KOVO+ HOLDINGS INC.

MANAGEMENT INFORMATION CIRCULAR

AND

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

MEETING DATE: *October 5, 2026*

MEETING LOCATION: *1500, 850 – 2nd St. SW, Calgary, AB T2P 0R8*

YOUR VOTE AND PARTICIPATION AS A SHAREHOLDER ARE IMPORTANT. PLEASE READ THE ACCOMPANYING NOTICE OF MEETING, MANAGEMENT INFORMATION CIRCULAR, AND VOTE YOUR SHARES.

Dear Shareholders:

We invite you to attend the special meeting (the "**Meeting**") of the holders ("**Shareholders**") of common shares ("**Common Shares**") of Kovo+ Holdings Inc. (the "**Corporation**" or "**Kovo**") to be held at the offices of Dentons Canada LLP, 1500, 850 – 2nd St. SW, Calgary, Alberta T2P 0R8, on October 5, 2026 at 10:00 a.m. (MDT).

At the Meeting, you are being asked to consider and vote on a proposed transaction (the "**Proposed Transaction**") that would fundamentally change the Corporation. The Proposed Transaction would transfer Kovo's revenue cycle management assets to an organization controlled by its senior secured lender, Avonlea Ventures #2 Inc. ("**AVI**"), provide for the disposition of AI Vector 2.0, Inc. ("**AI Vector**"), materially reduce and restructure the Corporation's indebtedness and establish the commercial foundation for Kovo to continue as a public healthcare technology company.

The decision arises at a difficult point in the Corporation's history. Kovo is in default under indebtedness of approximately US$27 million. AVI has demanded repayment and delivered notice of its intention to enforce its security. Kovo cannot repay that indebtedness, and its existing operations do not generate enough cash to grow out of the current capital structure.

In response to the foregoing, the board of directors ("**Board**") established special committee of independent directors (the "**Special Committee**") to negotiate potential forbearance arrangements with AVI and make recommendations to the Board and the disinterested Shareholders. The result of this negotiation is the Proposed Transaction presented in the accompanying management information circular ("**Information Circular**").

The Proposed Transaction is not free from risk and does not guarantee that the future business will succeed. The Board and the Special Committee nevertheless believe that it provides Shareholders with a materially better opportunity to preserve and create value than any realistically available alternative.

Why you should approve the Proposed Transaction

The Proposed Transaction is designed to address the immediate enforcement risk, materially improve Kovo's financial position and preserve an opportunity for Shareholders to participate in future value. Its principal expected benefits are:

- Significant debt reduction in the form of:
    - US$13 million of immediate debt forgiveness as consideration for the RCM assets;
    - potential further debt reduction through the disposition of AI Vector;
- Reshaping of the debt terms including:
    - restructuring of all remaining indebtedness over five years at a uniform annual interest rate of 12 percent, replacing rates above 20 percent applicable to portions of the current indebtedness;
    - an initial two-year period without required cash debt payments, providing time to validate the new business;
- Enabling Kovo with the opportunity to rebuild value as a healthcare technology company, specifically:
    - negotiated exclusive commercial rights to HEAL Group products; and
    - access to the HEAL RCM clinics, their providers and patient population.

As Shareholders, the Proposed Transaction gives you continued ownership of your Common Shares and participation in future value that may be created.

If the Proposed Transaction is not approved, the lender may terminate the forbearance arrangements and enforce its security. Based on the secured indebtedness, the independent valuations and the priority of creditor claims, the Board and the Special Committee expect that Shareholders would receive no recovery in an enforcement or insolvency process.

Overview of the Proposed Transaction

The following are the key elements of the Proposed Transaction:

- RCM asset transfer. Kovo would transfer its RCM assets to HEAL RCM in exchange for US$13 million of debt forgiveness and a potential US$2 million performance-based earnout. It should be noted that this negotiated consideration for the RCM assets exceeds the independently estimated fair market value of those assets.

- AI Vector disposition. AI Vector would be sold through the process described in the Information Circular, with the resulting consideration expected to provide further debt reduction.

- Debt restructuring. All indebtedness remaining after the asset dispositions would be restructured over a five-year term at a uniform annual interest rate of 12 percent, with an initial two-year period without required cash debt payments. Interest would continue to accrue during that period.

- Development Agreement. As an integral negotiated component of the transaction, Kovo would receive exclusive rights within the agreed market to commercialize HEAL Group products and services, including products supported by the HEAL Access platform.

- Commercial channel. Kovo would obtain privileged, although not guaranteed, commercial access to the clinics and patients served by HEAL RCM. Clinics would remain free to decide whether to participate, and patients would decide whether to subscribe.

The transaction is subject to the approvals and conditions described in the accompanying Information Circular. Shareholders should review the full Information Circular carefully before voting.

Kovo following the Proposed Transaction

Following completion of the Proposed Transaction, Kovo would no longer depend primarily on owning and financing a traditional RCM business. It would become a healthcare technology commercialization company focused on introducing technology-enabled products and services to healthcare providers and, where appropriate, their patients.

The principal long-term opportunity is the proposed development and commercialization of a Personal Health Intelligence membership powered by HEAL Access. The intended capability would help patients bring together and understand their health information, prepare for care, remember what occurred during encounters, follow care plans, ask questions between encounters and recognize when professional assistance is appropriate.

HEAL Access provides much of the modern technology foundation required to deliver this Personal Health Intelligence capability, including the ability to bring together health information from multiple sources, maintain a longitudinal understanding of the patient and support personalized, conversational interaction using artificial intelligence. Further development and configuration is needed and funding is already identified to do this work.

This creates the opportunity to offer patients something more useful than another static health portal: a continuously available personal health companion that helps them understand their information, prepare for care and act on what they have been told.

At approximately US$5 per month, Kovo believes this could represent an accessible and compelling service for patients who want greater understanding and continuity across their healthcare journey.

The central commercial uncertainty is whether a meaningful number of patients will pay approximately US$5 per month for this capability. That proposition has not been proven. Privileged access to clinics and patients is not guaranteed distribution, and Kovo may not achieve sufficient adoption, retention or profitability to repay its remaining indebtedness. The Proposed Transaction gives Kovo time, technology and a potentially significant provider-connected channel through which to test that proposition.

Recommended Action

The Proposed Transaction involves significant conflicts of interest because AVI is also the controlling shareholder and entities under common control are parties to components of the Proposed Transaction. The Board established the Special Committee to oversee the independent review and negotiation process. The Special Committee retained independent legal counsel and an independent valuation firm and considered the Corporation's financial position, the value of the assets being transferred, the negotiated terms, the material risks and the alternatives realistically available to Kovo.

The Special Committee concluded that the proposed transaction provides Kovo and its Shareholders with a materially better opportunity than any realistic alternative and recommended that the Board approve the Proposed Transaction and recommend that Shareholders vote in favour of the proposed transaction.

The Board, after considering the recommendation of the Special Committee and the other information described in the Information Circular, determined that the Proposed Transaction is in the best interests of Kovo and recommends that Shareholders vote FOR the proposed transaction resolution.

Your vote is important regardless of the number of Common Shares you own. The accompanying Information Circular contains a detailed description of the Proposed Transaction, the meeting, the voting process, the material risks and the rights available to shareholders. You are urged to read it carefully and to consult your own legal, tax, financial or other professional advisor if you require assistance.

On behalf of the Board, thank you for your continued support and careful consideration of this important decision.

(signed) *"Peter Bak"*

Peter Bak
Board Chair

Notice is hereby given that the special meeting (the "**Meeting**") of the holders ("**Shareholders**") of common shares ("**Common Shares**") of Kovo+ Holdings Inc. (the "**Corporation**") will be held at the offices of Dentons Canada LLP, 1500, 850 – 2nd St. SW, Calgary, Alberta T2P 0R8, on October 5, 2026 at 10:00 a.m. (MDT) and any adjournment(s) or postponement(s) thereof for the following purposes:

1. to consider and, if deemed advisable, approve, with or without variation, a special resolution ratifying and confirming the Proposed Transaction (as defined below), including the Forbearance Framework, the Strict Foreclosure, the RCM ROFR, the sale of the RCM Assets, the AIV Sale, the Development Agreement, and related matters (the "**Proposed Transaction Resolution**"), as described in the accompanying management information circular (the "**Information Circular**"); and

2. to transact such further and other business as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

Additional information concerning the matters proposed to be put before the Meeting is set forth in the Information Circular, which accompanies and forms part of this Notice of Meeting. If you are a registered Shareholder ("**Registered Shareholder**"), a form of proxy ("**Instrument of Proxy**") is enclosed, and if you are a non-registered Shareholder ("**Beneficial Shareholder**"), a voting instruction form ("**VIF**") is enclosed.

Registered Shareholders

A Registered Shareholder may attend the Meeting in person or may be represented at the Meeting by a proxyholder. Registered Shareholders who are unable to attend the Meeting in person are requested to date and sign the enclosed Instrument of Proxy and mail or deposit it with Computershare Trust Company of Canada ("**Computershare**"), our registrar and transfer agent. To be valid, the Instrument of Proxy must be dated, completed, signed and deposited with Computershare by: (i) mail to 320 Bay Street, 14th Floor, Toronto, Ontario, M5H 4A6 Attention: Proxy Department; (ii) phone at 1-866-732-8683 (Toll-Free Canada & U.S.) or 1-312-588-4290 (Toll-Free International), entering the 15-digit control number found on your Instrument of Proxy; or (iii) online at www.investorvote.com, entering the 15-digit control number found on your Instrument of Proxy, or as otherwise indicated in the instructions contained in the Instrument of Proxy.

Non-Registered Shareholders

Beneficial Shareholders are those who beneficially own Common Shares that are registered in the name of a broker, another intermediary or an agent of that broker or intermediary, rather than their own name. Without specific instructions, intermediaries are prohibited from voting Common Shares for their clients. For Beneficial Shareholders, it is vital to return the VIF provided to such Beneficial Shareholder according to the instructions, sufficiently in advance of the deadline specified by the broker, intermediary or its agent, to ensure that they are able to provide voting instructions on such Beneficial Shareholder's behalf.

You can find more information about these terms under the heading "*Voting of Common Shares*" in the accompanying Information Circular.

Proxy Deadline

If you are a Registered Shareholder, you must submit your Instrument of Proxy not later than 10:00 a.m. (MDT) on October 1, 2026, or not less than 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) before the time set for the holding of any adjournment(s) or postponement(s) of the Meeting. Beneficial Shareholders may be subject to earlier deadlines as specified in their VIF or voting instructions. Shareholders are cautioned that using mail to transmit Instruments of Proxy or VIFs is at their own risk.

In the event of an adjournment or postponement of the Meeting, the adjourned or postponed Meeting will be held at a time and place to be specified either by the Corporation before the Meeting or by the chair of the Meeting, as applicable.

Record Date

The board of directors of the Corporation (the "**Board**") has fixed the record date for the Meeting at the close of business on August 27, 2026 (the "**Record Date**"). Shareholders of record as at the Record Date are entitled to receive notice of the Meeting and to vote those Common Shares included in the list of Shareholders entitled to vote at the Meeting prepared as at the Record Date, unless any such Shareholder transfers Common Shares after the Record Date and the transferee of those Common Shares, having produced properly endorsed certificates evidencing such Common Shares or having otherwise established that they own such Common Shares, demands, not later than ten (10) days before the Meeting, that the transferee's name be included in the list of Shareholders entitled to vote at the Meeting, in which case such transferee shall be entitled to vote such Common Shares at the Meeting.

If you are a Registered Shareholder and have any questions on voting, please contact Computershare at 1-800-564-6253 (Toll-Free North America) or 1-514-982-7555 (Toll-Free International).

If you are a Beneficial Shareholder and have questions on voting, you should contact your intermediary.

Dissent Rights

Pursuant to Section 191 of the ABCA, Registered Shareholders have been granted the right to dissent with respect to the Proposed Transaction Resolution and, if the Proposed Transaction is completed, to be paid the fair value of their Common Shares by Kovo in accordance with the provisions of Section 191 of the ABCA.

