

RICHTER

**IN THE MATTER OF THE BANKRUPTCY OF
ATTAbotics Inc. and ATTAbotics (US), Corp.
of the City of Calgary
in the Province of Alberta**

**TRUSTEE'S REPORT TO THE FIRST MEETING OF CREDITORS ON
PRELIMINARY ADMINISTRATION**

BACKGROUND AND CAUSES OF BANKRUPTCY

Background

1. ATTAbotics Inc. ("**ATTAbotics Canada**") was founded in 2016 as a start-up technology company to develop, prototype, pilot and commercialize 3D robotics supply chain management systems. ATTAbotics Canada was incorporated in Canada with a registered office in Calgary, Alberta.
2. ATTAbotics (US), Corp. ("**ATTAbotics US**" and together with ATTAbotics Canada, "**ATTAbotics**" or the "**Companies**") is a wholly owned subsidiary of ATTAbotics Canada and was formed under the laws of the State of Delaware. The primary function of the employees of ATTAbotics US was focused on business development and sales in the United States.
3. Prior to the Bankruptcy Date (as defined below) ATTAbotics operated primarily from two leased locations located in Calgary, Alberta: 105-566 Aero Drive NE (the "**Dream Summit Location**") and 7944 10 St. NE (the "**Mancal Location**"). The head office of ATTAbotics was located in Calgary at the Mancal Location and all of the administrative functions for ATTAbotics were performed in Canada.
4. ATTAbotics historically relied on equity and debt financing to fund the costs of research and development and business operations. Between 2019 and 2022, for example, ATTAbotics raised approximately \$220 million to fund ongoing research, development, and commercialization initiatives. Notwithstanding this cash raise, additional funding was required to continue operating the business as it had not yet scaled enough to generate positive cash flows. In late 2024, ATTAbotics sought to obtain additional funding through a Class D preferred share financing. This preferred share offering failed, leading to significant liquidity constraints and, ultimately, the commencement of formal insolvency proceedings.
5. The Companies' business, affairs, financial performance, and position, as well as the causes of insolvency, are further detailed in the affidavit of Edna Conway, ATTAbotics' former Chair of its Board of Directors sworn July 3, 2025.

NOI Proceedings

6. On July 2, 2025 (the "**Filing Date**"), the Companies filed Notices of Intention to Make a Proposal (each an "**NOI**") pursuant to section 50.4(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**"), and Richter Inc. ("**Richter**") was appointed as proposal trustee (in such capacity, the "**Proposal Trustee**") under each NOI. The NOI proceedings of the Companies are referred to herein as the "**NOI Proceedings**". Court documents and additional background information in respect of the NOI Proceedings are available on the Proposal Trustee's website at <https://www.richter.ca/insolvencycase/attabotics-inc/>
7. On July 4, 2025, the Court of King's Bench of Alberta (the "**Court**") granted an order which, among other things, authorized ATTAbotics to obtain certain debtor-in-possession financing from Export Development Canada

(“**EDC**”), approved certain priority charges as described more fully in paragraph 19(a) herein and approved the procedural consolidation of the Companies’ bankruptcy estates.

