

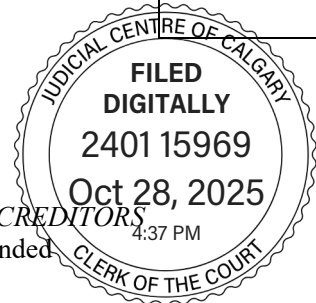
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COURT COURT OF KING'S BENCH OF ALBERTA

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 A2A CAPITAL SERVICES CANADA
INC., SERENE COUNTRY HOMES (CANADA) INC., A2A
DEVELOPMENTS INC., and the other entities listed in
Appendix "A" hereto

DOCUMENT **FIRST SUPPLEMENT TO THE EIGHTH REPORT OF
THE MONITOR
ALVAREZ & MARSAL CANADA INC.**

October 28, 2025

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

MONITOR
ALVAREZ & MARSAL CANADA INC.
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INTRODUCTION

1. On November 14, 2024, on the application of an ad hoc group of Canadian investors in various real estate and land investment projects (the "**Applicant Investors**"), the Court of King's Bench of Alberta (the "**Court**") issued an initial order (the "**Initial Order**") which, among other things, commenced proceedings (the "**CCAA Proceedings**") under the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the "**CCAA**") and appointed Alvarez & Marsal Canada Inc. ("**A&M**") as the CCAA monitor with enhanced powers (in such capacity, the "**Monitor**").
2. On November 18, 2024, the Monitor filed an application returnable on November 21, 2024 (the "**Comeback Application**") seeking an amended and restated initial order.
3. The entities which are subject to relief under the CCAA as "debtor companies" are A2A Capital Services Canada Inc. ("**A2A CSC**"), Serene Country Homes (Canada) Inc. ("**Serene Canada**"), A2A Developments Inc. ("**A2A Developments**"), Angus A2A GP Inc. ("**Angus GP**"), Angus Manor Park A2A Developments Inc. ("**Angus Manor Developments**"), Angus Manor Park Capital Corp. ("**Angus Manor Capital**"), Angus Manor Park A2A GP Inc. ("**Angus Manor GP**"), Fossil Creek A2A GP Inc. ("**Fossil GP**"), Hills of Windridge A2A GP Inc. ("**Windridge GP**") and US entities Fossil Creek A2A Developments, LLC ("**Fossil Creek LLC**") and Windridge A2A Developments, LLC ("**Windridge LLC**" and collectively, the "**Debtor Companies**"). Fossil Creek LLC and Windridge LLC are collectively referred to as the "**US LLCs**" and the remaining debtor companies are referred to as the "**Canadian Debtors**").
4. The Initial Order also extended the stay of proceeding to certain non-Debtor Companies, namely the following Canadian entities: Angus A2A Limited Partnership ("**Angus LP**"), Angus Manor Park A2A Limited Partnership ("**Angus Manor LP**"), Fossil Creek A2A Trust, Hills of Windridge A2A Trust, Fossil Creek A2A Limited Partnership ("**Fossil LP**") and Hills of Windridge A2A Limited

Partnership ("**Windridge LP**" and collectively, the "**Affiliate Entities**"). The Debtor Companies and the Affiliate Entities are collectively referred to as the "**A2A Group**".

5. Amongst other things, the Initial Order:
 - a) granted a stay of proceedings (the "**Stay Period**"), for an initial period up to and including November 24, 2024 (the "**Initial Stay Period**");
 - b) appointed Fasken Martineau DuMoulin LLP ("**Fasken**" or "**Canadian Rep Counsel**") as representative counsel for all Canadian investors in the Business and Property of the Debtor Companies and the Affiliate Entities, including without limitation, the Applicant Investors (the "**Canadian Investors**");
 - c) appointed Norton Rose Fulbright Canada LLP ("**NRF**" or the "**Offshore Rep Counsel**" and together with Canadian Rep Counsel, "**Representative Counsel**") as representative counsel for all non-Canadian investors in in the Business and Property of the Debtor Companies and Affiliate Entities (the "**Offshore Investors**" and together with the Canadian Investors, the "**Investors**"), as more particularly described herein;
 - d) declared that the Affiliate Entities shall have the same benefit, and the same protections and authorizations provided to the Debtor Companies notwithstanding that these entities are not a "company" within the meaning of the CCAA;
 - e) authorized the Debtor Companies to enter into an interim financing agreement with Pillar Capital Corp. ("**Pillar**" or the "**Interim Lender**") and to borrow from Pillar the initial principal amount of \$500,000 with the ability to borrow up to \$2,000,000 (the "**Interim Financing**");
 - f) granted the following charges over the Property in the following relative priorities:

- i. First – a charge in favour of the Monitor, its legal counsel, Canadian Rep Counsel and Offshore Rep Counsel (the "**Prioritized Administration Charge**") to a maximum amount of \$250,000; and
 - ii. Second – a charge in favour of Pillar in respect of the Interim Financing to a maximum amount of \$500,000 (the "**Initial Interim Lender's Charge**"); and
 - g) authorized the Monitor to act as "Foreign Representative" of the A2A Group, in order to apply for a Temporary Restraining Order in the US and subsequently apply to commence ancillary insolvency proceedings under chapter 15 of Title 11 of the US Bankruptcy Code (the "**Chapter 15 Proceeding**") in the US Bankruptcy Court for the Northern District of Texas (the "**US Bankruptcy Court**").
6. The Initial Order, along with the application materials and all other documents filed in the CCAA Proceedings, are posted on the Monitor's website at: www.alvarezandmarsal.com/A2A (the "**Monitor's Website**").
7. Capitalized terms not otherwise defined in this First Supplement to the Eighth Report (the "**First Supplement**") are as defined in the ARIO, the Monitor's Previous Reports¹, or such other materials filed by the Applicant Investors in support of the Initial Order.

¹ The Monitor's Previous Reports include the Pre-Filing Report of the Monitor dated November 13, 2024 (the "**Pre-Filing Report**"), the Monitor's First Report dated November 20, 2024 (the "**First Report**"), the First Supplement to the First Report dated November 22, 2024 (the "**First Supplement to the First Report**"), the Second Supplement to the First Report dated November 25, 2024 (the "**Second Supplement to the First Report**"), the Monitor's Second Report dated November 28, 2024 (the "**Second Report**"), the Monitor's Third Report dated December 13, 2024 (the "**Third Report**"), the First Supplement to the Third Report of the Monitor dated December 17, 2024 (the "**First Supplement to the Third Report**"), the Monitor's Fourth Report dated February 19, 2025 (the "**Fourth Report**"), the First Supplement to the Fourth Report of the Monitor dated February 24, 2025 (the "**First Supplement to the Fourth Report**"), the Monitor's Fifth Report dated April 7, 2025 (the "**Fifth Report**") the First Supplement to the Fifth Report of the Monitor dated April 14, 2025 (the "**First Supplement to the Fifth Report**"), the Sixth Report of the Monitor dated June 10, 2025 (the "**Sixth Report**"), the Seventh Report of the Monitor dated July 21, 2025 (the "**Seventh Report**"), the First Supplement to the Seventh Report dated September 15, 2025 (the "**First Supplement of the Seventh Report**") and the Monitor's Eighth Report dated October 17, 2025 (the "**Eighth Report**").

8. On October 17, 2025, the Monitor filed an application (the "**October 17 Application**") for a hearing scheduled on October 29, 2025 requesting an order for, among other things, approval of the Amended Interim Lender's Charge and the Amended Subordinated Administration Charge (as defined in the Eighth Report).
9. On October 23, 2025, this Court released its decision in favor of an order adding Wingham Creek A2A Developments Inc., Lake Huron Shores A2A Developments Inc. and Meaford A2A Developments Inc. to these CCAA Proceedings.

PURPOSE

10. The purpose of this First Supplement is to:
 - a) provide information to this Honourable Court in respect of the request to remove the Prioritized Administration Charge (and thereby changing the priorities of the Amended Interim Lender's Charge); and
 - b) correct the record with respect to the Monitor's request for information from the Texas LPs (as defined below).
11. This First Supplement should be read in conjunction with the materials filed in the CCAA Proceedings.
12. Unless otherwise stated, all monetary amounts contained in this Eighth Report are expressed in Canadian dollars.

US CHAPTER 11 PROCEEDINGS UPDATE AND CORRECTION

13. In the Eighth Report, the Monitor reported that on August 8, 2025 the Monitor's US Counsel issued Notices of Examination for Production of Documents pursuant to Rule 2004 of the Federal Rules of Bankruptcy Procedure and Rule 2004-1 of the Local Rules of Bankruptcy Procedure (the "**Subpoenas**" and each a "**Subpoena**") requesting a response by no later than September 5, 2025 to the following respondents:
 - a) Bloomfield Homes LP;