A Registered Shareholder's right to dissent is more particularly described in the Information Circular. To exercise such right to dissent, a Registered Shareholder must send to Kovo, c/o Dentons Canada LLP, 1500, 850 – 2nd Street SW, Calgary, AB T2P 0R8, Attention: James O'Sullivan (email: james.osullivan@dentons.com), a written objection to the Proposed Transaction Resolution not later than 4:00 p.m. (MDT) on September 28, 2026 (or the date that is five (5) business days immediately prior to the date of any adjournment or postponement of the Meeting). Failure to strictly comply with the requirements set forth in Section 191 of the ABCA may result in the loss of any right of dissent.

Failure to pass the Proposed Transaction Resolution, or the exercise and non-withdrawal of dissent rights by Shareholders holding more than 5% of the issued and outstanding Common Shares, excluding Common Shares held by Avonlea Ventures #2 Inc. and HEAL Access USA Inc., each constitutes a Termination Event (as defined in the Forbearance Agreement) under the Forbearance Agreement (as defined in the Information Circular), entitling Avonlea Ventures #2 Inc. to immediately terminate the forbearance period and exercise its rights and remedies under the Loan Documents (as defined in the Forbearance Agreement), including enforcing its security over all Collateral (as defined in the Forbearance Agreement). See "*Forbearance arrangements may not be honoured or may be terminated*" and "*The Proposed Transaction may not be completed if a sufficient number of Shareholders exercise Dissent Rights*" in the Information Circular for further details.

Beneficial Shareholders are not entitled to dissent. Accordingly, a Beneficial Shareholder desiring to exercise this right must arrange for the Common Shares beneficially owned by such Beneficial Shareholder to be registered in the Beneficial Shareholder's name prior to the time the written objection to the Proposed Transaction Resolution is required to be received by Kovo or, alternatively, arrange for the Registered Shareholder to dissent on the Beneficial Shareholder's behalf. It is strongly suggested that any Beneficial Shareholder wishing to dissent seek independent legal advice, as the failure to comply strictly with the provisions of the ABCA may prejudice such Beneficial Shareholder's right to dissent.

DATED this 2nd day of September, 2026.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) *"Peter Bak"*

Peter Bak
Board Chair

This management information circular (the "**Information Circular**") is furnished in connection with the solicitation of proxies by the management of Kovo+ Holdings Inc. (the "**Corporation**" or "**Kovo**") for use at the special meeting (the "**Meeting**") of the holders ("**Shareholders**") of common shares ("**Common Shares**") of the Corporation to be held at the offices of Dentons Canada LLP at 1500, 850 – 2nd St. SW, Calgary, AB T2P 0R8, on October 5, 2026 at 10:00 a.m. (MDT) for the purposes set forth in the notice of meeting (the "**Notice of Meeting**") accompanying this Information Circular. Unless otherwise indicated, information set out in this Information Circular is provided as of September 2, 2026.

GLOSSARY OF TERMS

The following is a glossary of certain terms used in this Information Circular. Terms and abbreviations used in the schedules to this Information Circular are defined separately, and the terms and abbreviations defined below are not used therein, except where otherwise indicated.

"**ABCA**" means the *Business Corporations Act*, R.S.A. 2000, c. B-9;

"**affiliate**" has the meaning set forth in the *Securities Act*;

"**AIV Business**" means the business and assets of AI Vector 2.0, Inc., including its related intellectual property, contracts, customer relationships and other assets proposed to be sold pursuant to the AIV Sale;

"**AIV Sale**" means the sale, transfer or other disposition of the AIV Business pursuant to the Forbearance Framework;

"**Applicable Canadian Securities Laws**" means, collectively, and as the context may require, the applicable securities legislation of each of the provinces of Canada, and the rules, regulations, instruments, blanket orders and policies published and/or promulgated thereunder, as such may be amended from time to time prior to the Effective Date, that is binding upon or applicable to such person or persons or its or their business, undertaking, property or securities and emanate from a person having jurisdiction over the person or persons or its or their business, undertaking, property or securities;

"**Applicable Laws**", in the context that refers to one or more persons, means any domestic or foreign, federal, state, provincial or local law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement enacted, adopted, promulgated or applied by a governmental authority, and any terms and conditions of any grant of approval, permission, authority or license of any governmental authority, that is binding upon or applicable to such person or persons or its or their business, undertaking, property or securities and emanate from a person having jurisdiction over the person or persons or its or their business, undertaking, property or securities;

"**AVI**" means Avonlea Ventures #2 Inc., the senior secured creditor and controlling shareholder of Kovo;

"**BIA**" means the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3;

"**Borrower Entities**" means Kovo and each of its direct and indirect subsidiaries that are borrowers, guarantors or other obligors under the Loan Documents or the Forbearance Agreement;

"**Business Day**" means any day other than a Saturday, Sunday, statutory holiday, or other day when banks in the City of Calgary, Alberta are not generally open for business;

"**CMB**" means Complete Medical Billing Florida, Inc.;

“**CMB Assets**” means the assets and business of CMB contemplated by the CMB LOI;

“**CMB LOI**” means the letter of intent between CMB and Kovo in respect of the acquisition of the CMB Assets;

“**Default Advance**” means the further US$1.0 million advance to be made available by AVI to the Borrower Entities under, or in connection with, the Forbearance Agreement notwithstanding the Specified Defaults, subject to strict compliance with the applicable funding conditions and use-of-proceeds requirements, and to be added to and secured as part of the Indebtedness;

“**Default Notices**” means, collectively, the Notice of Default and the accompanying demand for repayment and notice of intention to enforce security under section 244 of the BIA;

“**Development Agreement**” means the strategic marketing and commercial development agreement expected to be entered into among Kovo, Kovo+ (USA), Inc., HEAL RCM and certain related HEAL entities, under which Kovo+ (USA), Inc. is expected to be appointed as exclusive representative or reseller for specified HEAL products to revenue cycle management clients in the United States and which is expected to include product revenue-sharing arrangements, a development collaboration framework, management arrangements for certain HEAL entities and related conditions to effectiveness;

“**Effective Date**” means, unless the context otherwise requires, the date on which the applicable substantive obligations under the Development Agreement or other relevant transaction document become effective in accordance with the terms of that document, including satisfaction or valid waiver of applicable conditions precedent; for greater certainty, references to the effectiveness of AVI’s obligations under the Forbearance Agreement are governed by the Forbearance Agreement;

“**Extension Agreements**” means, collectively, the extension agreements dated May 1, 2025, June 30, 2025, July 31, 2025, August 29, 2025, and April 20, 2026 whereby the Corporation and AVI agreed to certain extensions and amendments of the Loan Documents;

“**First Forbearance Period**” means the initial period during which AVI has agreed to forbear under the Forbearance Agreement until the earlier of the occurrence of an applicable Termination Event and 4:00 p.m. (Calgary time) on October 5, 2026;

“**Forbearance Agreement**” means the forbearance agreement dated September 2, 2026 among AVI, Kovo and the other Borrower Entities, pursuant to which, among other things, AVI agreed to forbear from immediate enforcement of its rights and remedies under the Loan Documents and Security for the applicable forbearance periods, subject to strict compliance with the terms, milestones, conditions and Termination Events set out therein;

“**Forbearance Framework**” means, collectively, the Forbearance Agreement, the Strict Foreclosure, the RCM ROFR, the sale of the RCM Assets, the AIV Sale, the Development Agreement, the Default Advance, the Updated Operating Plan and all related approvals, waivers, covenants and transactions contemplated by those arrangements;

“**Guarantied Liabilities**” means, in respect of the Loan Documents, all of the obligations existing, including all amounts that constitute part of the guarantied liabilities and would be owed by Kovo to AVI but for the fact that they are unenforceable or not allowable, including due to the existence of a bankruptcy, reorganization, other insolvency proceeding or similar proceeding involving Kovo or any guarantor;

“**HEAL Access USA**” means HEAL Access USA, Inc., which beneficially holds 13,180,038 Common Shares and is controlled by Michael Steele;

“**HEAL Group**” means HEAL Group Holdings Inc.;

“**HEAL Products**” means the products and services of HEAL Group and its direct and indirect subsidiaries, expected to include the HEAL Access products (MyHealth, MyClinic and HEAL Access Data), the HWI platform, practice licensing services and retail functions, and any product or service commercialized by HEAL Group or any of its direct or indirect subsidiaries after the Effective Date, including HEAL Pay upon its creation;

"**HEAL RCM**" means HEAL-RCM (USA), Inc., a private Delaware company;

"**Indebtedness**" means the principal, interest, fees, costs and other obligations owing by the Borrower Entities, jointly and severally, to AVI under the Loan Documents and related arrangements, which totalled approximately US$27,088,873 as at August 4, 2026, before further interest, fees, professional fees, charges, costs and other amounts accruing or becoming payable thereafter;

"**Independent Valuation**" means, collectively, (i) the valuation analysis of the RCM Assets prepared by Sequeira Partners at the request of the Special Committee, concluding on the en bloc fair market value of the equity of the RCM Assets in the range of US$8.3 million to US$9.7 million (with a corresponding implied enterprise value of US$10.1 million to US$11.4 million) as at July 31, 2026; and (ii) the valuation analysis of the AIV Business prepared by Sequeira Partners at the request of the Special Committee, concluding on the operating enterprise value of AI Vector in the range of US$3.3 million to US$3.6 million as at July 31, 2026. The Independent Valuation was obtained to provide independent valuation evidence to assist the Special Committee and the Board in their deliberations and recommendations, but is not a formal valuation prepared in compliance with Part 6 of MI 61-101;

"**Investment Agreement**" means the investment agreement dated April 11, 2023 between AVI and the Corporation pursuant to which AVI subscribed for 17,600,000 Units at CDN$0.25 per Unit for aggregate gross proceeds of CDN$4,400,000;

"**Investor Rights Agreement**" means the investor rights agreement dated April 20, 2023 between AVI and the Corporation entered into in connection with the Investment Agreement, pursuant to which AVI received certain Board nomination, participation, information and property-access rights and protections relating to superior voting or other rights;

"**Loan Documents**" means, collectively, the Senior Loan, the Secured Note, the Extension Agreements and the Security, as each may be amended, restated, supplemented or otherwise modified from time to time;

"**MI 61-101**" means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*;

"**Notice of Default**" means the notice of default and demand for repayment dated August 5, 2026 delivered by AVI to Kovo and the Borrower Entities, together with the notice of intention to enforce security under section 244 of the BIA, which was received and publicly disclosed on August 6, 2026;

"**Parties**" means, as the context requires, AVI, Kovo and the other Borrower Entities that are parties to the Forbearance Agreement, and "**Party**" means any one of them;

"**person**" includes any individual, firm, partnership, joint venture, venture capital fund, association, trust, trustee, executor, administrator, legal personal representative, estate, body corporate, corporation, unincorporated association or organization, governmental authority, syndicate or other entity, whether or not having legal status;

"**Proposed Transaction**" means, collectively, the Forbearance Framework, the Strict Foreclosure, the RCM ROFR, the sale of the RCM Assets, the AIV Sale, the Development Agreement and related matters, including the required Shareholder, TSXV and other regulatory approvals;

"**RCM Asset Sale**" means the sale, transfer or other disposition of the RCM Assets pursuant to the Forbearance Framework;

"**RCM Assets**" means, collectively, the Corporation's revenue cycle management and credentialing services business and related assets, including applicable contracts, customer relationships, technology, intellectual property, goodwill and other property proposed to be sold, transferred or reorganized;

"**RCM ROFR**" means the right of first refusal agreement dated September 2, 2026 between Kovo and AVI, pursuant to which Kovo has irrevocably granted to AVI, or an affiliate or nominee designated by AVI, a right of first refusal in respect of the Specified Assets;

"**Reorganization Steps**" means the corporate, operational, financing and sale-related transactions, milestones and initiatives contemplated by the Forbearance Agreement, including those set out in Schedule "A" thereto, including the First Reorganization Period (through the Meeting), the Second Reorganization Period (through December 31, 2026) and the Third Reorganization Period (through April 1, 2027);

"**Representatives**" means the officers, directors, employees, financial advisors, legal counsel, accountants, advisors and all other representatives and agents of any Party, as the context requires;

