

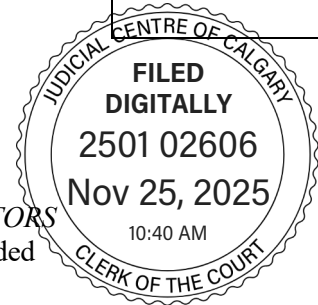
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COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

MATTER IN THE MATTER OF THE *COMPANIES' CREDITORS*
ARRANGEMENT ACT, RSC 1985, c C-36, as amended



AND IN THE MATTER OF A PLAN OF COMPROMISE
OR ARRANGEMENT OF ROYAL HELIUM LTD.,
IMPERIAL HELIUM CORP., AND ROYAL HELIUM
EXPLORATION LIMITED

DOCUMENT **SEVENTH REPORT OF THE MONITOR
ALVAREZ & MARSAL CANADA INC.**

November 25, 2025

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

CCAA MONITOR
ALVAREZ & MARSAL CANADA INC.
Bow Valley Square IV
Suite 1110, 250 – 6th Avenue SW
Calgary, Alberta T2P 3H7
Orest Konowalchuk / Bryan Krol
Telephone: (403) 538-4736 / (403) 538 -7523
Email: okonowalchuk@alvarezandmarsal.com
bkrol@alvarezandmarsal.com

COUNSEL
Burnet, Duckworth & Palmer LLP
Barristers & Solicitors
David LeGeyt / Jessica MacKinnon
Phone: 403.260.0210 / 403.260.0112
Email: dlegeyt@bdplaw.com / jmackinnon@bdplaw.com



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INTRODUCTION

1. On January 17, 2025, Royal Helium Ltd. ("**RHL**"), Royal Helium Exploration Limited ("**RHEL**") and Imperial Helium Corp. ("**IHC**") (collectively, the "**Companies**" or the "**Applicants**") each filed Notices of Intention to Make a Proposal (each, an "**NOI**") pursuant to subsection 50.4(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended (the "**BIA**"). Grant Thornton Ltd. ("**DGT**" or the "**Proposal Trustee**") consented to act as the Proposal Trustee under the NOIs.
2. As at February 19, 2025, the Companies' secured lenders, National Bank of Canada as the successor to Canadian Western Bank ("**NBC**") and Business Development Bank of Canada ("**BDC**" and together with NBC, collectively, the "**Secured Lenders**"), were owed approximately \$17.4 million.
3. On February 19, 2025, the Companies were granted relief under *the Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the "**CCAA**"). In particular, the order (the "**Initial Order**"), among other things:
 - a) directed that:
 - i. pursuant to section 11.6(a) of the CCAA, the proceedings commenced by the Applicants in connection with the filing of the NOIs (the "**NOI Proceedings**") were taken up and continued under the CCAA;
 - ii. Division I of Part III of the BIA had no further application to the Applicants;
 - iii. the NOI Proceedings were terminated; and
 - iv. the NOIs were withdrawn;

- b) appointed Alvarez & Marsal Canada Inc. ("**A&M**") as the monitor (the "**Monitor**") of the Applicants in these proceedings (the "**CCAA Proceedings**");
- c) declared that the relief granted by order of the Ontario Superior Court of Justice (Commercial List) dated January 29, 2025 (the "**Consolidation Order**") was taken up and continued pursuant to the Initial Order;
- d) approved the Applicants' ability to borrow under a debtor-in-possession credit facility (the "**New DIP Facility**") up to a maximum amount of \$2.5 million, subject to the terms of the interim financing term sheet dated February 19, 2025 (the "**DIP Term Sheet**") between the Applicants as borrowers and the Secured Lenders as lenders (the Secured Lenders in such capacity, the "**DIP Lenders**") in order to refinance the Original DIP Facility (as defined in the DIP Term Sheet);
- e) continued and took up under the CCAA such charges and amounts secured under the Consolidation Order, including confirming that (i) the Amended Administration Charge (as defined below) secured the fees and disbursements of the Monitor and its legal counsel, and (ii) such charges attached to all of the Applicants' assets and property and continued to rank in priority to all other charges, mortgages, liens, security interests and other encumbrances therein, and in the following order priority amongst themselves:
 - i. first – a charge in favour of the Monitor, its legal counsel, Burnet, Duckworth & Palmer LLP (the "**Monitor's Counsel**") and the Applicants' legal counsel, Reconstruct LLP in respect of their fees and disbursements, to a maximum amount of \$300,000 (the "**Amended Administration Charge**"); and