8. On July 29, 2025, the Court granted an order (the “**SISP Approval Order**”) which, among other things, (i) extended the time in which ATTAbotics was required to file a proposal to their creditors under section 50.4(9) of the BIA to September 15, 2025, and (ii) authorized ATTAbotics and the Proposal Trustee to implement a sale and investment solicitation process (the “**SISP**”) to identify a restructuring, sale or reorganization transaction in respect of the property and/or business of ATTAbotics.
9. On September 8, 2025, the Court granted an order extending the time in which ATTAbotics was required to file a proposal to their creditors under section 50.4(9) of the BIA to October 30, 2025.
10. On September 22, 2025, the Court granted a sale approval and vesting order (the “**SAVO**”) which, among other things, approved the transaction (the “**Transaction**”) contemplated by the asset purchase agreement dated September 17, 2025 between ATTAbotics Canada and Lafayette Systems, Inc., as assigned by Lafayette Systems, Inc. to Lafayette Systems Canada, ULC (the “**Purchaser**”) pursuant to an assignment and assumption of asset purchase agreement dated September 17, 2025 and as subsequently amended pursuant to amendment and acknowledgment agreements made as of October 14, 2025 between ATTAbotics Canada and the Purchaser (collectively, the “**APA**”). The Transaction, among other things, provided for:
 - (a) the purchase by the Purchaser of the Purchased Assets (as defined in the APA), which Purchased Assets represented substantially all of ATTAbotics Canada’s assets and included all Inventory, Rolling Stock, Equipment, Computer Equipment, Capital Assets, Intellectual Property, Transferred Permits, and Goodwill of ATTAbotics Canada (each as defined in the APA) and the lease agreement in respect of the Mancal Location, on an “as-is, where-is” basis, free and clear of all claims and encumbrances; and
 - (b) a purchase price comprised of cash in the amount of \$7,700,313.25 (the “**Cash Proceeds**”) plus consideration payable, if any, under a deferred payment agreement dated the 14th day of October, 2025 between Lafayette Systems, Inc., the Purchaser and ATTAbotics Canada (the “**DPA**”). The DPA provides for, among other things, revenue royalties and a share of any gains that may be realized by the Purchaser in a future sale.
11. On October 14, 2025:
 - (a) the Court granted an order (the “**Termination Order**”) which, among other things, provided for the immediate and automatic assignment of the Companies into bankruptcy pursuant to Section 50.4(8) and/or 50.4(11) of the BIA upon the filing by the Proposal Trustee of the Proposal Trustee’s closing certificate in the form attached as Schedule “A” to the SAVO (the “**Proposal Trustee’s Closing Certificate**”); and
 - (b) the Transaction closed and, in accordance with the APA and the SAVO, all of ATTAbotics Canada’s right, title and interest in and to the Purchased Assets (as defined in the APA) vested in the Purchaser free and clear of encumbrances.

Bankruptcy Proceedings

12. On October 15, 2025 (the “**Bankruptcy Date**”):
 - (a) the Proposal Trustee filed the Proposal Trustee’s Closing Certificate and, in accordance with the Termination Order, the NOI Proceedings were terminated and the Companies were automatically assigned into bankruptcy for the general benefit of creditors (the “**Bankruptcy Proceedings**”); and

- (b) Richter was appointed as Licensed Insolvency Trustee of the estates (in such capacity, the “**Trustee**”) by the official receiver, subject to affirmation by the creditors of the Trustee’s appointment or substitution of another trustee by the creditors at the first meeting of creditors (the “**First Meeting**”) to be held virtually on November 5, 2025 at 12:00 pm (MT) for ATTAbotics Canada and at 1:00 pm (MT) for ATTAbotics US.
- 13. On October 22, 2025, the Trustee sent a notice of the Bankruptcy Proceedings and the First Meeting and a form of proof of claim and proxy (the “**Creditors’ Package**”) to all known creditors of the Companies.
- 14. On October 24, 2025, the Trustee published a notice of the Bankruptcy Proceedings and the First Meeting (the “**Newspaper Ad**”) in the Calgary Herald.

Activities of the Trustee Since Appointment

- 15. Since the Bankruptcy Date, the Trustee has conducted the following activities in accordance with its statutory responsibilities pursuant to the provisions of the BIA:
 - (a) setting up the estate bank accounts;
 - (b) cancelling credit cards;
 - (c) contacting banks to freeze the Companies’ bank accounts and transfer residual cash in the accounts to the Trustee’s trust account;
 - (d) mailing the Creditors’ Packages;
 - (e) publishing the Newspaper Ad;
 - (f) updating the case website on the Trustee’s website in respect of the Bankruptcy Proceedings at <https://www.richter.ca/insolvencycase/attabotics-inc/>;
 - (g) responding to creditor and employee inquiries and correspondence;
 - (h) reviewing proofs of claim; and
 - (i) preparing this Report.

Terms of Reference

- 16. In preparing this report (the “**Report**”), the Trustee has been provided with, and has relied upon, unaudited, draft and/or internal financial information, the Company’s books and records, and discussions with management of the Companies (collectively, the “**Information**”). Except as described in this Report:
 - (a) the Trustee has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Trustee 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 (“**CAS**”) pursuant to the Chartered Professional Accountants Canada Handbook, and, accordingly, the Trustee expresses no opinion or other form of assurance contemplated under CAS in respect of the Information;

- (b) parties using this Report other than for the purposes outlined herein are cautioned that it may not be appropriate for their purposes. Any party seeking to place reliance on the financial information contained herein should perform its own due diligence; and
- (c) unless otherwise stated, all dollar amounts contained in the Report are expressed in Canadian dollars.