"**Restructuring Facility**" means the new restructuring credit facility contemplated by the Forbearance Agreement in respect of any remaining indebtedness owing to AVI, to be entered into on or before April 1, 2027 only if applicable conditions are satisfied and only on terms satisfactory to AVI in its sole and unfettered discretion, including an annual interest rate of no less than 12% and a five-year repayment term;

"**Second Forbearance Period**" means the period during which AVI has agreed to continue its forbearance under the Forbearance Agreement following the First Forbearance Period, provided no applicable Termination Event has occurred on or prior to October 6, 2026, from October 6, 2026 until the earlier of the occurrence of an applicable Termination Event and 4:00 p.m. (Calgary time) on December 31, 2026;

"**Secured Note**" means the secured promissory grid note dated May 1, 2025 between Kovo and AVI, as extended and amended pursuant to the Extension Agreements;

"**Securities Act**" means the *Securities Act* (Alberta);

"**Security**" means the general security agreements, guarantees, pledges and other collateral security granted by the Borrower Entities to secure the Indebtedness and AVI's rights under the Loan Documents and related arrangements;

"**SEDAR+**" means the System for Electronic Data Analysis and Retrieval +;

"**Senior Loan**" means the 2nd Amended & Restated Senior Loan and Security Agreement dated August 29, 2024 between Kovo and AVI, as extended and amended pursuant to the Extension Agreements;

"**Sequeira Partners**" means Sequeira Partners, the independent valuator engaged by the Special Committee in respect of the RCM Assets and the AIV Business;

"**Socium**" means Socium Law, legal counsel to the Special Committee;

"**Special Committee**" means the special committee of the Board established on August 7, 2026, consisting solely of Peter Bak, as further described under "*Special Committee Process*";

"**Specified Assets**" means the RCM Assets and the AIV Business;

"**Specified Defaults**" means, collectively, failure to (i) promptly report legal actions pending or threatened in writing against Kovo and Kovo Acquisitions LLC by Healthcare Data Management, Inc.; (ii) provide AVI an updated, corrected and true and complete Perfection Certificate no less than once every quarter until the Term Loan Maturity Date (as defined in the Loan Documents); (iii) forthwith upon becoming aware of the occurrence of a Default or the occurrence of an Event of Default, delivering to AVI notice describing same in detail and specifying the steps being taken to cure or remedy the same; (iv) promptly, and no later than twenty-four (24) hours, notifying AVI of any material deviation, or any expected material deviation, from the Operating Plan; and (v) observe and comply with all other terms and conditions of the Loan Documents owing to the Lender;

"**Strategic Review**" means the review of the Corporation's strategic and financing alternatives conducted by the Special Committee in connection with the Default Notices and the Proposed Transaction;

"**Strict Foreclosure**" means the notification of proposal and acceptance of strict foreclosure in partial satisfaction of obligations dated September 2, 2026 among AVI and the Borrower Entities, pursuant to which AVI proposes to accept all of the Borrower Entities' right, title and interest in and to the Security, or such portion or portions of the Security as AVI may elect, in satisfaction of US$13,000,000 of the Indebtedness, with the Borrower Entities consenting to that acceptance, waiving applicable notice requirements and rights of redemption and agreeing that the remaining Indebtedness and Loan Documents survive except for the satisfied obligations;

"**Termination Event**" means an event described under "*The Forbearance — Termination*" that permits AVI to end the applicable forbearance period and exercise its rights and remedies;

"**Third Forbearance Period**" means the period during which AVI has agreed to continue its forbearance under the Forbearance Agreement following the Second Forbearance Period, provided no applicable Termination Event has occurred, until the earlier of the occurrence of an applicable Termination Event and 4:00 p.m. (Calgary time) on April 1, 2027;

"**TSXV**" means the TSX Venture Exchange;

"**UCC**" means the Uniform Commercial Code; and

"**Updated Operating Plan**" means the revised operating plan for the Corporation and the Borrower Entities intended to reflect their financial condition, capital needs and business plan following the Proposed Transaction.

GENERAL PROXY INFORMATION

Record Date

The board of directors of the Corporation (the "**Board**") has fixed the record date for the Meeting at the close of business on August 27, 2026 (the "**Record Date**"). Only Shareholders of record as at the Record Date will be entitled to vote at the Meeting, unless that Shareholder has transferred any Common Shares subsequent to that date and the transferee Shareholder, not later than ten (10) days before the Meeting, establishes ownership of such Common Shares and demands that the transferee's name be included on the list of Shareholders entitled to vote at the Meeting.

Voting of Common Shares

Shareholders have two options, and the voting process is different for each choice. Shareholders can attend the Meeting in person and vote their Common Shares directly at the Meeting, or Shareholders can vote by proxy.

Registered and Beneficial Shareholders

The voting process depends on whether you are a registered Shareholder (or a proxyholder duly appointed thereby) (a "**Registered Shareholder**") or a non-registered Shareholder (a "**Beneficial Shareholder**").

Registered Shareholders

You are a Registered Shareholder if you hold Common Shares in your own name, as recorded in the Shareholders' register maintained by Computershare Trust Company of Canada ("**Computershare**"), the Corporation's registrar and transfer agent.

Beneficial Shareholders

You are a Beneficial Shareholder if your Common Shares are not registered in your own name, but are instead registered in the name of a bank, trust company, securities dealer or broker, a trustee or administrator of a self-administered RRSP, RRIF, RESP or similar plan, or a clearing agency (such as CDS Clearing and Depository Services Inc.) of which the intermediary is a participant ("**Intermediaries**").

If you are a Registered Shareholder, a form of proxy ("**Instrument of Proxy**") is enclosed, and if you are a Beneficial Shareholder, a voting instruction form ("**VIF**") is enclosed. Most Shareholders are Beneficial Shareholders because the Common Shares they own are not registered in their names.

Voting at the Meeting

A Registered Shareholder or a Beneficial Shareholder who has appointed themselves as proxyholder to represent them at the Meeting will appear on a list of Shareholders prepared by Computershare. Registered Shareholders and duly appointed proxyholders (including Beneficial Shareholders who have duly appointed themselves as proxyholder) will be able to attend the Meeting, submit or ask questions, and vote at the Meeting. To vote directly at the Meeting, such Shareholder or appointee will be required to register for the Meeting by identifying themselves thereat.

If you are a Beneficial Shareholder who wishes to attend the Meeting, submit, or ask questions and vote at the Meeting, you have to appoint yourself as proxyholder first and then also register with Computershare. Beneficial Shareholders who fail to appoint themselves as proxyholder can still attend the Meeting as guests; however, they will not be able to vote at the Meeting, submit or ask questions.

Voting by Proxy

Registered Shareholders and Beneficial Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting. A proxy is a document that authorizes someone else to attend the Meeting and cast votes for you. If you are a Registered Shareholder, an Instrument of Proxy is enclosed, and if you are a Beneficial Shareholder, a VIF is enclosed.

Registered Shareholders

The Instrument of Proxy shall be in writing and shall be executed by the Registered Shareholder, or their attorney authorized in writing or, if the Registered Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized. Registered Shareholders may submit the Instrument of Proxy by:

Mail or Hand Delivery

Computershare Trust Company of Canada
320 Bay Street, 14th Floor, Toronto, Ontario, M5H 4A6

Phone

1-866-732-8683 (Toll-Free Canada & U.S.) or 1-312-588-4290 (Toll-Free International)

You will need to provide your 15-digit control number (located on the Instrument of Proxy accompanying this Information Circular)

Online

www.investorvote.com

You will need to provide your 15-digit control number (located on the Instrument of Proxy accompanying this Information Circular)

Beneficial Shareholders

Applicable regulatory policy requires Intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. If you are a Beneficial Shareholder who receives a proxy form or VIF, you should follow your Intermediary's instructions for completing the same. Every Intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting.

There are two kinds of Beneficial Shareholders; namely, those who have not objected to their Intermediary disclosing certain ownership information about themselves to the Corporation (referred to as non-objecting beneficial owners or "**NOBOs**") and those who have objected to their Intermediary disclosing ownership information about themselves to the Corporation (referred to as objecting beneficial owners or "**OBOs**").

Pursuant to National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*, issuers can request and obtain a list of NOBOs through their transfer agent for distribution of proxy-related materials directly to NOBOs. The Corporation is not sending the Meeting materials directly to NOBOs, but rather has distributed copies of the Meeting materials to the Intermediaries for distribution to NOBOs. The Corporation is not paying for Intermediaries to deliver copies of the Meeting materials and related documents to OBOs. Accordingly, OBOs will not receive copies of the Meeting materials and related documents unless the OBO or its Intermediary assumes the cost of delivery.

Intermediaries are required to forward the Meeting materials to Beneficial Shareholders unless a Beneficial Shareholder has waived the right to receive them. Typically, Intermediaries will use a service company (such as Broadridge Financial Solutions Inc.) to forward the Meeting materials to Beneficial Shareholders. Generally, Beneficial Shareholders who have not waived the right to receive the Meeting materials will have received, as part of the Meeting materials, a VIF, which must be completed, signed, and delivered by the Beneficial Shareholder in accordance with the directions on the VIF.

The purpose of these procedures is to permit Beneficial Shareholders to direct the voting of the Common Shares they beneficially own. Should a Beneficial Shareholder wish to attend and vote at the Meeting (or have another person attend and vote on behalf of the Beneficial Shareholder), the Beneficial Shareholder should strike out the names of the persons named in the VIF and insert the Beneficial Shareholder's (or such other person's) name in the blank space provided or, in the case of a VIF, follow the corresponding instructions on the form.

Proxy Deadline

If you are a Registered Shareholder, you must submit your Instrument of Proxy not later than 10:00 a.m. (MDT) on October 1, 2026, or not less than 48 hours (excluding Saturdays, Sundays, and statutory holidays in the Province of Alberta) before the time set for holding any adjournment(s) or postponement(s) of the Meeting. The proxy deadline may be waived or extended by the chair of the Meeting. Beneficial Shareholders may be subject to earlier deadlines as specified in their VIF or voting instructions.

Appointment of Proxyholder

Your proxyholder is the person you appoint to cast your votes at the Meeting on your behalf. The person(s) named in the enclosed Instrument of Proxy or VIF are directors and officers of the Corporation or legal counsel of the Corporation. If you have not specified how to vote on a particular matter, your proxyholder can vote your Common Shares as they see fit. If you have appointed our directors or officers named on the Instrument of Proxy or VIF as your proxyholder, and you have not specified how you want your Common Shares to be voted, such Common Shares will be voted FOR each of the items of business described in this Information Circular.

Shareholders wishing to appoint someone other than the individuals designated in the enclosed Instrument of Proxy or VIF to vote their Common Shares must write the name of this person, who need not be a Shareholder, in the blank space provided in the Instrument of Proxy or VIF. For each item of business described in this Information Circular, your proxyholder must vote your Common Shares on each according to your instructions if you have properly completed and returned an Instrument of Proxy or VIF. It is important to ensure that any other person you appoint as proxyholder is attending the Meeting and is aware of their appointment to vote your Common Shares.

Revocability of Proxy

A Registered Shareholder who has submitted an Instrument of Proxy may revoke it at any time prior to the exercise thereof. If a person who has given a proxy attends the Meeting at which such proxy is to be voted personally, such person may revoke the proxy prior to the exercise thereof and vote in person. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Registered Shareholder or their attorney authorized in writing, deposited either at the registered office of the Corporation at any time up to and including the last Business Day preceding the Meeting date, or any adjournment thereof, at which the proxy is to be used, or with the chair of the Meeting on the day of the Meeting, or any adjournment thereof, and upon either of such deposits, the proxy is revoked.

Only Registered Shareholders have the right to revoke a proxy. Beneficial Shareholders who wish to change their vote must, in sufficient time in advance of the Meeting, arrange for their respective Intermediaries to change their vote and, if necessary, revoke their proxy in accordance with the revocation procedures set forth above.

Persons Making the Solicitation

The solicitation is made on behalf of the management of the Corporation. The costs incurred in the preparation and mailing of the Meeting materials will be borne by the Corporation. In addition to solicitation by mail, proxies may be solicited through telephone or facsimile by directors, officers, and employees of the Corporation, who will not be specifically remunerated therefor.