- ii. second – a charge in favour of the DIP Lenders up to the maximum principal amount of \$2,500,000; and
 - f) authorized the Applicants to pay the reasonable expenses incurred in carrying out their business in the ordinary course, including certain expenses incurred prior to the date of the Initial Order.
- 4. On February 19, 2025, the Court also granted an order (the "**SISP Approval Order**"), approving a sale and investment solicitation process (the "**SISP**") in the form attached as Schedule "A" to the SISP Approval Order, which SISP was directed to be conducted by the Monitor in consultation with the Applicants and in accordance with the terms of the SISP.
- 5. On March 28, 2025, the Court granted a stay extension order (the "**First Stay Extension Order**") which, among other things, extended the stay of proceedings up to and including May 17, 2025, discharged DGT as Proposal Trustee and approved the First Report of the Proposal Trustee and the fees of the Proposal Trustee and its counsel, Gowling WLG.
- 6. On May 8, 2025, the Court granted a stay extension order (the "**Second Stay Extension Order**") that, among other things, extended the stay of proceedings from May 17, 2025, up to and including June 27, 2025.
- 7. On June 10, 2025, the Court granted an order enhancing the powers of the Monitor over the Companies, granting the Monitor powers that would normally be carried out by a director or officer of the Companies, or a receiver appointed over the Companies (the "**EMP Order**"). The EMP Order also included an extension to the stay of proceedings to August 1, 2025, approved the actions, activities and conduct of the Monitor as reflected within the Monitor's Prefiling Report, First Report, Second Report and Third Report and approved the fees of the Monitor and its counsel to date.

8. On July 31, 2025, the Court granted a further stay extension order (the "**Third Stay Extension Order**") that, among other things, extended the stay of proceedings in respect of the Companies from August 1, 2025, up to and including September 12, 2025. On September 11, 2024 granted an additional stay extension order (the "**Fourth Stay Extension Order**") that, among other things, extended the stay of proceedings to October 17, 2025.
9. On October 1, 2025, the Court granted a further stay extension order (the "**Fifth Stay Extension Order**") and together with the First Stay Extension Order, the Second Stay Extension Order, the Third Stay Extension Order and the Fourth Stay Extension Order, (the "**Stay Extension Orders**") that, among other things, extended the stay of proceedings in respect of the Companies from October 17, 2025, up to and including November 28, 2025.
10. On October 1, 2025 the Court further granted the following relief:
 - a) an order (the "**Ancillary Relief Order**") among other things:
 - i. approving of the actions, activities, and conduct of the Monitor as outlined in the Monitor's Fourth Report, Fifth Report and the Sixth Report;
 - ii. approving the professional fees and costs of the Monitor and the Monitor's Counsel, including the Forecast Fees and Costs (defined below), as set out in this Report;
 - iii. temporarily sealing the Confidential Appendices, to the Monitor's Sixth Report (the "**Confidential Appendices**") on the Court Record (the "**Sealing Relief**");
 - b) a reverse vesting order (the "**ARVO**") approving an Amalgamation Agreement (the "**Amalgamation Agreement**") between the Companies, Keranic Industrial Gas Inc. ("**Keranic**"), 102218166 Saskatchewan Ltd.