- b) Tarrant Regional Water District;
 - c) Secured Title;
 - d) Hills of Windridge LP; and
 - e) Trails of Fossil Creek Properties LP.
14. On October 27, 2025, the Monitor received correspondence from counsel to the US LLCs advising that, among other things, contrary to what was contained in the Eighth Report, Monitor's US Counsel did not serve Subpoenas on Hills of Windridge LP and Trails of Fossil Creek Properties LP (collectively, the "**Texas LPs**"). Rather, the Monitor's US Counsel and counsel for the Texas LPs had calls and emails starting July 25, 2025 and the Texas LPs voluntarily provided documents in response to the Monitor's requests on October 7 or 8, 2025. Counsel for the US LLCs further stated that there was no indication the Monitor demanded documents be produced by "no later than September 5, 2025."
15. Monitor's US Counsel has confirmed that the accuracy of the foregoing in so far as Monitor's US Counsel did not file or serve Subpoenas on the Texas LPs. Accordingly, the Monitor wishes to correct the record on this point.
16. For greater clarity, August 6 and August 8, 2025 the Monitor's US Counsel filed Notices of Examination for Production of Documents pursuant to Rule 2004 of the Federal Rules of Bankruptcy Procedure and Rule 2004-1 of the Local Rules of Bankruptcy Procedure with the U.S. Bankruptcy Court requesting a response by no later than September 5, 2025 to the following respondents:
- a) Bloomfield Homes LP;
 - b) Tarrant Regional Water District; and
 - c) Secured Title
- (collectively, the "**Non LP Subpoena Respondents**").
17. On or around August 14, 2025, the Monitor's US Counsel and counsel to the Texas

- LPs met to discuss the production of certain documents. At that time, counsel to the Texas LPs agreed to produce documents consensually in the first half of September. Monitor's US Counsel requested delivery of the documents within 21 days. Counsel to the Texas LPs later advised that they would be unable to produce the requested documents the first half of September and asked for additional time to produce the requested documents.
18. On September 24, 2025, counsel for the Texas LPs advised the Monitor's US Counsel they had documents to produce and were still reviewing and assembling them for production.
 19. On October 7, 2025, Monitor's US Counsel sent correspondence to counsel to the Texas LPs requesting an update on the progress of the document production. Counsel to the Texas LPs stated that the documents had been reviewed and the goal was to produce the documents by October 8, 2025.
 20. On October 8, 2025, the Texas LPs produced responsive documents to Monitor's US Counsel.

EXTENSION OF THE INTERIM FINANCING MATURITY DATE

21. On November 19, 2024, the Monitor and Pillar entered into an interim financing term sheet (the "**Interim Financing Term Sheet**"), which was amended by amendment on December 12, 2024 (the "**Interim Financing Amendment**").
22. The Interim Financing Facility matures on November 19, 2025 (the "**Interim Financing Maturity Date**").
23. The Monitor and Pillar have agreed upon and amendment to the Interim Financing Term Sheet (the "**Interim Financing Amendment**"). A copy of the Interim Financing Amendment is attached hereto as **Appendix "B"** to this First Supplement.
24. Key terms of the Interim Financing Amendment include:

- a) the Interim Financing Maturity Date is extended to August 19, 2026;
 - b) the Interim Financing Facility is increased from \$1,250,000 to \$1,500,000;
 - c) the Interim Financing Amendment is conditional on the ARIO being amended to revises the priorities among the Interim Lender's Charge and the Administration Charge (as detailed below); and
 - d) within 240 days after the date of the additional advance (up to \$250,000 of additional borrowings), the Monitor, on behalf of the Debtor Companies, shall have executed an unconditional purchase and sale agreement for the Canadian real property of the Debtor Companies located in or around Essa, Ontario, satisfactory to Pillar.
25. The terms of the fees and interest reserve of the Refinancing Term Sheet are consistent with the Interim Financing which has been approved by this Court.
26. The Monitor has reviewed the terms and values within the Refinancing Term Sheet, including the rates, fees and the Interim Lender's Charge, which appear to be commercially reasonable in the circumstances.
27. It is the view of the Monitor that the Interim Financing Amendment and the extension to the Interim Financing Maturity Date contemplated therein are reasonable and necessary in the circumstances. The Interim Lender has advanced the entirety of the Interim Financing Facility to date and The Monitor has no ability to repay the Interim Financing Facility on or before the Interim Financing Maturity Date. Accordingly, the Interim Financing Amendment is necessary to allow the Monitor to monetize the assets of the estate.