Exercise of Discretion by Proxy

The Common Shares represented by proxy will be voted or withheld from voting in accordance with your instructions on the Instrument of Proxy or VIF. The Instrument of Proxy or VIF, as applicable, also confers discretionary authority upon the person(s) named therein. If any amendments are proposed to any matter, or if other matters are properly brought before the Meeting, then, in each case, your proxyholder can vote your Common Shares as they see fit. As of the date of this Information Circular, management of the Corporation knows of no such amendment, variation, or other matter.

If you are a Registered Shareholder and have any questions on voting, please contact Computershare at 1-800-564-6253 (Toll-Free North America) or 1-514-982-7555 (Toll-Free International).

If you are a Beneficial Shareholder and have questions on voting, you should contact your Intermediary.

Voting Securities And Principal Holders Of Voting Securities

As at the close of business on September 2, 2026, there were 179,806,232 Common Shares issued and outstanding, each of which carries the right to one vote at the Meeting and meetings of the Shareholders of the Corporation.

As of the date of this Information Circular, the only persons or companies who, to our knowledge, beneficially own, or control or direct, directly or indirectly, voting securities carrying 10% or more of the outstanding Common Shares are as follows:

Name	Approximate Number of Direct or Indirect Common Share Ownership	Approximate Percentage of Outstanding Common Shares
Michael Steele(1)	119,920,009	66.69%

Notes:
(1) Mr. Michael Steele has control and direction of the holdings of AVI, which holds 106,739,971 Common Shares, and HEAL Access USA, which holds 13,180,038 Common Shares.

Notice to Reader

Forward-Looking Information

This Information Circular, and the documents and schedules incorporated by reference herein, contain forward-looking information and forward-looking statements within the meaning of applicable United States laws and Applicable Canadian Securities Laws (collectively, "**forward-looking information**"). Forward-looking information relates to future events or future performance and is based upon management's current internal expectations, estimates, projections, assumptions and beliefs. Any such forward-looking information may be identified by words such as "anticipate", "proposed", "estimates", "would", "expects", "intends", "plans", "may", "will", and similar expressions, although not all forward-looking information contains these identifying words. All information other than historical fact may be forward-looking information.

More particularly and without limitation, the forward-looking information in this Information Circular and the documents incorporated by reference herein include:

- the structure, steps, timing and effect of the Proposed Transaction;
- the anticipated benefits of the Proposed Transaction to Kovo and the Shareholders;
- the anticipated receipt of all required regulatory and third-party approvals for the Proposed Transaction;
- the ability of Kovo and AVI to satisfy the other conditions to, and to complete, the Proposed Transaction;
- the anticipated treatment of the Proposed Transaction and Shareholders under Applicable Canadian Securities Laws;
- the exercise of Dissent Rights by Registered Shareholders with regard to the Proposed Transaction;
- the anticipated restructuring of the Indebtedness, extension of maturity and application of proceeds from the RCM Asset Sale and AIV Sale; and
- the ability of Kovo to continue operations and generate revenue under the Development Agreement and any Updated Operating Plan.

This forward-looking information is based on certain expectations and assumptions, including the following expectations and assumptions:

- the perceived benefits of the Proposed Transaction are based upon a number of factors, including the terms and conditions of the Forbearance Agreement and current industry, economic, and market conditions;

- certain steps in, and timing of, the Proposed Transaction and the effectiveness of the transactions and obligations contemplated by the Forbearance Agreement are based upon the terms of the Forbearance Agreement and advice received from counsel to Kovo relating to the expected timing of Proposed Transaction steps; and

- the status of and impact of policy, legislation, and regulations.

Some of the risks that could cause results to differ materially from those expressed in the forward-looking information include:

- the conditions to the completion of the Proposed Transaction, including receipt of Shareholder approval, may not be satisfied or waived, where permitted, which may result in the Proposed Transaction not being completed or the Forbearance Agreement being terminated;

- the timing of the Proposed Transaction, the effectiveness of the transactions and obligations contemplated by the Forbearance Agreement or the applicable Forbearance Periods may be changed, delayed, or terminated;

- the Forbearance Agreement may be terminated by AVI under certain circumstances, including as a result of the occurrence of a material adverse change in respect of Kovo;

- Kovo will incur costs relating to the Proposed Transaction, regardless of whether the Proposed Transaction is completed or the Forbearance Agreement is terminated;

- if the Proposed Transaction is not completed, Kovo will continue to be subject to various risks related to its ongoing business;

- volatility of global financial conditions;

- taxation, including changes in tax laws and interpretation of tax laws; and

- political, economic, regulatory, and other uncertainties.

Readers are cautioned that the foregoing list of factors is not exhaustive. Readers should also carefully consider the matters discussed under the heading "*Risk Factors*" and other risks described elsewhere in this Information Circular, its schedules, and the documents incorporated by reference herein.

Although the Corporation believes that the expectations reflected in such forward-looking information are reasonable, undue reliance should not be placed on forward-looking information because Kovo can give no assurance that such expectations will prove to be correct. The forward-looking information in this Information Circular reflects Kovo's current expectations, assumptions and/or beliefs based on information currently available to the Corporation. Any forward-looking information speaks only as of the date on which it is made and, except as may be required by Applicable Canadian Securities Laws, Kovo disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, future events or results, or otherwise. The forward-looking information contained in this Information Circular is expressly qualified by this cautionary statement.

Currency

Unless otherwise specified, all references to dollar amounts in this Information Circular and its schedules, including the symbol "CDN$", are expressed in Canadian dollars. Where amounts are expressed in U.S. dollars, they are indicated as "US$".

The following table reflects the low and high rates of exchange for one U.S. dollar, expressed in Canadian dollars, during the periods noted, the rates of exchange at the end of such periods and the average rates of exchange during such periods, based on the Bank of Canada's daily exchange rates for the last three financial years and the six-month period ended June 30, 2026. The Bank of Canada daily exchange rate for one U.S. dollar, as of the date of this Information Circular, is $1.3863.

	Qtr End Jun. 30, 2026	Year End Dec. 31, 2023	Year End Dec. 31, 2024	Year End Dec. 31, 2025
	($)	($)	($)	($)
Low for the Period	$1.3576	$1.311	$1.3316	$1.3558
High for the Period	$1.4234	$1.3881	$1.4416	$1.4603
Rate at end of Period	$1.4210	$1.3230	$1.4389	$1.3706
Average	$1.3843	$1.350	$1.3698	$1.3978

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this Information Circular from documents filed with the securities authorities. For copies of such documents incorporated by reference herein, refer to "*Additional Information*" or the Corporation's SEDAR+ profile at www.sedarplus.ca.

The following documents, filed with the securities authorities in certain provinces of Canada, are specifically incorporated by reference into, and form an integral part of, this Information Circular:

- the audited consolidated financial statements of the Corporation for the years ended December 31, 2025 and 2024, together with the notes attached thereto and the auditor's report thereon;
- the unaudited condensed interim financial statements of the Corporation for the six-month period ended June 30, 2026;
- MD&A of financial condition and results of operations of the Corporation for the six-month period ended June 30, 2026;
- MD&A of financial condition and results of operations of the Corporation for the year ended December 31, 2025;
- the 2026 Information Circular;
- the material change report dated May 23, 2025 in respect of the Secured Note and Extension Agreement; and
- the material change report dated August 10, 2026 in respect of the Corporation's receipt of the Notice of Default.

Any documents of the type required by National Instrument 44-101 – *Short Form Prospectus Distributions* to be incorporated by reference in this Information Circular, including any annual information form, audited annual consolidated financial statements (together with the auditor's report thereon), information circular, unaudited interim consolidated financial statements, management's discussion and analysis, material change reports (excluding confidential material change reports) or business acquisition reports filed by Kovo with securities authorities in the relevant provinces and territories of Canada subsequent to the date of this Information Circular and prior to the Effective Date shall be deemed to be incorporated by reference in this Information Circular. These documents are available through the Corporation's SEDAR+ profile at www.sedarplus.ca.

Any statement contained in this Information Circular or in a document (or part thereof) incorporated or deemed to be incorporated by reference in this Information Circular will be deemed to be modified or superseded for purposes of this Information Circular to the extent that a statement contained herein or in any other subsequently filed document that also is or is deemed to be incorporated by reference herein, modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement is not to be deemed an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of material fact or an omission to state a material fact that is required to be stated or is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this Information Circular.

PARTICULARS OF MATTERS TO BE ACTED UPON

The Proposed Transaction

The terms of the Proposed Transaction are the result of negotiations between the Corporation, Special Committee, AVI and their respective legal counsel. The following is a summary of the material events, meetings, negotiations and discussions between the Representatives of the Corporation, AVI, and the Special Committee that preceded the execution of the Forbearance Agreement.

Overview of the Negotiated Transaction

The Proposed Transaction is a negotiated restructuring intended to materially reduce the Corporation's indebtedness, replace the current enforcement threat with additional time and preserve a public company through which Shareholders may participate in any future value that may be created. It does not guarantee that the Corporation will succeed, generate sufficient cash to repay its remaining indebtedness or create value for Shareholders. See "*Risk Factors*".

If completed on the terms set out in the Forbearance Agreement and the applicable definitive transaction documents, the Proposed Transaction is expected to provide potential debt reduction or other credit treatment in connection with the sale, transfer or other disposition of the RCM Assets, any earnout or contingent consideration that may be agreed in definitive documentation, possible further debt reduction through the disposition of the AIV Business, a US$1.0 million Default Advance, a potential five-year restructuring of any remaining Indebtedness, an annual interest rate of not less than 12% across any remaining Indebtedness and a period without required cash debt payments as contemplated by the Forbearance Agreement. Interest will continue to accrue during that period.

The negotiated package also includes the Development Agreement, exclusive commercialization rights within the agreed medical billing and RCM market, privileged but not guaranteed commercial access to the clinics and patients served by HEAL RCM, and funding to refine HEAL Access for the proposed Personal Health Intelligence membership offering. These commercial arrangements form an integral part of the negotiated Proposed Transaction and would not be available to Kovo independently of it.

If the Proposed Transaction is not approved, the negotiated asset dispositions, debt reduction or other credit treatment, any earnout or contingent consideration, restructuring terms and commercial arrangements will not proceed. In the absence of another agreement with AVI, the Special Committee expects AVI to exercise its enforcement rights, including through a receivership or another realization, including Strict Foreclosure, or insolvency process. Based on the Corporation's

Indebtedness, the Independent Valuation and the priority of creditor claims, Shareholders are expected to receive no recovery in that circumstance.

Background

On April 20, 2023, the Corporation and its subsidiaries entered into the Original Senior Loan and Security Agreement with AVI (the "**Original Credit Agreement**"), providing for a US$7 million secured facility with an original maturity date of April 30, 2024. During 2023, the Corporation received initial advances of US$3.05 million in three tranches. The Original Credit Agreement was secured by a general security agreement over all present and after-acquired property of Kovo, guarantees from all Borrower Entities and pledges of all equity interests in the Borrower Entities and their subsidiaries. Each Borrower Entity was a co-borrower and was and is jointly and severally liable to AVI for all obligations. Each guarantor under the Loan Documents also jointly and severally, unconditionally and irrevocably guaranteed, as a primary obligor and not merely as a surety, the full and prompt payment of all Guarantied Liabilities. In connection with the financing, AVI subscribed in a private placement for 17,600,000 units at CDN$0.25 per unit for aggregate gross proceeds of CDN$4,400,000 pursuant to an investment agreement (the "**Investment Agreement**") dated April 11, 2023 between AVI and the Corporation. Each unit comprised one Common Share and one-half of one Common Share purchase warrant, and each whole warrant entitled the holder to acquire one Common Share at CDN$0.40 per share for 24 months from closing. In connection with the Investment Agreement, the parties also entered into an investor rights agreement (the "**Investor Rights Agreement**") dated April 20, 2023, which granted AVI: (a) the right to designate up to two nominees to the Board, subject to maintaining at least a 10% ownership threshold; (b) a participation right to purchase securities in future offerings to maintain its ownership percentage; (c) information and property-access rights; and (d) a covenant that the Corporation would not create or issue any class of shares with voting or other rights superior to the Common Shares without AVI's prior written approval, subject to the 10% ownership threshold. On March 23, 2023, Shareholders approved by written resolution AVI becoming a "control person" of the Corporation, effective that date. Mr. Steele joined the Board in April 2023 as AVI's initial nominee and pursuant to the terms and conditions of the Investment Agreement and Investor Rights Agreement. Following completion of the financing, AVI held approximately 30.6% of the Common Shares on a non-diluted basis.