("ResidualCo") and 102218200 Saskatchewan Inc. ("Subco") as well as the transactions contemplated therein (the "**Transactions**"), including the following;

- i. upon filing of the Monitor's Certificate in respect of the Transactions;
 - (A) discharging the Companies from these CCAA Proceedings;
 - (B) adding ResidualCo as an applicant in these CCAA Proceedings; and
 - (C) authorizing the Monitor to assign ResidualCo into bankruptcy;
 - ii. releasing each of the current directors, officers, employees, contractors, executive team, agents, representatives, and all of their respective advisors, including financial advisors and legal counsel to the Companies and Keranic; specifically including: (a) David Young and Jeff Sheppard in their capacities as directors and officers of the Companies (b) the Monitor and its legal counsel; and (c) Andrew Davidson in his capacity as a director of ResidualCo (collectively, the "**Released Parties**").
- c) an order (the "**Distribution, Discharge and Termination Order**");
- i. authorizing the termination of these CCAA Proceedings, effective upon the Monitor filing an executed certificate (the "**Termination Certificate**" and the time of service thereof being the "**CCAA Termination Time**") in substantially the form attached to the Distribution, Discharge and Termination Order;

- ii. discharging the Monitor from its capacity as the Court-appointed Monitor of ResidualCo, from and after the CCAA Termination Time;
 - iii. extending the stay of proceedings up to and including the earlier of: (i) the CCAA Termination Time; or (ii) November 28, 2025;
 - iv. approval of the Distributions to the DIP Lenders and Secured Lenders, as discussed in the Monitor's Sixth Report; and
 - v. approving the Holdback.
- 11. The Monitor is now seeking a further stay extension from November 28, 2025 to December 19, 2025 to allow for additional time to close the Transactions with Keranic.
- 12. All documents filed with respect to these CCAA Proceedings are posted on the Monitor's website at: www.alvarezandmarsal.com/royalhelium (the "**Monitor's Website**").
- 13. Capitalized terms not defined in this Seventh Report are as defined in the Initial Order, the SISP Approval Order, the EMP Order, the Stay Extension Orders, Ancillary Relief Order, the Transaction Approval and Reverse Vesting Order, the Distribution and Conditional Discharge Order or the Affidavits of David Young sworn February 10, 2025, February 14, 2025, March 17, 2025 and April 28, 2025 (each a "**Young Affidavit**" and collectively, the "**Young Affidavits**") as well as the Monitor's six previously filed Reports.

PURPOSE

- 14. The purpose of this Report is for A&M, in its capacity as the Monitor of the Applicants, to provide information to this Honourable Court regarding:
 - a) the activities of the Monitor since the Sixth Report;

- b) the actual cash flow results of the Companies compared to their Consolidated Cash Flow Forecast (defined and discussed below);
- c) an updated cash flow forecast to the end of the Stay Extension (defined below);
- d) the request to extend the stay of proceedings to December 19, 2025 (the “**Stay Extension**”); and
- e) the Monitor's overall recommendation in respect of the foregoing.

TERMS OF REFERENCE AND DISCLAIMER

15. In preparing this Report, A&M, in its capacity as Monitor, has been provided with, and has relied upon, unaudited financial information and the books and records prepared by the Companies and has held discussions with the Companies' management and their respective counsel and directors (collectively, the “**Information**”). Except as otherwise described in this Report in respect of the Companies' cash flow forecast:

- a) the Monitor has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Monitor has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards (“**CASs**”) pursuant to the Chartered Professional Accountants Canada Handbook (the “**CPA Handbook**”) and, accordingly, the Monitor expresses no opinion or other form of assurance contemplated under CASs in respect of the Information; and
- b) some of the information referred to in this Report consists of forecasts and projections. An examination or review of the financial forecasts and projections, as outlined in the CPA Handbook, has not been performed.

16. Future oriented financial information referred to in this Report was prepared based on the Companies' estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections (even if the assumptions materialize), and the variations could be significant.
17. Unless otherwise stated, all monetary amounts contained in this Report are expressed in Canadian dollars.

BACKGROUND

Overview

18. RHL is a public company that previously traded on the TSX Venture Exchange and holds 100% of the issued and outstanding capital of its two subsidiaries, RHEL and IHC. Since its inception, RHL has grown through a series of amalgamations, asset purchases and through exploration and drilling for new resources.
19. The Companies are in the business of gas extraction and exploration and are focused on the drilling and extracting of helium for purification and the exploration of potentially helium rich lands in Saskatchewan and Alberta (the "**Business**"). The Companies control approximately 564,000 acres of lands through permits and leases across Saskatchewan and Alberta, which are believed to have some of the largest prospective helium resources in the world. As such, the Monitor understands that these lands may have significant economic concentrations of helium trapped in the subsurface for extraction and purification.
20. The Companies have three wells tied into their helium purification facility located in Steveville, Alberta (the "**Steveville Facility**"). The Companies' legacy drillings, well logs, and other geologic data suggest significant additional resources may exist within the Companies' leasehold lands.

