes:

Please refer to the additional items attached.

Assumptions:

Please refer to the additional items attached.

Dated at the city of Calgary in the Province of Alberta, this 13th day of February 2026.

*Braeden Pauls*

---

RDFN FUM Natural Products Ltd.  
Debtor

District of: Alberta  
Division No. 02 - Calgary  
Court No.  
Estate No. 25-3329581

-- FORM 29 --

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

In the Matter of the Proposal of  
RDFN FUM Natural Products Ltd.  
of the city of Calgary, in the Province of Alberta

The attached statement of projected cash flow of RDFN FUM Natural Products Ltd., as of the 13th day of February 2026, consisting of a 13-week cash flow statement and accompanying notes and assumptions, has been prepared by the management of the insolvent person (or the insolvent debtor) for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached.

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

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

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

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

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

Dated at the city of Calgary in the Province of Alberta, this 13th day of February 2026.

Alvarez & Marsal Canada Inc. - Licensed Insolvency Trustee  
Per:



---

Orest Konowalchuk - Licensed Insolvency Trustee  
Bow Valley Square 4  
Suite 1110, 250 6th Ave SW  
Calgary AB T2P 3H7  
Phone: (403) 538-7555 Fax: (403) 538-7551

District of: Alberta  
Division No. 02 - Calgary  
Court No.  
Estate No. 25-3329581

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

In the Matter of the Proposal of  
RDFN FUM Natural Products Ltd.  
of the city of Calgary, in the Province of Alberta

Purpose:

Please refer to the additional items attached.

Projection Notes:

Please refer to the additional items attached.

Assumptions:

Please refer to the additional items attached.

Dated at the city of Calgary in the Province of Alberta, this 13th day of February 2026.

Alvarez & Marsal Canada Inc. - Licensed Insolvency Trustee  
Per:



---

Orest Konowalchuk - Licensed Insolvency Trustee  
Bow Valley Square 4  
Suite 1110, 250 6th Ave SW  
Calgary AB T2P 3H7  
Phone: (403) 538-7555 Fax: (403) 538-7551

RDFN FUM Natural Products Ltd. and RDFN FUM Natural Products Inc.  
13-Week Cash Flow Forecast ending May 16, 2026  
Unaudited \$CAD 000's

	Notes	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	13 Week
	week ended	21-Feb	28-Feb	7-Mar	14-Mar	21-Mar	28-Mar	4-Apr	11-Apr	18-Apr	25-Apr	2-May	9-May	16-May	Total
<b>Receipts</b>															
Sales	1	\$ 386	\$ 386	\$ 435	\$ 435	\$ 435	\$ 435	\$ 435	\$ 422	\$ 422	\$ 422	\$ 422	\$ 415	\$ 415	\$ 5,465
Sales tax collections		37	37	42	42	42	42	42	40	40	40	40	40	40	524
<b>Total Receipts</b>		<b>423</b>	<b>423</b>	<b>477</b>	<b>477</b>	<b>477</b>	<b>477</b>	<b>477</b>	<b>462</b>	<b>462</b>	<b>462</b>	<b>462</b>	<b>455</b>	<b>455</b>	<b>5,989</b>
<b>Disbursements</b>															
Inventory purchasing	2	-	157	46	14	-	20	-	587	-	-	-	-	-	824
Marketing	3	-	438	-	54	-	-	486	-	52	-	471	-	51	1,552
Shipping	4	47	47	53	53	53	53	53	51	51	51	50	50	50	663
Platform payments	5	16	16	16	16	16	16	16	16	16	16	16	16	16	208
Payroll, benefits and payroll taxes	6	100	-	100	-	100	-	-	100	-	100	-	100	-	600
Rent	7	-	36	-	-	-	36	-	-	-	36	-	-	-	108
Restructuring professional fees (Canada)	8	42	260	-	-	35	-	185	-	35	-	185	-	35	777
Restructuring professional fees (US)	8	-	54	-	-	-	-	54	-	-	-	34	-	-	142
Other general and administrative costs	9	14	14	13	53	13	13	13	53	13	13	13	54	14	293
Sales tax remittance	10	213	-	-	-	133	-	-	-	-	152	-	-	-	498
Critical supplier payments	11	101	101	101	101	-	-	-	-	-	-	-	-	-	404
<b>Total Disbursements</b>		<b>533</b>	<b>1,123</b>	<b>329</b>	<b>291</b>	<b>350</b>	<b>138</b>	<b>807</b>	<b>807</b>	<b>167</b>	<b>368</b>	<b>770</b>	<b>220</b>	<b>166</b>	<b>6,069</b>
<b>Net Cash Flow</b>		<b>(110)</b>	<b>(700)</b>	<b>148</b>	<b>186</b>	<b>127</b>	<b>339</b>	<b>(330)</b>	<b>(345)</b>	<b>295</b>	<b>94</b>	<b>(308)</b>	<b>235</b>	<b>289</b>	<b>(80)</b>
<b>Cash Position</b>															
Opening cash balance		1,187	1,193	493	641	827	954	1,293	963	618	913	1,007	699	934	1,187
Net Cash Flow		(110)	(700)	148	186	127	339	(330)	(345)	295	94	(308)	235	289	(80)
<b>Ending Cash Balance</b>		<b>\$ 1,077</b>	<b>\$ 493</b>	<b>\$ 641</b>	<b>\$ 827</b>	<b>\$ 954</b>	<b>\$ 1,293</b>	<b>\$ 963</b>	<b>\$ 618</b>	<b>\$ 913</b>	<b>\$ 1,007</b>	<b>\$ 699</b>	<b>\$ 934</b>	<b>\$ 1,223</b>	<b>\$ 1,107</b>