TRUSTEE'S PRELIMINARY EVALUATION OF ASSETS AND DETAILS OF SECURITY INTERESTS

Books and Records

17. The Trustee is in possession of corporate records and other records not exclusively related to the Purchased Assets including virtual financial records. The Retained Contractors have assisted the Trustee with respect to compiling requisite information and related requests.

Summary of Assets

18. As outlined in the Statement of Affairs, the assets of ATTAbotics US include the cash on hand at the Bankruptcy Date.

Secured Creditors and Preferred Creditors

19. According to ATTAbotics Canada's Statement of Affairs, as at the Bankruptcy Date, secured creditors include:
- (a) Creditors having a charge pursuant to an order of the Court (collectively the "**Court Ordered Charges**"), in the priority outlined below:
 - i. Administration Charge to a maximum of \$300,000;
 - ii. D&O Charge to a maximum of \$200,000 (estimated at the Bankruptcy Date to be \$10,000);
 - iii. KERP Charge to a maximum of \$222,921 (estimated at the Bankruptcy Date to be nil); and
 - iv. DIP Charge (estimated at the Bankruptcy Date to be approximately \$2.6 million).
 - (b) EDC with a claim of approximately \$46.3 million (excluding EDC's claim under the DIP Charge) and holding a general security interest over all assets including the proceeds therefrom.

Wage Claims (BIA Section 81.3 and WEPPA Claims)

20. The Trustee is not aware of any potential claims in respect of BIA Section 81.3 Claims in the Bankruptcy Proceedings. As at the Bankruptcy Date, no amounts were owed to ATTAbotics Canada's former employees that would qualify as claims under section 81.3 of the BIA.

Unsecured Creditors

21. ATTAbotics US's Statement of Affairs indicates that there are unsecured creditors with claims totaling approximately \$ 50 million.

CONSERVATORY AND PROTECTIVE MEASURES

22. Following the Bankruptcy Date, the Trustee has provided notice to the banks in which ATTAbotics US holds cash.

INFORMATION RELATING TO PROVABLE CLAIMS

23. As at 9 a.m. on the date of this Report, the Trustee has recorded Proof of Claims filed, as follows:

Description	Statement of Affairs (Amount \$)	Claim Filed to Date (Amount \$)	Claim Filed to Date (#)
Unsecured	49,563,199.22	37,919,159.40	3
Preferred	-	-	0
Secured	23,100.00	14,000,000.00	1
Total	49,586,299.22	51,919,159.40	4

LEGAL PROCEEDINGS, TRANSFERS AT UNDERVALUE AND PREFERENCE PAYMENTS

24. The Trustee has not yet completed its review of the available books and records of the Company. If the review reveals any preference payments or transfers at undervalue, the Trustee will seek direction from estate creditors or inspectors, as applicable.

DETAILS OF FEE GUARANTEES

25. On October 30, 2025, the Trustee entered into an agreement with EDC and BDC (the “**Third Party Deposit Agreement**”) pursuant to which the Trustee is authorized to withdraw \$200,000 (the “**Deposit**”) from the Cash Proceeds to be held in Trust by the Trustee to guarantee the costs of administration of the Trustee to a maximum of the taxed costs should the realization from other sources be less than the taxed costs or any qualification that may be explained on the Statement of Receipts and Disbursements by way of a footnote. As noted in the Third Party Deposit Agreement, the Deposit, given EDC and BDC’s security interest in the Cash Proceeds, is third-party funds and did not, directly or indirectly, in whole or in part, come from assets that would otherwise be Estate assets or assets in which any third-party, other than the Depositors, may have an interest.

PROJECTED DISTRIBUTION AND TRUSTEE’S COMMENTS ON ANTICIPATED ASSET REALIZATIONS

26. The Trustee anticipates that there will be no recoveries or funds available for distribution to the unsecured creditors of the estate.

OTHER

Further information relating to the Bankruptcy Proceedings may be obtained from Richter’s website at:
<https://www.richter.ca/insolvencycase/attabotics-inc/>

Dated at Toronto, Ontario, this 5th day of November, 2025.

RICHTER INC.,

in its capacity as Trustee of the bankrupt estate of
ATTAbotics Inc. and ATTAbotics (US), Corp.
and not in its personal or corporate capacity

A handwritten signature in black ink, appearing to be 'K. Kimel', with a horizontal line extending from the end.

Karen Kimel, MAcc, CPA, CA, CPA(IL), CIRP, LIT
Senior Vice President