21. For the past 12 months, the Companies' operations have been halted and they are not generating any production. The Companies' two remaining employees, the CEO and the CFO (together, "**Former Management**"), resigned shortly after the Court granted the EMP Order but remain as directors of certain of the Companies. The Companies continue to utilize contractors to preserve and protect the Steeveville Facility, including Former Management.
22. Further information regarding the cause of the Companies' insolvency and these CCAA Proceedings, including the Initial Order, the Young Affidavits, and the Monitor's prior Reports are available on the Monitor's Website.

ACTIVITIES OF THE MONITOR SINCE THE SIXTH REPORT

23. The Monitor's activities since the Sixth Report, including those exercised pursuant to the terms of the EMP Order, have included, but are not limited to, the following:
 - a) conducting continued and ongoing discussions with Former Management regarding various business matters and the Companies' financial affairs;
 - b) attending to various operational matters previously undertaken or overseen by Former Management, including insurance related matters, vendor communication while simultaneously providing directions to Former Management;
 - c) reviewing and discussing weekly payables with Former Management;
 - d) reviewing the Companies' bank details and compiling the Companies' budget to actual reporting as well as extending the cash flow forecast, as needed, for purposes of communicating the same to the DIP Lenders;

- e) ongoing efforts to close on the Transactions with Keranic, which includes numerous communications with all the professionals involved including each parties respective legal counsel as well as Keranic's financial advisors;
- f) engaging in multiple communications with the DIP Lenders and their respective counsel on file matters;
- g) ongoing communication with the Saskatchewan MER and the Alberta AER and providing updates on the closing of the Transactions and the CCAA Proceedings;
- h) working with the Companies financial institution in its transition from the former CWB banking platform to the new National Bank of Canada banking platform;
- i) responding to various correspondence from third parties inquiring about the CCAA proceedings; and
- j) holding discussions with the Monitor's Counsel regarding various matters in relation to the CCAA Proceedings, including the Monitor's ongoing efforts to close on the Transactions with Keranic.

ACTUAL CASH FLOW RESULTS COMPARED TO FORECAST

24. The Companies' actual cash receipts and disbursements as compared to the Consolidated Cash Flow Forecast presented in the Sixth Report during the period of September 13, 2025 to November 21, 2025 (the "**Reporting Period**") is summarized below:

Royal Helium Ltd., Imperial Helium Corp. and Royal Helium Exploration Limited (Collectively, the "Company")
Cash Flow Variance Analysis
For the period from September 13, 2025 to November 21, 2025
\$CAD, thousands, unaudited

	YTD Weeks 1 - 42	Reporting Period Weeks 33 - 42		
	Actuals	Forecast	Actuals	Variance
Receipts				
Accounts Receivable	64	-	-	-
Non-Refundable Deposit	150	-	-	-
Other Receipts	53	-	-	-
DIP Cash Advance	3,104	300	350	50
Total Receipts	3,371	300	350	50
Operating Disbursements				
Payroll and Contractors	437	29	39	(10)
Facility Inspections	-	3	-	3
Insurance	196	20	20	(0)
Rent, Office, IT, and Other Miscellaneous	78	6	8	(2)
Contingency	-	8	-	8
Total Operating Disbursements	881	66	68	(1)
Net Cash Flow from Operations	2,490	234	282	49
Non-Operating Disbursements				
<u>Professional Fees</u>				
<i>Companies Counsel's Fees</i>	371	-	-	-
<i>DIP Counsel Fees</i>	83	220	-	220
<i>Proposal Trustee Fees</i>	48	-	-	-
<i>Proposal Trustee Counsel Fees</i>	36	-	-	-
<i>Monitor's Fees</i>	630	126	150	(24)
<i>Monitor's Counsel's Fees</i>	469	115	153	(38)
<i>Company Counsel Retainer and Monitor Retainer</i>	50	-	-	-
D&O Insurance	100	-	-	-
NOI DIP Repayment	644	-	-	-
Total Non-Operating Disbursements	2,430	461	303	158
Net Cash Flow	59	(227)	(21)	206
Opening Cash	189	269	269	-
Net Cash Flow	59	(227)	(21)	206
Ending Cash	248	41	248	206
DIP Facility Maximum	2,500	2,500	2,500	2,500
Opening Availability	2,500	390	390	-
Advances	3,104	300	350	50
Repayments	-	-	-	-
NOI DIP Repayment	(644)	-	-	-
Closing Availability	40	90	40	50
Total DIP Used	2,460	2,410	2,460	50