This unaudited statement of projected cash flow was prepared by management in accordance with Section 50.4(2) of the *Bankruptcy and Insolvency Act* using probable and hypothetical assumptions set out in Notes 1-11 and should be read in conjunction with (i) the attached Notes; (ii) the accompanying Report on Cash Flow Statement by RDFN FUM Natural Products Ltd. and RDFN FUM Natural Products Inc.; and (iii) the Proposal Trustee's Report on the Cash-Flow Statement.

Dated as at February 13, 2026

RDFN FUM Natural Products Ltd. and  
RDFN FUM Natural Products Inc.

  
Mr. Braeden Pauls, Chief Executive Officer

Alvarez & Marsal Canada Inc., in its capacity  
as Proposal Trustee of RDFN FUM Natural Products Ltd. and  
RDFN FUM Natural Products Inc.

  
Orest Konowalchuk, CPA, CA, CIRP, LIT  
Senior Vice President

In the Matter of the Notice of Intention  
to make a Proposal of  
RDFN FUM Natural Products Ltd. and RDFN FUM Natural Products Inc.

**Notes to the Consolidated Statement of Cash Flow for the 13-week  
period ending May 16, 2026**

**Purpose and General Assumptions of the Cash Flow Statement**

RDFN FUM Natural Products Ltd. and RDFN FUM Natural Products Inc. (together, “**FUM**” or the “**Company**”) has prepared this Cash Flow Statement and the accompanying Notes to the Cash Flow Statement (collectively the “**Cash Flow Statement**”) in support of the proposal proceedings that has been filed under the Bankruptcy and Insolvency Act (“**BIA**”) on February 4, 2026 (the “**Filing Date**”).

The Company has prepared the Cash Flow Statement based on probable and hypothetical assumptions that reflect the Company’s planned course of action for the period from February 13, 2026 to May 16, 2026 (the “**Cash Flow Period**”). Management is of the opinion that, as at the date of filing the Cash Flow Statement, the assumptions used to develop the projection represent the most probable set of economic conditions facing the Company and that the assumptions used proved a reasonable basis for and are consistent with the purpose of the Cash Flow Statement.