By January 31, 2024, the Corporation's ability to operate as a going concern was severely compromised. It had a working-capital deficit of approximately US$5.0 million, current payables more than 30 days past due of approximately US$1.173 million, approximately US$300,000 in cash and approximately US$500,000 in receivables, and management's forecast projected negative net income of approximately US$1.7 million for fiscal 2024. The Corporation was unable to meet a US$27,000 debt obligation due February 28, 2024 (the "**Unavoidable Defaults**").

On February 27, 2024, AVI and the Corporation and the other Borrower Entities entered into a forbearance agreement (the "**First Forbearance Agreement**"). The Borrower Entities acknowledged indebtedness of US$4,300,000, inclusive of the additional US$1,250,000 advance, plus accruing interest, fees and costs, and acknowledged defaults under the Loan Documents. Each Borrower Entity was jointly and severally liable as a co-borrower and primary obligor for the entire Indebtedness, regardless of which Borrower Entity received an extension of credit, and the Indebtedness was secured by all collateral subject to the Security. The additional advance was made notwithstanding the Unavoidable Defaults, and its proceeds were used primarily to address accounts payable, including the critical vendor payables. A forbearance fee of US$860,000, equal to 20% of the indebtedness, was earned immediately and added to the secured obligations, bringing aggregate Indebtedness to approximately US$5.16 million before further interest, fees and costs. AVI agreed to forbear from appointing a receiver or interim receiver, enforcing the Security, seizing assets or commencing proceedings until the earliest of a Termination Event and June 30, 2024. The Borrower Entities released AVI and related persons from all claims and waived existing defences, set-offs and counterclaims; AVI reserved the right to rely on the Unavoidable Defaults following a Termination Event. Conditions included full reporting and access, no new debt or equity without AVI's consent, no sale of secured property, an Updated Operating Plan acceptable to AVI by April 20, 2024, maintenance of priority statutory remittances and no filing or protection under the BIA, *Companies' Creditors Arrangement Act* (Canada), any business corporations act (or equivalent) or *Title 11, United States Code (11 U.S.C.), Bankruptcy* without AVI's prior written consent.

On April 17, 2024, AVI, through counsel, notified the Corporation that it had acknowledged Kovo's inability to repay the aggregate indebtedness by the maturity date, constituting a further default. AVI proposed, in principle, to extend the maturity and forbearance dates to September 30, 2024, grant an interest holiday with applicable interest capitalized as payment-in-kind ("**PIK**") interest, require enhanced monthly reporting, appoint Justin Anderson as AVI's monitor to attend all Board and management meetings, impose an additional forbearance fee of 1% of aggregate indebtedness per month, and provide for a US$1.0 million termination fee if a proposed restructuring transaction was not completed by September 30, 2024. The proposal also included milestones for a restructuring arrangement involving the sale of Kovo's subsidiaries to HEAL Access USA.

On April 23, 2024, AVI and the Corporation entered into a limited waiver letter agreement (the "**Waiver Letter Agreement**"), pursuant to which AVI granted a one-time, limited and temporary waiver through May 20, 2024 of the Termination Event arising from the Corporation's failure to deliver an Updated Operating Plan by April 20, 2024. The Corporation incurred a US$50,000 waiver fee, which was added to the principal and secured by the existing Security. AVI also agreed to waive the further default expected on April 30, 2024 from the Corporation's inability to make monthly interest payments and elected to receive that interest as PIK interest added to principal. The Corporation incurred an Interest Waiver Fee equal to 1% of aggregate indebtedness per month, accruing separately. AVI advanced a further US$500,000 on May 3, 2024, subject to strict use-of-proceeds requirements for critical vendor payables; any deviation constituted a new default. After this advance, the waiver fee and continuing monthly Interest Waiver Fees, aggregate Indebtedness increased to approximately US$6.16 million before further accrued interest, fees and costs.

On May 20, 2024, the Borrower Entities and AVI entered into a Secured Debt Conversion Agreement ("**Conversion Agreement**") and the First Amended and Restated Loan Agreement (the "**First A&R Loan Agreement**"), which superseded the Original Credit Agreement, the First Forbearance Agreement and the Waiver Letter Agreement upon TSXV approval and became effective on July 18, 2024. Under the Conversion Agreement, the Corporation agreed, subject to TSXV approval, to issue 62,407,767 Common Shares to AVI in settlement of CDN$2,257,229.76 (approximately US$1,657,899) of indebtedness, being 57,543,906 Common Shares at a deemed price of CDN$0.035 (the then market price) and 4,863,861 Common Shares at a deemed price of CDN$0.05. The Corporation represented that it was in serious financial difficulty and that the conversion was designed to improve its financial position. The First A&R Loan Agreement, among other things: affirmed aggregate principal advances of US$4.8 million and pre-conversion obligations of US$6,318,598; extended the maturity date to April 30, 2025; required monthly interest-only payments of US$43,400; granted AVI the right to convert remaining indebtedness into Common Shares at CDN$0.05; reduced prior fees from US$966,319 to US$645,660; and continued the first-priority lien over all collateral. Following the debt conversion and fee reductions, remaining Indebtedness was reduced to approximately US$4,340,039.

On August 29, 2024, the Corporation and AVI entered into the Second Amended and Restated Senior Loan and Security Agreement (the "**Senior Loan**"), which superseded the First A&R Loan Agreement. It, among other things, recognized aggregate Indebtedness of approximately US$7,155,448 after the conversion pursuant to the Conversion Agreement and other fee adjustments, continued the facility at an aggregate loan amount of up to US$9.1 million, maintained the April 30, 2025 maturity date, reaffirmed AVI's first-priority security interest over all collateral and preserved comprehensive event of default provisions. Following execution of the Senior Loan, aggregate Indebtedness stood at approximately US$7.16 million.

On February 11, 2025, the Corporation entered into a letter of intent with AVI to acquire AVI's rights to acquire the assets of AI Vector, LLC ("**AI Vector**"), including intellectual property, patents, software and pending customer contracts. On May 28, 2025, the parties entered into a definitive asset purchase agreement (the "**APA**") pursuant to which the Corporation agreed to acquire AVI's interest in AI Vector (the "**AVI-Kovo Transaction**") for an aggregate purchase price of US$5,000,000 (the "**Original Purchase Price**"), payable by way of (i) US$3,500,000 in Common Shares and (ii) a US$1,500,000 vendor take-back note (the "**VTB Note**") bearing interest at 12% per annum with a one-year maturity. The parties subsequently amended the APA to reduce the Original Purchase Price to US$3,000,000, payable entirely by way of the VTB Note. Effective August 28, 2025, AI Vector 2.0 Inc. (then Nexus AI Data, Inc.), an indirect wholly owned subsidiary of the Corporation, acquired 100% of the assets of AI Vector for approximately US$3.993 million and satisfied through: (i) an immediate reduction of US$1.0 million as partial satisfaction of purchase price accommodation negotiated with AVI; (ii) US$350,000 in cash paid as a deposit prior to closing; and (iii) the assumption of liabilities in an aggregate amount of approximately US$2.6 million. Evans

& Evans, Inc., certified business valuators, valued (as at December 31, 2024) AI Vector at US$4,760,000 to US$5,240,000 as of December 31, 2024 using discounted cash flow, guideline public company and mergers & acquisitions methodologies (the "**Evans & Evans Valuation**"). The Corporation relied on exemptions from the formal valuation and minority shareholder approval requirements under sections 5.5(b), 5.5(g) and 5.7(1)(e) of MI 61-101 on the basis that the Corporation was in serious financial difficulty and the AVI-Kovo Transaction was designed to improve its financial position.

Between May 1, 2025 through April 20, 2026, AVI and the Corporation entered into five (5) Extension Agreements dated May 1, 2025, June 30, 2025, July 31, 2025, August 29, 2025 and April 20, 2026, extending the maturity dates under the Senior Loan and Secured Note as follows. AVI also made additional advances under the Secured Note, bringing aggregate principal indebtedness under the Secured Note to US$4,600,000. The extension fees, loan bonuses, monthly fees, PIK interest capitalization and additional secured advances caused the Indebtedness to compound substantially over this period:

- On May 1, 2025, the Senior Loan was extended to June 30, 2025. AVI granted a US$300,000 loan bonus, and the Corporation issued a Secured Note with availability of up to US$850,000 bearing interest at 24% per annum. Draws under the Secured Note included US$225,000, US$325,000 and US$300,000, respectively, through June 16, 2025.

- On June 30, 2025, the Senior Loan and Secured Note were extended to July 31, 2025, at which time aggregate Indebtedness was approximately US$10.555 million.

- On July 31, 2025, the Senior Loan and Secured Note were extended to August 29, 2025, the Secured Note availability was increased to US$1.25 million, and the Corporation agreed to a 2% fee on the indebtedness and a US$250,000 loan bonus.

- On August 29, 2025, the Senior Loan and Secured Note were extended to December 31, 2025. Secured Note availability was increased to US$3.75 million, and the Corporation agreed to pay a US$26,000 fee plus a monthly fee equal to 1% of indebtedness under the Secured Note.

- On April 20, 2026, the Senior Loan and Secured Note were extended to December 31, 2026, and the Corporation agreed to pay an extension fee equal to 5% of all outstanding obligations.

As of August 4, 2026, aggregate Indebtedness was US$27,088,873, comprising principal of US$16,700,000, fees of US$5,996,749 and accrued interest of US$4,392,124, before continuing interest, fees and enforcement costs.

Notice of Default

On August 5, 2026: (i) Michael Steele resigned unconditionally and with immediate effect as a director and officer of Kovo and its direct and indirect subsidiaries; and (ii) subsequently, AVI delivered to the Corporation and the Borrower Entities a Notice of Default alleging breaches of sections 8.2(c), 8.12, 8.14 and 8.16 of the Senior Loan, including failure to report pending litigation by Healthcare Data Management, Inc., failure to provide quarterly updated perfection certificates, failure to provide notice of defaults and failure to report material deviations from the Operating Plan. AVI demanded immediate repayment of US$27,088,873 as of August 4, 2026, comprising principal of US$16,700,000, fees of US$5,996,749 and accrued interest of US$4,392,124, plus continuing interest at the default rate and enforcement costs. All Borrower Entities were jointly and severally liable as co-borrowers and primary obligors for the entire Indebtedness, regardless of which Borrower Entity received any advance, and the Indebtedness was secured by all collateral subject to the Security; the guarantors also jointly and severally, unconditionally and irrevocably guaranteed, as primary obligors and not merely as sureties, the full and prompt payment of all Guarantied Liabilities. AVI delivered a Notice of Intention to Enforce Security under section 244 of the BIA, declared all obligations immediately due and payable and reserved all rights and remedies. The Corporation received and publicly disclosed the Default Notices on August 6, 2026.

On August 6, 2026, the Board appointed Chris Burch as interim Chief Executive Officer of the Corporation. The appointment was made and took effect immediately (subject to TSXV approval) and was intended to provide continuity while the Board and the Special Committee considered the Corporation's strategic and financing alternatives.

Special Committee and Strategic Review

In response to a letter received by the Corporation from AVI on August 7, 2026, the Board immediately established the Special Committee, consisting solely of Peter Bak, to review and respond to the Default Notices, negotiate potential forbearance arrangements with AVI and HEAL Group, conduct the Strategic Review, retain independent advisors, oversee disclosure and make recommendations to the Board and disinterested Shareholders. See "*Transaction-Specific Independence Analysis*".

On August 13, 2026, the Corporation publicly announced the establishment of the Special Committee, the Strategic Review, the appointment of Chris Burch as interim Chief Executive Officer, and the intention to hold the Meeting on October 5, 2026.

Effective August 4, 2026, the Special Committee engaged Socium as its independent legal counsel to provide legal advice and assistance in evaluating and negotiating the Proposed Transaction, overseeing the disclosure and regulatory process and advising on the Special Committee's fiduciary duties.

On August 27, 2026, the Special Committee engaged Sequeira Partners as an independent valuator to prepare the Independent Valuation of the RCM Assets and the AIV Business.