25. Over the Reporting Period, the Companies experienced a negative cash flow variance of approximately \$21,000, primarily because of temporary timing differences, as well as some permanent variances, which are described below:

Permanent Variances

- a) Positive variances of approximately:
 - i. \$50,000 related to higher than forecasted DIP cash advances occurring during the Reporting Period; and
 - ii. \$8,000 relating to contingency costs that were forecasted but have not been incurred.
- b) Negative variances of approximately:
 - i. \$10,000 related to higher than expected payroll and contractor fees during the Reporting Period than originally forecasted; and
 - ii. \$2,000 related to higher than expected IT and miscellaneous payables during the Reporting Period than originally forecasted.

Timing Variances

- a) positive timing variance related to a delay in payment of DIP counsel professional fees; however, payment is projected to be made in the Forecast Period (as defined below); and
- b) negative timing variance related to the payment of certain Monitor's & Monitor's Counsel professional fees which we not originally contemplated in the forecast due to increased time spent by the Monitor and the Monitor's Counsel in attempting to close the Transactions.

26. Closing cash on hand as at November 21, 2025 was approximately \$248,000.
27. The Companies required borrowings of \$350,000 during the Reporting Period for purposes of funding operational and non-operational costs. The maximum New DIP Facility is \$2.5 million, and as at November 21, 2025, approximately \$40,000 remains available to borrow.

UPDATED CASH FLOW FORECAST

28. For purposes of paragraph 10(2)(a) of the CCAA, the Companies, with the assistance of the Monitor, have prepared an updated weekly cash flow forecast (the "**Eighth Cash Flow Forecast**") for the 4-week period from November 22, 2025 to December 19, 2025 (the "**Forecast Period**"), using the probable and hypothetical assumptions set out in the notes to the Eighth Cash Flow Forecast. A copy of the Eighth Cash Flow Forecast, together with a summary of assumptions are attached hereto as Appendix "A".
29. The Eighth Cash Flow Forecast assumes that all ongoing costs of the business continue throughout the Forecast Period.
30. The Eighth Cash Flow Forecast is summarized below:

Royal Helium Ltd., Imperial Helium Corp, and Royal Helium Exploration Limited (Collectively, the "Company") Management Prepared 4-Week Cash Flow Forecast For the period from November 22, 2025 to December 19, 2025 <i>\$CAD, thousands, unaudited</i>	
	4 Week Total
Receipts	
DIP Cash Advance	40
Non-Refundable Deposit	-
Total Receipts	40
Operating Disbursements	
Payroll, Consulting, and Administration Costs	17
Facility Inspections	-
Insurance	5
Rent, Office, IT, and Other Miscellaneous	4
Contingency	8
Total Operating Disbursements	34
Net Cash Flow from Operations	6
Non-Operating Disbursements	
<u>Professional Fees</u>	
DIP Counsel Fees	220
Monitor's Fees	-
Monitor's Counsel's Fees	-
Total Non-Operating Disbursements	220
Net Cash Flow	(214)
Opening Cash	248
Net Cash Flow	(214)
Ending Cash	34
Opening Interim Financing Balance	2,460
Advances	40
Repayments	-
Closing Interim Financing Balance	2,500

31. An overview of the Eighth Cash Flow Forecast and select assumptions include the following:

- a) total projected cash receipts of approximately \$40,000, which relates solely to DIP advances;