COURT ORDERED CHARGES

28. The Court has granted the following charges over the Property in the following relative priorities:

- a) First – the Prioritized Administration Charge, to a maximum amount of \$250,000;
- b) Second – the Current Interim Lender's Charge to a maximum amount of \$1,250,000 plus the amount of all interest, fees and expenses in respect of the principal amount advanced with respect to the Interim Financing; and
- c) Third – the Current Subordinated Administration Charge, to a maximum of \$2,250,000;

(collectively, the "**Existing Charges**").

29. In the October 17 Application, the Monitor sought to amend the Existing Charges by increasing the total amount of the Current Interim Lender's Charge from \$1,250,000 to \$1,750,000 (the "**Current Interim Lender's Charge**") and the total amount of the administration charge from \$2,250,000 to \$2,750,000 (the "**Amended Subordinated Administration Charge**") with the following relative priorities:

- a) First – the Prioritized Administration Charge, to a maximum amount of \$250,000;
- b) Second – the Amended Interim Lender's Charge to a maximum amount of \$1,750,000 plus the amount of all interest, fees and expenses in respect of the principal amount advanced with respect to the Interim Financing; and
- c) Third – the Amended Subordinated Administration Charge, to a maximum of \$2,750,000.

Revised Priorities

30. In discussion with Pillar, they are prepared to extend the maturity date of the Interim Financing Facility, if the Prioritized Administration Charge is subordinated to the Amended Interim Lender's Charge. As such, the quantum of the charges would not

change from the amendment sought in the October 17 Application, but the priorities would be amended with the following relative priorities:

- a) First – the Amended Interim Lender's Charge to a maximum amount of \$1,750,000 plus the amount of all interest, fees and expenses in respect of the principal amount advanced with respect to the Interim Financing; and
- b) Second – the Amended Subordinated Administration Charge, to a maximum of \$3,000,000.

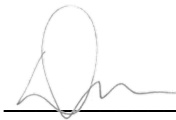
- 31. The Prioritized Administration Charge would be \$0 and eliminated.
- 32. It is the respectful view of the Monitor that the change in priority between the interim financing charge and the administration charge is fair and reasonable in the circumstances, as the total quantum of the combined charges is not proposed to change and the beneficiaries of the administration charge will continue with the same total quantum of security.

All of which is respectfully submitted this 28th day of October, 2025.

**ALVAREZ & MARSAL CANADA INC.,
in its capacity as Monitor of A2A Capital Services Canada Inc., Serene Country
Homes (Canada) Inc., A2A Developments Inc., and the other entities listed in
Appendix "A" hereto
and not in its personal or corporate capacity**



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



Duncan MacRae, CPA, CA, CIRP, LIT
Vice-President

APPENDIX "A"

Debtors

Canadian Entities

- A2A CAPITAL SERVICES CANADA INC.
- SERENE COUNTRY HOMES (CANADA) INC. ¹
- A2A DEVELOPMENTS INC. ²
- ANGUS A2A GP INC.
- ANGUS MANOR PARK A2A DEVELOPMENTS INC. ³
- ANGUS MANOR PARK CAPITAL CORP.
- ANGUS MANOR PARK A2A GP INC.
- FOSSIL CREEK A2A GP INC.
- HILLS OF WINDRIDGE A2A GP INC.
- WINGHAM CREEK A2A DEVELOPMENTS INC.
- LAKE HURON SHORES A2A DEVELOPMENTS INC.
- MEAFORD A2A DEVELOPMENTS INC.

US Entities

- FOSSIL CREEK A2A DEVELOPMENTS, LLC ⁴
- WINDRIDGE A2A DEVELOPMENTS, LLC ⁵

Affiliate Entities

Canadian Entities

- ANGUS A2A LIMITED PARTNERSHIP
- ANGUS MANOR PARK A2A LIMITED PARTNERSHIP
- FOSSIL CREEK A2A TRUST
- HILLS OF WINDRIDGE A2A TRUST
- FOSSIL CREEK A2A LIMITED PARTNERSHIP
- HILLS OF WINDRIDGE A2A LIMITED PARTNERSHIP

¹ f/k/a A2A CAPITAL MANAGEMENT INC.

² f/k/a A2A MEAFORD INC.

³ f/k/a 2327812 ONTARIO INC.

⁴ f/k/a RIVERS EDGE A2A DEVELOPMENTS, LLC

⁵ f/k/a WHITE SETTLEMENT A2A DEVELOPMENTS, LLC

APPENDIX "B"



October 28, 2025

Alvarez & Marsal Canada Inc.