Forbearance Agreement

On September 2, 2026, Kovo and the other Borrower Entities entered into the Forbearance Agreement with AVI. Under the Forbearance Agreement, AVI agreed to forbear from immediate enforcement of its rights and remedies under the Loan Documents and Security during three staged forbearance periods, subject to strict compliance by Kovo and the other Borrower Entities with the applicable covenants, milestones, disclosure obligations, use-of-proceeds requirements, conditions precedent and Termination Events. The Forbearance Agreement also contemplates the Default Advance, the Development Agreement, the RCM ROFR, the RCM Asset Sale, the AIV Sale, the Strict Foreclosure, the Updated Operating Plan and a potential Restructuring Facility in respect of remaining indebtedness, in each case subject to the terms of the Forbearance Agreement and the rights of AVI as senior secured creditor.

Under the Forbearance Agreement, the Borrower Entities acknowledge the validity, enforceability and continuing priority of the Loan Documents and Security, acknowledge the Specified Defaults and the Indebtedness, release AVI and related releasees from claims relating to the Loan Documents and related matters, waive existing defences, set-offs and counterclaims, and agree to indemnify AVI and related releasees in respect of specified claims and losses.

The Forbearance Agreement also provides that the Borrower Entities may not seek protection or relief under the BIA, the CCAA, any applicable business corporations statute, the US Bankruptcy Code or similar insolvency or restructuring legislation without AVI's prior express written consent, subject to applicable law, and imposes restrictions on sale of secured property, additional security, new debt and equity issuances except as permitted by the Forbearance Agreement or with AVI's prior written consent.

The Forbearance Agreement provides that the Default Advance must be used solely for the permitted payables and purposes specified in the Forbearance Agreement, that the payment holiday contemplated by the Forbearance Agreement does not constitute forgiveness or waiver of principal, interest, fees, costs or other amounts, and that interest and other amounts continue to accrue in accordance with the Loan Documents and the Forbearance Agreement.

The Forbearance Agreement permits AVI and its advisors and agents to communicate with Shareholders, guarantors, creditors, suppliers, financing sources, prospective purchasers and other interested parties to the extent reasonably necessary to implement the Forbearance Agreement, evaluate refinancing, restructuring or sale transactions or protect AVI's rights. The Forbearance Agreement also provides that AVI's monitoring, discretion and exercise of rights are for the management of its financial risk and do not constitute possession, management or control of the Borrower Entities' business or operations.

Negotiation and Review

Following receipt of the Notice of Default, the Special Committee conducted discussions with AVI and the other interested parties while maintaining control of Kovo's negotiations and evaluation. The discussions addressed a temporary enforcement standstill, the CMB LOI waiver, the RCM ROFR, the RCM Asset Sale, the AIV Sale, the Development Agreement and a longer-term restructuring of the Indebtedness.

On August 11, 2026, AVI proposed the Forbearance Agreement, pursuant to which it would forbear on enforcement of its claims against Kovo in exchange for Kovo waiving the opportunity to acquire the CMB Assets under the CMB LOI, waiving the related business opportunity as it pertained to Mr. Steele and satisfying the other conditions of the Forbearance Agreement.

Following receipt of the Notice of Default, the Special Committee considered whether completing the acquisition of the CMB Assets remained viable in light of the Notice of Default, the Corporation's financial condition, the expenses already incurred and the alternatives available to Kovo. The Special Committee determined that the acquisition of the CMB Assets was no longer viable given the Corporation's financial condition.

On August 29, 2026, the Special Committee determined that waiving the CMB business opportunity as it pertained to Mr. Steele, waiving Kovo's rights under the CMB LOI and notifying CMB of Kovo's intent to assign those rights to HEAL RCM under the Forbearance Agreement was reasonable in the circumstances and in the best interests of the Corporation and its stakeholders.

On September 2, 2026, the Parties executed the Forbearance Agreement, with certain transactions and obligations contemplated thereby, subject to Shareholder and TSXV approvals.

Special Committee Process

Composition. The Special Committee consists solely of Peter Bak, who is independent under MI 61-101, National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**") and applicable TSXV policies.

Transaction-Specific Independence Analysis. The Board conducted a transaction-specific independence analysis with respect to each of its directors in connection with the Proposed Transaction. In making these determinations, the Board applied the independence framework set out in Part 7 of MI 61-101, which governs director independence in respect of material conflict of interest transactions. Pursuant to subsection 7.1(1) of MI 61-101, determining whether a director is "independent" is a question of fact, with subsection 7.1(2) setting forth certain enumerated circumstances where a director is not independent in the context of a transaction. The Board also considered the independence standards under National Instrument 52-110 – Audit Committees ("**NI 52-110**") and NI 58-101, both of which define independence by reference to the absence of any direct or indirect material relationship with the issuer that could, in the view of the directors, reasonably be expected to interfere with the exercise of a member's independent judgment.

Independence of Peter Bak. Dr. Bak has been a director of the Corporation since 2021. The Board acknowledges that Dr. Bak, indirectly through Vantage Business Management Services ("**Vantage**"), is indebted to the Corporation in the principal amount of US$147,686.76. The Board has determined that this indirect debt relationship does not impair his independence because: (i) the indebtedness pre-dates the Proposed Transaction and is not connected to it; (ii) the indebtedness is on commercially reasonable terms; (iii) Dr. Bak abstained from all matters related to the Vantage transaction in accordance with his duties to the Corporation and ABCA requirements; and (iv) Dr. Bak has no interest that differs from that of Shareholders generally, other than his non-contingent compensation as a director and Special Committee member. See "*Indebtedness of Directors and Executive Officers*" for the full description of the Vantage indebtedness.

Critically, Dr. Bak has no relationship with AVI, Michael Steele, HEAL Group, HEAL-RCM (USA), Inc. ("**HEAL RCM**"), or any other entity controlled by or affiliated with Mr. Steele. Based on the foregoing, Dr. Bak does not fall under the enumerated list at subsection 7.1(2) of MI 61-101 and is fully able to exercise his independent judgment. Accordingly, the

Board has determined that Dr. Bak is independent for purposes of the Proposed Transaction under MI 61-101, NI 52-110, NI 58-101 and applicable TSXV policies.

Non-Independence of Harp Gahunia and Dr. Wayne Young. In contrast to Dr. Bak, the Board has determined that Harp Gahunia and Dr. Wayne Young are not independent for purposes of the Proposed Transaction. Although the Corporation's 2026 annual general meeting circular disclosed that Mr. Gahunia and Dr. Young were independent within the meaning of NI 58-101 and NI 52-110 for general corporate governance purposes, the Board's transaction-specific analysis has concluded otherwise with respect to the Proposed Transaction.

In February 2025, Mr. Gahunia commenced as the Chief Investment Officer of HEAL Group and Chief Executive Officer of Integrated Heal Solutions (formerly Integrated HEAL Technologies) ("**IHS**"), companies indirectly controlled by Michael Steele. Michael Steele is the sole indirect beneficial shareholder of AVI, the Corporation's senior secured creditor and a related party to the Proposed Transaction. Mr. Steele also controls HEAL RCM, the proposed counterparty to the Development Agreement and potential purchaser under the RCM ROFR. These engagements with Steele-controlled entities invite a perception of conflict of interest and, in the context of the Proposed Transaction, where AVI and HEAL RCM are counterparties and interested parties, Mr. Gahunia's ongoing executive roles with HEAL Group and IHS create an actual or reasonably perceived conflict that could interfere with the exercise of his independent judgment.

While Mr. Gahunia has confirmed that he does not, and has not, advised AVI or any other interested party or affiliated entity with respect to the Proposed Transaction, and that he does not benefit directly from the consequences of the Proposed Transaction, the Board has determined that his ongoing executive engagement with entities controlled by Mr. Steele is sufficient to impair, or reasonably be expected to impair, his independence in respect of the Proposed Transaction. Accordingly, the Board has determined that Mr. Gahunia is not independent for purposes of the Proposed Transaction and he has not participated in the deliberations of the Special Committee.

Dr. Young has previously held roles with entities affiliated with Michael Steele. While these prior engagements are more remote in time than Mr. Gahunia's current executive positions with HEAL Group and IHS, they nonetheless establish a prior professional relationship with Mr. Steele's affiliated entities. Given that the Proposed Transaction involves AVI, HEAL RCM and other entities controlled by Mr. Steele as counterparties and interested parties, the Board has determined, out of an abundance of caution and to ensure the Corporation is transacting in a transparent and fully compliant manner, that Dr. Young should not be treated as independent for purposes of the Proposed Transaction. Accordingly, Dr. Young has not participated in the deliberations of the Special Committee.

Accordingly, the Board has determined that Dr. Bak is the Corporation's sole independent director for purposes of the Proposed Transaction and is qualified to serve as the sole member of the Special Committee. This determination is consistent with the position previously communicated to the Alberta Securities Commission in connection with prior related party transactions and reflects the Board's good faith application of the independence tests prescribed by MI 61-101, NI 52-110, NI 58-101 and applicable TSXV policies to the specific facts and circumstances of the Proposed Transaction.

Mandate. Under the Special Committee Mandate, the Special Committee was authorized to, among other things, review and evaluate potential transactions, oversee negotiations and definitive agreements, negotiate the Forbearance Agreement, retain and supervise independent advisors, oversee the Corporation's disclosure and regulatory process, consider alternatives, and make recommendations to the Board and disinterested Shareholders.

Compensation. Peter Bak is compensated at CDN$650 per hour for Special Committee services, subject to a total cap of CDN$50,000, plus reasonable out-of-pocket expenses. The compensation is not contingent on approval, completion or terms of any potential transaction and is not structured to impair or appear to impair his independence or judgment.

Advisors. The Special Committee engaged Socium as its independent legal counsel and Sequeira Partners as independent valuator. Sequeira Partners' mandate was to prepare the Independent Valuation of the RCM Assets and the AIV Business, not a formal fairness opinion.

Process. The Special Committee conducted its evaluation independently of management and the interested parties. From the time of its formation, the Special Committee held meetings at which it received updates from Socium and Sequeira Partners, reviewed and discussed the terms of the Proposed Transaction and related agreements, considered the Corporation's financial position and strategic alternatives, and deliberated on the merits and risks of the Proposed Transaction.

Transactions related to the Forbearance

Default Advance

AVI has agreed, in connection with the execution of the Forbearance Agreement and subject to the satisfaction of the conditions precedent set out therein, to make available a further US$1.0 million Default Advance to the Borrower Entities notwithstanding the Specified Defaults. As of the date hereof, AVI has advanced US$150,000 to the Borrower Entities and has committed to advance the remaining US$850,000 of additional funding, each to be secured by the Security. The Default Advance is to be provided under the existing credit arrangements or such new facility as AVI may require, will form part of the Indebtedness and will be secured by the existing Security. The Forbearance Agreement provides that the Default Advance may be used solely for the payables and purposes described in the applicable use-of-proceeds schedule and not for any other purpose.

RCM ROFR

In connection with the Proposed Transaction, Kovo will reorganize the RCM Assets by transferring them to Heal Medical Billing, LLC ("**HEAL Billing**"), a newly formed Delaware limited liability company that will be an indirect wholly-owned subsidiary of Kovo+ (USA), Inc. ("**Kovo USA**") and will hold only the RCM Assets. Revenue generated by HEAL Billing will be directed through HEAL RCM pursuant to the applicable commercial arrangement, based on EBITDA with a cash floor for paying payroll related to the RCM Assets, with such revenues reducing the aggregate Indebtedness.

The Forbearance Agreement requires Kovo and the other Borrower Entities to cooperate fully with AVI and negotiate in good faith the terms of the RCM ROFR, granting AVI (or an affiliate or nominee designated by AVI) a right of first refusal in respect of the RCM Assets and the AIV Business. The Forbearance Agreement also contemplates that the Special Committee will engage an independent business valuator to value the RCM Assets and the AIV Business and market such assets for the purpose of raising proceeds to repay the Indebtedness. The RCM ROFR was entered into on September 2, 2026.