- b) total forecast operating cash disbursements of approximately \$34,000 relating primarily to payroll & consulting fees, insurance, and administrative costs; and
 - c) forecast non-operating cash disbursements of approximately \$220,000, related to the fees incurred by the DIP Lenders' counsel.
- 32. Accordingly, there is negative net cash flow over the Forecast Period of approximately \$214,000 with the expectation that the Companies will draw on the New DIP Facility in the approximate amount of \$40,000 bringing the total borrowings under the New DIP Facility to \$2.5 million. The maximum availability under the New DIP Facility currently remains at \$2.5 million.
- 33. The Eighth Cash Flow Forecast is based on assumptions by the Monitor (in its enhanced role), with the assistance of Former Management regarding future events. Former Management (now consultants to the Monitor) advises that actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, the Monitor expresses no assurance as to whether the Eighth Cash Flow Forecast will be accurate nor any opinion or other form of assurance with respect to the accuracy of any financial information presented in this Report or relied upon by the Monitor in the course of the preparation of this Report.
- 34. The Eighth Cash Flow Forecast has been prepared solely for the purpose described above, and readers are cautioned that it may not be appropriate for other purposes.

STAY EXTENSION

- 35. The stay of proceedings for the Companies will expire on November 28, 2025. The Monitor is seeking an extension to the stay of proceedings up to and including December 19, 2025.
- 36. The Stay Extension is necessary to protect the Companies while the Monitor continues to work with the purchaser, Keranic, on closing the Transactions. If the Transactions do not

close prior to the current stay of proceedings of November 28, 2025, the Companies will be subject to potential litigation and potential contract termination. Among the contracts which could be terminated absent the Stay Extension are retained contracts as defined in the Amalgamation Agreement and therefore any disruption to those contracts may result in the Transactions being terminated. As such, the Monitor believes that the Stay Extension is necessary to close on the Transactions and provide sufficient time for the Monitor to close out the CCAA Proceedings.

37. The Monitor is optimistic that the parties will be able to close on the Transactions forthwith.

38. The Monitor recommends the Stay Extension for the following reasons:

- a) the Stay Extension will maintain the status quo and allow for the Monitor to close the Amalgamation Agreement and facilitate and complete the Remaining Activities;
- b) the Monitor is not aware of any creditor who will be materially prejudiced by the Stay Extension;
- c) there continues to be sufficient liquidity through to the CCAA Termination Time; and
- d) in the Monitor's opinion, the Companies have acted in good faith and with due diligence in these CCAA Proceedings since the date of the Initial Order.

CONCLUSIONS AND RECOMMENDATIONS

39. The Monitor respectfully recommends that this Honourable Court grant the Stay Extension as discussed within this Report.

All of which is respectfully submitted this 25th day of November, 2025.

**ALVAREZ & MARSAL CANADA INC.,
in its capacity as Monitor of Royal Helium Ltd.,
Royal Helium Exploration Limited and Imperial Helium Corp., and
not in its personal or corporate capacity**



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



Bryan Krol, CIRP, LIT
Vice President

APPENDIX "A"

Royal Helium Ltd., Imperial Helium Corp, and Royal Helium Exploration Limited (Collectively, the "Company")
Management Prepared Weekly Cash Flow Forecast
For the period from November 22, 2025 to December 19, 2025
unaudited, in CAD \$000's