Suite 1110, 250 6th Ave SW
Calgary, AB
T2P 3H7

Attention: Orest Konowalchuk

Re: Renewal of the DIP Facilities described in the DIP term sheet dated as of November 19, 2024 among those entities listed on Schedule "A" hereto (collectively, the "Borrowers") by and through Alvarez and Marsal Canada Inc., in its capacity as monitor with enhanced powers (in such capacity and not in its personal or corporate capacity, the "Monitor") and Pillar Capital Corp (the "DIP Lender"), as amended by an amending agreement to DIP term sheet dated December 12, 2025 (the "DIP Loan Agreement"); capitalized terms used but not defined herein shall have the meanings given to them in the DIP Loan Agreement

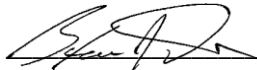
Pillar Capital Corp (the "**DIP Lender**") is prepared to renew, extend and amend the DIP Facilities based on the following terms:

1. Effective upon receipt of items 7.a and 7.b below.
2. 9 month extension of the Term Maturity Date to August 19, 2026
3. DIP Facilities to be increased to \$1,500,000 and additional DIP Advance of up to \$250,000 to be made available (the "**Additional Advance**")
4. All DIP Obligations are prepayable in full at any time.
5. Proceeds of the Additional Advances shall be used solely for the purposes set forth in Schedule "B".
6. 2.25% Renewal Fee paid on the total of the DIP Facilities (\$1,500,000) from the Additional Advance
7. Subject to receipt of:
 - a. Court Ordered first ranking DIP Charge in the amount of \$1,500,000 in favor of the DIP Lender as security for repayment of the DIP Facility, and all interest, fees, expenses, and other amounts payable by the Borrowers over all existing and after acquired property of the Borrowers (the "**Increased DIP Charge**").
 - b. Court Order confirming the current \$250,000 first ranking Administration Charge is subordinated to the Increased DIP Charge.
8. Within 240 days after the date of the Additional Advance, the Borrower shall have executed an unconditional purchase and sale agreement for the Canadian real property of the Borrowers located in or around Essa, Ontario, satisfactory to Lender and delivered a true and complete copy of same to the DIP Lender
9. All other terms of the DIP Loan Agreement shall remain the same.

Please confirm back your acceptance to this offer by no later than 5pm MST on Friday, October 31st, 2025 after which the offer will expire.

Yours truly,

A2A Capital Management Inc.



Steve Dizap
Pillar Capital Corp.

A2A DEVELOPMENTS INC., ANGUS A2A
GP INC., ANGUS MANOR PARK A2A
DEVELOPMENTS INC., ANGUS MANOR
PARK A2A GP INC., ANGUS MANOR
PARK A2A CAPITAL CORP., HILLS OF
WINDRIDGE A2A GP INC., WINDRIDGE
A2A DEVELOPMENTS, LLC, FOSSIL
CREEK A2A GP INC., FOSSIL CREEK
A2A DEVELOPMENTS, LLC, SERENE
COUNTRY HOMES (CANADA) INC., and
A2A CAPITAL SERVICES CANADA INC.,
by
ALVAREZ AND MARSAL CANADA INC.
in its capacity as Monitor with enhanced powers
over each of the foregoing and not in its personal
or corporate capacity

I agree with the terms and conditions as stated above:

Per:

Date: _____, 2025

SCHEDULE "A"
Borrowers

1. A2A Developments Inc.
2. Angus A2A GP Inc.
3. Angus A2A Limited Partnership
4. Angus Manor Park A2A Developments Inc.
5. Angus Manor Park Capital Corp.
6. Angus Manor Park A2A GP Inc.
7. Angus Manor Park A2A Limited Partnership
8. Hills Of Windridge A2A GP Inc.
9. Hills Of Windridge A2A LP
10. Windridge A2A Developments, LLC
11. Fossil Creek A2A GP Inc.
12. Fossil Creek A2A Limited Partnership
13. Fossil Creek A2A Developments, LLC
14. Serene Country Homes (Canada) Inc
15. A2A Capital Services Canada Inc.
16. Fossil Creek A2A Trust
17. Hills of Windridge A2A Trust

Schedule "B"
Additional Advance – Use of Proceeds

Required Use	Amount
Repayment of Capitalized Legal Fees	\$24,042.38
Renewal Fee (2.25%)	\$33,750.00
Interest Reserve (9 months)	\$168,750.00
Monitoring Reserve (9 months)	\$4,500.00
Advance Fee	\$250.00
Unpaid Legal Invoice (#1690404)	\$1,491.00
Legal Fees incurred in connection with renewal	TBD