The information contained in the Cash Flow Statement is subject to changing assumptions and/or receipt of new or additional information; actual results may vary. This Cash Flow Statement should not be used for any other purpose, and creditors are cautioned that the information provided in the Cash Flow Statement could vary based on changing future circumstances.

The projected cash flow statement is prepared in Canadian dollars.

**Hypothetical and Probable Assumptions of the Cash Flow Statement**

1. Sales (presented net of sales tax) are highly correlated with the Company’s level of marketing and is based on historical revenues and the Company’s anticipated ongoing sales volumes of its wellness products. Approximately 70% of sales are generated in the United States with the balance of sales generated in Canada, the United Kingdom, Australia and elsewhere.
2. Inventory purchases are based on expected cost of current purchase orders paid on various payments terms to maintain appropriate stock of saleable goods. The Company currently has a significant stock of inventory on hand and anticipates a significant restocking of its primary wellness products to occur in or around Week 11.
3. Marketing costs are based on historical marketing performance and the anticipated necessary marketing spend to generate the sales values represented in Note 1. This value has been determined to be the optimal amount of marketing spend for maximum profitability.
4. Shipping is the estimated cost to ship products from the warehouse to customers for sold orders and is based on historical costs representing approximately 10% to 15% of sales.
5. Platform payments are the costs of online sales platforms (e.g. Shopify), platform subscriptions and software necessary for operations.

6. Payroll, benefits and payroll taxes includes salaries, wages, source deductions and employee medical benefits for 18 employees consisting of eleven (11) in Canada, six (6) in the United States and one (1) in the United Kingdom. Payroll is paid on a semi-monthly basis.
7. Rent includes monthly disbursements for the Company's sole warehouse and shipping location located in Las Vegas, Nevada and an office in Calgary, Alberta.
8. Restructuring professional fees include the estimated fees and disbursements of the Company's Canadian and United States legal counsels as well as the Proposal Trustee and its legal counsel.
9. Other general and administrative costs include costs for, among other things, accounting support and bookkeeping, insurance, supplies and utilities.
10. Sales tax remittances include estimates of the remittance of sales tax for products sold.
11. Critical supplier payments include estimated potential payments of accounts due and owing prior to the Filing Date to several suppliers deemed critical to the operations by the Company.

## **APPENDIX D**

**RDFN FUM Natural Products Ltd. and RDFN FUM Natural Products Inc.**  
**13-Week Cash Flow Forecast ending May 23, 2026**