		Forecast	Forecast	Forecast	Forecast	
		Week 43	Week 44	Week 45	Week 46	Total Week
	Notes	28-Nov-25	05-Dec-25	12-Dec-25	19-Dec-25	43 to Week 46
Receipts						
DIP Cash Advances	1	-	-	40	-	40
Non-Refundable Deposit	2	-	-	-	-	-
Other Receipts	3	-	-	-	-	-
Total Receipts		-	-	40	-	40
Operating Disbursements						
Payroll and Contractors	4	-	-	17	-	17
Facility Inspections	5	-	-	-	-	-
Insurance	6	-	-	5	-	5
Rent, Office, IT, and Other Miscellaneous	7	-	-	4	-	4
Contingency	8	-	-	8	-	8
Total Operating Disbursements		-	-	34	-	34
Net Cash Flow from Operations		-	-	6	-	6
Non-Operating Disbursements						
<u>Professional Fees</u>	9					
DIP Counsel Fees		-	-	220	-	220
Monitor's Fees		-	-	-	-	-
Monitor's Counsel's Fees		-	-	-	-	-
Total Non-Operating Disbursements		-	-	220	-	220
Net Cash Flow		-	-	(214)	-	(214)
Opening Cash		248	248	248	34	248
Net Cash Flow		-	-	(214)	-	(214)
Ending Cash		248	248	34	34	34
DIP Facility Reconciliation						
DIP Facility Maximum		2,500	2,500	2,500	2,500	2,500
Opening Availability		40	40	40	0	40
DIP Draws		-	-	40	-	-
NOI DIP Repayment		-	-	-	-	(644)
Closing Availability		40	40	0	0	0
Total DIP Used		(2,460)	(2,460)	(2,500)	(2,500)	(2,500)
Calculation of DIP Interest and Fees		(2,460)	(2,460)	(2,500)	(2,500)	(2,500)
Cumulative DIP Draw (Principal)		2,460	2,460	2,500	2,500	2,500
Cumulative Commit Fee (1.5%)		38	38	38	38	38
Cumulative Interest (10%)		116	136	136	136	136
Total Facility Balance for Purposes of Interest Calc.		2,590	2,590	2,673	2,673	2,673

UNAUDITED CASH FLOW FORECAST PREPARED BY MANAGEMENT, MUST BE READ IN CONJUNCTION WITH THE NOTES AND ASSUMPTIONS & MONITOR'S REPORT ON THE CASH FLOW STATEMENT



Orest Konowalchuk, LIT
Senior Vice President

**Royal Helium Ltd., Imperial Helium Corp, and Royal Helium Exploration Limited
(collectively, the "Companies")
Notes to Management Prepared 4-Week Cash Flow Forecast
For the period from November 22, 2025 to December 19, 2025**

Disclaimer

*In preparing this cash flow forecast (the "**Forecast**"), the Companies have relied upon unaudited financial information and has not attempted to further verify the accuracy or completeness of such information. The Forecast includes assumptions discussed below with respect to the requirements and impact of a filing under the Companies' Creditors Arrangement Act ("CCAA"). Since the Forecast is based on assumptions about future events and conditions that are not ascertainable, the actual results achieved during the Forecast 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 protections will be realized. The Forecast is presented in thousands of Canadian dollars.*

Note 1 Other Receipts

Other receipts related to collected insurance claim proceeds with respect to the stolen property.

Note 2 Non-Refundable Deposit

On August 30, 2025, as a result of the Successful Bidder's failure to confirm its satisfaction or waiver of the Financing Condition, the Monitor informed the Successful Bidder that the Monitor was terminating the Amalgamation Agreement. The Successful Bidder had previously agreed and acknowledged that its deposit of \$150,000 was non-refundable following its initial failure to satisfy the Financing Condition.

Note 3 DIP Cash Advance

DIP financing to maintain the current state of operations with a DIP facility maximum of \$2,500,000.

Note 4 Payroll and Contractors

Forecast salaries, wages, statutory remittances and benefits related to the CEO, CFO, and contractors in order to maintain the current state of operations of the Company.

Note 5 Facility Inspections

Estimated monthly payments related to Monitor facility inspections for the Steeveville, Alberta property.

Note 6 Insurance

Approximately \$5k in Week 45 relates to insurance disbursements associated with the extension of the D&O insurance policy.

Note 8 Rent, Office, IT, and Other Miscellaneous

Forecast monthly utilities and IT costs, as well as other miscellaneous office expenses.

Note 8 Contingency

A contingency of \$8,000 has been included over the forecast period to account for possible unforeseen expenditures, plus any timing variance adjustments.

Note 9 Professional Fees

Expected professional fees to be paid to the Company's legal advisors, DIP Counsel, as well as the CCAA Monitor, and Monitor's Counsel.

**Alvarez & Marsal Canada Inc., in its capacity as
Monitor of Royal Helium Ltd.
Imperial Helium Corp. and Royal Helium Exploration Limited
and not in its personal or corporate capacity**



Orest Konowalchuk, LIT
Senior Vice President