AVI Backstop Offer

AVI has advised Kovo that it is prepared to acquire the RCM Assets in exchange for a concurrent reduction of the Indebtedness in the amount of US$13,000,000 (the "**AVI Backstop Offer**"). The AVI Backstop Offer is intended to serve as a backstop to establish a floor price and provide transaction certainty for the RCM Assets, while preserving Kovo's ability to solicit and accept higher or better offers from third parties. The ultimate transaction terms remain subject to the RCM ROFR mechanics, the Independent Valuation, any bona fide third-party offers, TSXV approval and Shareholder approval. AVI may exercise the ROFR and acquire the RCM Assets on the terms of the AVI Backstop Offer after receipt of all requisite approvals.

Right of First Refusal and Matching Rights. Pursuant to the RCM ROFR, if at any time during the ROFR Term (as defined below) Kovo or any of its direct or indirect subsidiaries receives, solicits or proposes to accept a bona fide written offer from a third party, or negotiates or proposes to enter into any agreement, arrangement or understanding with a third party, in each case providing for the direct or indirect sale, transfer, assignment, conveyance or other disposition of any RCM Assets and the AIV Business (whether in a single transaction or a series of related transactions, including by way of a merger, amalgamation, business combination, change of control, sale of equity interests or other substantially similar transaction) (a "**Third Party Offer**"), Kovo must promptly deliver to AVI written notice of the proposed transaction (the "**ROFR Notice**"), together with a complete and unredacted copy of the Third Party Offer, including the identity of the offeror (the "**Third Party Offeror**"), the RCM Assets and the AIV Business proposed to be acquired, the purchase price and other consideration, the proposed closing date and all other material terms and conditions. Kovo must certify that the ROFR Notice contains a complete and accurate description of all terms of the Third Party Offer and that there are no other agreements, arrangements or understandings with the Third Party Offeror affecting the proposed transaction.

Exercise of ROFR. AVI has the right, exercisable by written notice to Kovo within fifteen (15) days after receipt of the ROFR Notice (the "**Exercise Period**"), to elect to purchase the applicable RCM Assets and the AIV Business on the same terms and conditions as set forth in the Third Party Offer. If any consideration under the Third Party Offer is non-cash, contingent, deferred, consists of assumed liabilities or rollover equity, or includes any term that is personal or unique to the Third Party Offeror and cannot reasonably be replicated by AVI, its affiliate or nominee, AVI may satisfy or replace that consideration or term with its cash equivalent or other economically equivalent consideration or term, as applicable. Any dispute concerning economic equivalence will be submitted to an independent valuator mutually selected by the Parties, whose determination shall be final and binding, and the Exercise Period and applicable closing period shall be extended pending that determination.

Closing Mechanics. If AVI timely exercises the ROFR, a binding agreement for the purchase of the applicable RCM Assets and the AIV Business arises on the terms set out in the Third Party Offer, subject only to such customary modifications as are reasonably necessary to reflect AVI, its affiliate or nominee as purchaser. The Parties must promptly execute a definitive purchase agreement documenting those terms. Closing shall occur within sixty (60) days after AVI's exercise notice, subject to automatic extension for any period reasonably required to obtain applicable regulatory, shareholder or third-party approvals and for any delay caused by Kovo, any of its subsidiaries or the Third Party Offeror.

Non-Exercise and Completion Window. If AVI does not exercise the ROFR within the Exercise Period, Kovo may complete the transaction with the Third Party Offeror within ninety (90) days after expiry of the Exercise Period (subject to automatic extension for any period reasonably required to obtain applicable regulatory, shareholder or third-party approvals), but only on terms that are not more favourable, individually or in the aggregate, to the Third Party Offeror than those disclosed in the ROFR Notice. Any material amendment to the proposed transaction, any reduction in the purchase price or other consideration, any improvement in the terms offered to the Third Party Offeror, or any failure to complete the transaction within that ninety (90)-day period (as may be extended) shall constitute a new Third Party Offer subject to the ROFR.

ROFR Term. The ROFR remains in effect until the later of: (i) two (2) years from the date of the RCM ROFR, and (ii) the date on which all indebtedness, liabilities and obligations owing to AVI under or in connection with the Loan Documents, the Forbearance Agreement and the Security have been indefeasibly paid and satisfied in full and the Security has been discharged (the "**ROFR Term**"), unless the Parties mutually agree in writing to an earlier termination date.

No-Shop Covenant and Solicitation Rights. Kovo retains the full right to solicit, negotiate and discuss prospective transactions regarding its business with third parties without prior notice to AVI. The RCM ROFR does not impose a no-shop or no-solicitation covenant on Kovo in respect of marketing the RCM Assets and the AIV Business. However, the Forbearance Agreement restricts the Borrower Entities from entering into any arrangement, understanding or agreement, binding or non-binding, to sell, transfer or convey all or any portion of property which is subject to the Security without AVI's prior express written consent, which consent may be withheld in AVI's sole discretion. Accordingly, while Kovo may market the RCM Assets and the AIV Business and solicit interest from third parties, any definitive sale to a third party requires AVI's prior consent and is subject to AVI's matching right under the RCM ROFR.

The foregoing conditions are for the benefit of AVI and may be waived by AVI in whole or in part, in its sole discretion, without prejudice to any other rights that AVI may have. The Corporation acknowledges that AVI is not obligated to waive any condition and that any waiver shall not constitute a waiver of any other condition or any future failure to satisfy the same condition. Nothing in these conditions limits, amends or waives any right or remedy of AVI under the Forbearance Agreement, the Loan Documents or the Security.

ROFR Carve-Outs. The RCM ROFR has no application to, and is not triggered by: (i) an internal reorganization or transfer of RCM Assets and the AIV Business to a direct or indirect wholly-owned subsidiary of Kovo, provided that (A) the transferee remains a direct or indirect wholly-owned subsidiary of Kovo, (B) the transferred RCM Assets and the AIV Business remain subject to the RCM ROFR, and (C) Kovo remains responsible for causing the transferee to comply with the RCM ROFR, and any subsequent disposition of the transferred RCM Assets and the AIV Business or of any equity interest in the transferee shall be subject to the ROFR; (ii) equity financing transactions that do not result in a direct or indirect disposition of any RCM Assets and the AIV Business or a change of control of Kovo or any direct or indirect subsidiary that owns any RCM Assets and the

AIV Business; (iii) mergers, amalgamations, business combinations or similar transactions where Kovo maintains direct or indirect control of the resulting entity and no RCM Assets and the AIV Business are disposed of to a third party; or (iv) any insolvency transaction or proceeding approved in writing by AVI, in its capacity as senior secured creditor. In any insolvency circumstance, AVI would retain its rights as a secured creditor to credit bid or otherwise participate in any sale process in accordance with Applicable Law and any court orders.

Subsidiary Obligations. Kovo has covenanted to cause each of its direct and indirect subsidiaries to comply with the terms of the RCM ROFR and will not permit any such subsidiary to sell, transfer, assign, convey or otherwise dispose of, directly or indirectly, any RCM Assets and the AIV Business except in accordance with the terms of the RCM ROFR. Pending receipt of the Necessary Approvals, Kovo will not, and will cause each of its direct and indirect subsidiaries not to, complete any transaction involving the RCM Assets and the AIV Business other than in accordance with the RCM ROFR.

Preservation of Security Rights. Nothing in the RCM ROFR limits, amends or waives any right or remedy of AVI under the Forbearance Agreement, the Loan Documents or the Security, and AVI's exercise or non-exercise of the ROFR shall not constitute any such limitation, amendment or waiver. The receipt of the Necessary Approvals shall not limit or otherwise affect AVI's rights under the RCM ROFR or the Forbearance Agreement.

Assignment. Kovo may not assign the RCM ROFR or any of its rights or obligations thereunder without the prior written consent of AVI. AVI may, without notice to or consent of Kovo, assign the RCM ROFR, in whole or in part, to any affiliate or nominee of AVI or to any assignee or transferee of all or any portion of the indebtedness, the Loan Documents or the Security.

Equitable Remedies. The Parties have acknowledged that a breach of the RCM ROFR may cause irreparable harm for which damages would not be an adequate remedy. Accordingly, AVI is entitled to seek specific performance, injunctive relief and other equitable remedies to enforce the RCM ROFR, without prejudice to any other rights or remedies available to AVI at law or in equity.

Development Agreement and Commercial Rights

As an integral part of the negotiated Proposed Transaction, Kovo and HEAL RCM, *inter alia*, are expected to enter into the Development Agreement. The Development Agreement is expected to have a term of five (5) years and provide Kovo with exclusive commercialization rights within the agreed medical billing and RCM market, privileged but not guaranteed access to the clinics and patients served by HEAL RCM and funding to refine HEAL Access for the proposed Personal Health Intelligence membership offering. The Development Agreement and these related rights are negotiated elements of the Proposed Transaction and are not available to Kovo independently of the transaction.

Exclusive Reseller Appointment. Kovo USA would be appointed as the exclusive representative to license, market, distribute, sell and support the HEAL Products to RCM Clients within the US. During the term, no Product Owner (as defined in the Development Agreement) or HEAL Group and its direct and indirect subsidiaries would be permitted to make any HEAL Product available to any RCM client in the US other than through Kovo USA. Kovo USA would not be permitted to appoint any sub-distributor, sub-reseller, sales agent or other intermediary without the prior written consent of the relevant product owner.

Revenue Flow. During the Forbearance Period, revenue from the RCM Assets conducted through HEAL Billing would be swept to HEAL RCM and applied in reduction of the Indebtedness. The proposed Development Agreement would contemplate two alternative tracks: (i) Track A, under which 100% of RCM Proceeds would be swept, or (ii) Track B, under which the swept amount would be the lesser of 100% of EBITDA and Available Cash, subject to a Cash Floor (as defined in the Development Agreement). The sweep obligations would apply only during the Forbearance Period and would cease on its expiry. Swept amounts would be applied on the date of receipt in reduction of the principal amount outstanding under the Loan Documents.

Development Collaboration. The proposed Development Agreement would establish a framework for development collaboration. The parties anticipate that no development plan, roadmap or program of work would be agreed as at the Effective Date. Development activity would be undertaken solely through Project Statements (as defined in the Development Agreement) agreed in writing by the contributing parties. Each Project Statement would specify the scope, deliverables, timeline, contributing parties, funding arrangements and resulting IP ownership.

Management of Managed Entities. HEAL Group would appoint Kovo, (acting through Kovo USA to the extent reasonably required for U.S. operational functions), to manage the HEAL Access USA, HEAL RCM, HEAL Wellness & Innovations, Inc. and each other entity added under the Development Agreement from the Effective Date to December 31, 2027, subject to extension. Management services would be expected to include operation of accounting, provision of CFO services, staff oversight, operational management, M&A strategy, vendor relationships and business strategy consultation.

Trademark and Brand Licence. Each Product Owner would be expected to grant Kovo USA a non-exclusive, royalty-free, non-transferable, non-sublicensable license to use the Licensed Marks in the US for the purpose of marketing, selling and supporting the HEAL Products. Kovo USA would not be permitted to modify, rebrand or white-label any HEAL Product.

Termination. The proposed Development Agreement would terminate automatically on expiry of the term or on enforcement of security under the Loan Documents. No party would be permitted to terminate for convenience. For a material breach, the non-defaulting party would have a 30-day cure period before targeted remedies become available, including suspension or termination of the specific appointment, rather than termination of the agreement as a whole. On termination, the intellectual property, indemnification, confidentiality and general provisions would survive.

The Forbearance

The following description of the Proposed Transaction is qualified in its entirety by reference to the full text of the Forbearance Agreement, the RCM ROFR, the Development Agreement, and the other definitive transaction documents. The Forbearance Agreement and RCM ROFR are attached hereto as Schedule "A" and Schedule "B", respectively, and available on the Corporation's SEDAR+ profile. Once executed, the Development Agreement will be made available on Kovo's SEDAR+ profile at www.sedarplus.ca.

The Proposed Transaction will be effected pursuant to the Forbearance Framework, including the Forbearance Agreement, the Strict Foreclosure, the RCM ROFR, the sale of the RCM Assets, the AIV Sale, the Development Agreement and related matters. The Forbearance Agreement contains covenants, representations, warranties, conditions precedent and termination rights of and applicable to Kovo, AVI and the other Borrower Entities.