Unaudited \$CAD 000's

	Week 1 28-Feb	Week 2 7-Mar	Week 3 14-Mar	Week 4 21-Mar	Week 5 28-Mar	Week 6 4-Apr	Week 7 11-Apr	Week 8 18-Apr	Week 9 25-Apr	Week 10 2-May	Week 11 9-May	Week 12 16-May	Week 13 23-May	13 Week Total
<b>Receipts</b>														
Sales	\$ 386	\$ 435	\$ 435	\$ 435	\$ 435	\$ 435	\$ 422	\$ 422	\$ 422	\$ 422	\$ 415	\$ 415	\$ 415	\$ 5,494
Sales tax collections	37	42	42	42	42	42	40	40	40	40	40	40	40	\$ 527
<b>Total Receipts</b>	<b>423</b>	<b>477</b>	<b>477</b>	<b>477</b>	<b>477</b>	<b>477</b>	<b>462</b>	<b>462</b>	<b>462</b>	<b>462</b>	<b>455</b>	<b>455</b>	<b>455</b>	<b>6,021</b>
<b>Disbursements</b>														
Inventory purchasing	157	46	14	-	20	-	587	-	-	-	-	-	-	824
Marketing	438	-	54	-	-	486	-	52	-	471	-	51	-	1,552
Shipping	47	53	53	53	53	53	51	51	51	50	50	50	51	667
Platform payments	16	16	16	16	16	16	16	16	16	16	16	16	16	208
Payroll, benefits and payroll taxes	90	100	-	100	-	-	100	-	100	-	100	-	101	691
Rent	36	-	-	-	36	-	-	-	36	-	-	-	-	108
Restructuring professional fees (Canada)	260	-	-	35	-	185	-	35	-	185	-	35	-	735
Restructuring professional fees (US)	54	-	-	-	-	54	-	-	-	34	-	-	-	142
Other general and administrative costs	14	13	53	13	13	13	53	13	13	13	54	14	14	293
Sales tax remittance	-	-	-	133	-	-	-	-	152	-	-	-	147	432
<b>Total Disbursements</b>	<b>1,112</b>	<b>228</b>	<b>190</b>	<b>350</b>	<b>138</b>	<b>807</b>	<b>807</b>	<b>167</b>	<b>368</b>	<b>770</b>	<b>220</b>	<b>166</b>	<b>329</b>	<b>5,652</b>
<b>Net Cash Flow</b>	<b>(689)</b>	<b>249</b>	<b>287</b>	<b>127</b>	<b>339</b>	<b>(330)</b>	<b>(345)</b>	<b>295</b>	<b>94</b>	<b>(308)</b>	<b>235</b>	<b>289</b>	<b>126</b>	<b>369</b>
<b>Cash Position</b>														
Opening cash balance	1,595	906	1,155	1,442	1,569	1,908	1,578	1,233	1,528	1,622	1,314	1,549	1,838	1,595
Net Cash Flow	(689)	249	287	127	339	(330)	(345)	295	94	(308)	235	289	126	369
<b>Ending Cash Balance</b>	<b>\$ 906</b>	<b>\$ 1,155</b>	<b>\$ 1,442</b>	<b>\$ 1,569</b>	<b>\$ 1,908</b>	<b>\$ 1,578</b>	<b>\$ 1,233</b>	<b>\$ 1,528</b>	<b>\$ 1,622</b>	<b>\$ 1,314</b>	<b>\$ 1,549</b>	<b>\$ 1,838</b>	<b>\$ 1,964</b>	<b>\$ 1,964</b>

UNAUDITED CASH FLOW PREPARED BY MANAGEMENT, MUST BE READ IN CONJUNCTION WITH THE NOTES AND ASSUMPTIONS

Dated as at February 26, 2026

RDFN FUM Natural Products Ltd. and  
RDFN FUM Natural Products Inc.

Alvarez & Marsal Canada Inc., in its capacity  
as Proposal Trustee of RDFN FUM Natural Products Ltd. and  
RDFN FUM Natural Products Inc.

*Braeden Pauls*

Mr. Braeden Pauls, Chief Executive Officer

*Orest Konowalchuk*

Orest Konowalchuk, CPA, CA, CIRP, LIT  
Senior Vice President



RDFN FUM Natural Products Ltd.  
1212 34 Ave SE, Calgary, AB T2G 1V7

---

February 26, 2026

Alvarez & Marsal Canada Inc.

Bow Valley Square 4

Suite 1110, 250 6th Ave SW

Calgary, AB T2P 3H7

Attention: Orest Konowalchuk

Dear Sirs:

**Re: RDFN FUM Natural Products Ltd. and RDFN FUM Natural Products Inc. (collectively, the “Companies”) – Companies’ Creditors Arrangement Act (“CCAA”) section 10(2) Prescribed Representations with Respect to Cash Flow Forecast**

In connection with the application of the Companies for the commencement of proceedings under the CCAA in respect of the Companies, the management of the Companies (“**Management**”) prepared the attached 13-week projected cash flow statement for the period February 21, 2026 to May 23, 2026 (the “**CCAA Cash Flow Forecast**”) and the assumptions on which the Cash Flow Statement is based.

The Companies confirm that:

1. The cash flow statement and the underlying assumptions are the responsibility of the Companies.
2. All material information relevant to the cash flow statement and to the underlying assumptions has been made available to Alvarez & Marsal Canada Inc. in its capacity as Proposed Monitor.



RDFN FUM Natural Products Ltd.  
1212 34 Ave SE, Calgary, AB T2G 1V7

---

3. Management has taken all actions that it considers necessary to ensure:
  - a. that the individual assumptions underlying the cash flow statement are appropriate in the circumstances;
  - b. that the assumptions underlying the cash flow statement, taken as a whole, are appropriate in the circumstances; and
  - c. that all relevant assumptions have been properly presented in the cash flow statement or in the notes accompanying the cash flow statement.
  
4. Management understands and agrees that the determination of what constitutes a material adverse change in the projected cash flow or financial circumstances, for the purposes of your monitoring the on-going activities of the Companies, is ultimately at your sole discretion, notwithstanding that Management may disagree with such determination.
  
5. Management understands its duties and obligations under the CCAA and that breach of these duties and obligations could make the Companies' Management liable to fines and imprisonment in certain circumstances.
  
6. The cash flow statement and assumptions have been reviewed and approved by the Companies' board of directors or Management has been duly authorized by the Companies' board of directors to prepare and approve the cash flow assumptions.

Yours Truly,

*Braeden Pauls*

---

Per: Mr. Braeden Pauls, Chief Executive Officer

**RDFN FUM Natural Products Ltd. and RDFN FUM Natural Products Inc.  
13-Week Cash Flow Forecast  
Notes and Summary of Assumptions**

**Disclaimer**

*RDFN FUM Natural Products Ltd. and RDFN FUM Natural Products Inc. (together, “**FUM**” or the “**Companies**”) prepared this consolidated Cash Flow Forecast and the accompanying Notes and Summary of Assumptions (collectively the “**Forecast**”) in support of their application under the Companies’ Creditors Arrangement Act (“**CCAA**”).*

*In preparing this Forecast, the Companies relied upon unaudited financial information and have not attempted to further verify the accuracy or completeness of such information. The Forecast includes assumptions described below with respect to the requirements and impact of a filing under the CCAA. Since the Forecast is based on assumptions about future events and conditions that are not ascertainable, the actual results achieved during the period February 21, 2026 to May 23, 2026 (the “**Cash Flow Period**”) will vary from the Forecast, even if the assumptions materialize, and such variations may be material. There is no representation, warranty or other assurance that any of the estimates, forecasts or projections will be realized.*

*The Forecast is prepared in Canadian dollars.*

**Hypothetical and Probable Assumptions of the Cash Flow Forecast**

1. Sales (presented net of sales tax) are highly correlated with the Companies’ level of marketing and is based on historical revenues and the Companies’ anticipated ongoing sales volumes of its wellness products. Approximately 80% of sales are generated in the United States with the balance of sales generated in Canada, the United Kingdom, Australia and elsewhere.
2. Inventory purchases are based on expected cost of current purchase orders paid on various payments terms to maintain appropriate stock of saleable goods. The Companies currently have a significant stock of inventory on hand and anticipate a significant restocking of its primary wellness products to occur in or around Week 7.
3. Marketing costs are based on historical marketing performance and the anticipated necessary marketing spend to generate the sales values represented in Note 1. This value has been determined to be the optimal amount of marketing spend for maximum profitability.
4. Shipping is the estimated cost to ship products from the warehouse to customers for sold orders and is based on historical costs representing approximately 10% to 15% of sales.
5. Platform payments are the costs of online sales platforms (e.g. Shopify), platform subscriptions and software necessary for operations.
6. Payroll, benefits and payroll taxes includes salaries, wages, source deductions and employee medical benefits for 18 employees consisting of eleven (11) in Canada, six (6) in the United States and one (1) in the United Kingdom. Payroll is paid on a semi-monthly basis.

7. Rent includes monthly disbursements for the Companies' sole warehouse and shipping location located in Las Vegas, Nevada and an office in Calgary, Alberta.
8. Restructuring professional fees include the estimated fees and disbursements of the Companies' Canadian and United States legal counsels as well as the Proposal Trustee & Proposed Monitor and its legal counsel.
9. Other general and administrative costs include costs for, among other things, accounting support and bookkeeping, insurance, supplies and utilities.
10. Sales tax remittances include estimates of the remittance of sales tax for products sold.