Among other Termination Events, in the event the Shareholders fail to approve the Proposed Transaction Resolution at the Meeting, AVI may terminate the applicable forbearance period and exercise its rights and remedies under the Loan Documents.

The Borrower Entities remain jointly and severally liable as co-borrowers and primary obligors for the entire Indebtedness, regardless of which Borrower Entity received an extension of credit.

Unless all conditions are satisfied or waived by the Party entitled to waive them, the Proposed Transaction may not proceed, and there is no assurance that the conditions will be satisfied or waived on a timely basis or at all.

Representations and Warranties

The Forbearance Agreement contains certain customary representations and warranties of each of the Parties relating to, among other things:

- the due organization, existence, authority, execution and enforceability of the applicable Party and its obligations under the Forbearance Agreement;

- the absence of conflicts with organizational documents, Applicable Laws and material agreements, and the receipt of required consents and approvals; and

- the accuracy and completeness of information delivered to the other Parties, the absence of undisclosed material claims and compliance with the applicable covenants, subject to the disclosed Defaults and agreed qualifications.

Mutual Conditions

Each Party's obligation to satisfy their respective covenants in the Forbearance Agreement and consummate the Proposed Transaction and other transactions contemplated thereby is subject to the satisfaction, on or before the Effective Date (or such other date as otherwise may be specifically indicated), of the following conditions, any of which may be waived by mutual consent of the Parties subject to the satisfaction or in absence of such further conditions with respect to the giving of such waiver, and without prejudice to their rights to rely on one or more other conditions precedent:

- receipt of the shareholder approvals required under the ABCA, MI 61-101 and TSXV policies, including approval by the minority Shareholders;

- receipt of all required TSXV, regulatory and third-party consents and approvals and execution of the RCM ROFR, Development Agreement and applicable AIV Sale documents;

- no injunction, order, Termination Event or material adverse change preventing completion, and continued accuracy of the applicable representations and warranties; and

- the exercise and non-withdrawal of Dissent Rights by Shareholders holding no more than 5% of the issued and outstanding Common Shares, excluding Common Shares held by AVI and HEAL Access USA.

Conditions to AVI's Obligations

The Forbearance Agreement provides that AVI's obligation to forbear and to continue to advance credit is subject to conditions precedent, including receipt by AVI of a fully executed copy of the Forbearance Agreement from each Borrower Entity and the executed Strict Foreclosure from each Borrower Entity, consenting to and authorizing the acceptance by AVI of the Security or Specified Security in strict foreclosure and partial satisfaction of US$13,000,000 of the Indebtedness in accordance with §§ 9-620 and 9-621 of the UCC, and further consenting to the immediate private or court-appointed realization, liquidation and disposition of all assets of the Borrower Entities located in the United States, including through the appointment of an interim receiver, receiver, receiver and manager or other insolvency or enforcement officer as may be required under Applicable Law. The Strict Foreclosure is to be held in escrow by AVI's counsel, Aird & Berlis LLP, and may be released and relied upon by AVI upon a Termination Event if the Indebtedness has not been indefeasibly paid in full. There are no conditions precedent to the effectiveness of the Strict Foreclosure, which shall be effective immediately upon its execution and delivery to AVI.

Borrower Entity Covenants and Conditions

The Borrower Entities' obligations under the Forbearance Agreement include, among other things, continued compliance with the Loan Documents except as amended by the Forbearance Agreement, provision of access and reporting to AVI (including full and unrestricted access to all property, assets, leases, lands, buildings and personal property upon reasonable notice not exceeding 48 hours), use of the Default Advance solely for approved purposes, development of the Updated Operating Plan, negotiation of the Development Agreement and RCM ROFR, maintenance of priority payments, operation in the ordinary course except as required by the Forbearance Agreement and related arrangements, and compliance with the applicable reorganization milestones. The Borrower Entities are also restricted from incurring additional debt, issuing equity, selling secured property, granting additional security or commencing insolvency or restructuring proceedings without AVI's prior written consent, except as expressly contemplated by the Forbearance Agreement.

Covenants

Kovo and the Borrower Entities must operate in the ordinary course, provide AVI and its Representatives with requested information and access, use the Default Advance only for permitted purposes, pursue the RCM Asset Sale and AIV Sale, negotiate and implement the Development Agreement and RCM ROFR, develop and obtain approval of the Updated Operating Plan, comply with the Loan Documents and refrain from incurring additional debt, issuing equity or disposing of secured property except as permitted by the Forbearance Agreement. The Forbearance Agreement also requires Kovo to continue to engage and pay its counsel within 30 days of receipt of invoices and ensure that advisors of the Special Committee are paid in the ordinary course of business.

Termination

A Termination Event includes a default by any Borrower Entity, a breach or inaccuracy of a representation, warranty, covenant or condition, enforcement action by a third party, jeopardy to the collateral, a material adverse change, failure to meet an applicable milestone or deadline (including approval of the Proposed Transaction at the Meeting), failure to obtain or maintain required approvals, failure to complete the RCM Asset Sale or AIV Sale by December 31, 2026 on terms satisfactory to AVI, material deviation from the Updated Operating Plan once approved, any bankruptcy, insolvency, restructuring or analogous proceeding, and the expiry of the applicable Forbearance Period at 4:00 p.m. (Calgary time) on the applicable date. **For greater certainty, the Forbearance Agreement expressly identifies the failure of the Shareholders to approve the Proposed Transaction Resolution at the Meeting as a Termination Event**. Upon a Termination Event, AVI may terminate the applicable forbearance period and exercise its rights and remedies under the Loan Documents and Applicable Law, including enforcement of the Security.

A Termination Event under the Forbearance Agreement includes, among other things, a default by any Borrower Entity other than the Specified Defaults, breach or inaccuracy of a representation, warranty, covenant, condition or obligation, third-party enforcement action, jeopardy to the collateral, a material adverse change, refusal to provide information requested by AVI, unauthorized sale or transfer of secured property, bankruptcy, insolvency, restructuring or analogous proceedings, failure to comply with the applicable Reorganization Steps and milestones during the applicable forbearance period, failure to complete the RCM Asset Sale and AIV Sale by December 31, 2026 on terms satisfactory to AVI, material deviation from the Updated Operating Plan once approved, or the expiry of the applicable Forbearance Period. Upon a Termination Event, and subject to Applicable Law, AVI shall be at liberty to immediately take any enforcement action, including enforcement of the Security. Formal demands for repayment of the Indebtedness along with the notice of intention to enforce security pursuant to the BIA and the U.S. Bankruptcy Code, as applicable, shall be deemed to be issued as of the applicable Forbearance Date.

Reorganization Steps and Milestones

The Forbearance Agreement sets out the Reorganization Steps to be undertaken in three periods. During the First Reorganization Period (through October 5, 2026), the key milestones include: (a) establishment of the Special Committee by August 10, 2026; (b) engagement of an independent business valuator to value the RCM Assets and AIV Business by August 15, 2026; (c) recommendation to the Board regarding the termination of the CMB LOI by August 25, 2026; (d) execution of the Development Agreement and RCM ROFR by August 31, 2026; (e) recommendation to the Board regarding the reorganization and call of the Meeting by August 28, 2026; (f) mailing of this Information Circular by September 8, 2026; and (g) holding of the Meeting and obtaining Shareholder approval of the Necessary Approvals by October 5, 2026.

During the Second Reorganization Period (from October 6, 2026 through December 31, 2026), the key milestones include: (a) approval by the Board of the Updated Operating Plan acceptable to AVI; (b) completion of the RCM Asset Sale and AIV Sale with a third party or pursuant to the RCM ROFR on terms satisfactory to AVI; and (c) entry into a management agreement formalizing the services to be provided by Kovo in respect of the RCM Assets.

During the Third Reorganization Period (from January 1, 2027 through April 1, 2027), the key milestone is entry into the Restructuring Facility on terms satisfactory to AVI, including an annual interest rate of no less than 12% and a five-year repayment term.

Determination of Board and Special Committee

In reaching the conclusion that the Proposed Transaction and the Forbearance Agreement are in the best interests of the Corporation and in recommending that the Shareholders vote FOR the Proposed Transaction Resolution, the Board and the Special Committee considered the Strategic Review, the Corporation's financial condition, the alternatives available to Kovo, the risks and benefits of the Proposed Transaction, the related party and minority approval protections and the factual basis for the financial hardship exemption. Among other alternatives, the Board and the Special Committee considered the reasonable likelihood and consequences of the following items:

- a robust Strategic Review, the proposals received thereunder and other strategic alternatives available to Kovo;
- information concerning the business, operations, property, assets, financial condition, operating results and prospects of Kovo;
- future and alternative means of obtaining outside investment and financing;
- historical information regarding the issue price of the Common Shares;
- current and prospective industry, economic and market conditions and trends affecting Kovo;
- Sequeira Partners valuation analysis of the RCM Assets and AIV Business, including the valuation range set out in the Independent Valuation;
- the expected benefits of the Proposed Transaction;
- the risks and possible benefits associated with pursuing alternatives to the Proposed Transaction, including pursuing Kovo's business plan; and
- the risks associated with completion of the Proposed Transaction.

After considering such matters as they considered necessary or appropriate, including the foregoing, the Board and Special Committee concluded that the Proposed Transaction represented the best available alternative for Shareholders in light of the current circumstances of Kovo. The Board and Special Committee also recognized that the expected aggregate value of the Corporation's assets, the current share price and the likelihood of repaying the Indebtedness owed to all creditors together indicate that there may be little to no residual value for equity holders. See "*Dilution and equity value".*

Independent Valuation; No Fairness Opinion. The Special Committee and the Board considered the Independent Valuation prepared by Sequeira Partners as objective, expert support for the Special Committee's deliberations and recommendations regarding the Proposed Transaction. The analysis concluded on the fair market value of the RCM Assets using a combination of income and market-based valuation methodologies, and provided a range of equity values between US$8.3 million and US$9.7 million (with a midpoint of US$9.0 million), corresponding to an implied enterprise value range of US$10.1 million to US$11.4 million.

No formal fairness opinion is being obtained. The Special Committee in consultation with legal counsel determined that a fairness opinion is not necessary given the Corporation's financial condition and the nature of the Proposed Transaction, which is not a fixed-price acquisition but a right of first refusal at fair market value determined by the Independent Valuation or by a bona fide third-party offer.

The Corporation also has no obligation under MI 61-101 to obtain a formal valuation in respect of the Proposed Transaction because it is relying on the exemptions under sections 5.5(b) and 5.5(g) of MI 61-101. See "*Independent Valuation; No Fairness Opinion*".

Treatment of Shareholders. All Shareholders of the same class will be treated identically in connection with the Proposed Transaction. No Shareholder, other than those whose votes are excluded by operation of MI 61-101, will receive consideration or treatment different from any other Shareholder. The Proposed Transaction does not terminate or alter the interests of any Shareholder without that Shareholder's consent and is not a squeeze-out or going-private transaction; rather, it involves the disposition of corporate assets and the forbearance and restructuring of debt.

The foregoing discussion of the information and factors considered by the Special Committee and Board is not intended to be exhaustive but includes material factors considered by the Special Committee and Board. In view of the wide variety of factors considered in connection with its evaluation of the Proposed Transaction and possible alternatives and the complexity of these matters, the Special Committee and Board did not find it useful to, and did not attempt to, quantify, rank or otherwise assign relative weights to these factors and potential advantages and disadvantages. In addition, individual directors may have given different weight to different factors.

Reasons for the Proposed Transaction

In making their respective conclusions and recommendations regarding the Proposed Transaction, the Special Committee and the Board carefully considered all aspects of the Proposed Transaction and received advice from their respective legal and other advisors. Their conclusions and recommendations were made after considering the totality of the information and factors available to them, including the Sequeira Partners valuation analysis and its disclosed valuation range, the decision not to obtain a formal fairness opinion, the MI 61-101 financial hardship analysis, and the strategic, financial and operational factors and potential advantages and disadvantages of the Proposed Transaction, including, without limitation, the following:

- **Financial Situation**. The Indebtedness owing to AVI is approximately US$27,088,873, plus accruing interest, fees and enforcement costs. Each Borrower Entity is jointly and severally, directly and primarily liable as a co-borrower and primary obligor for the entire Indebtedness, regardless of which Borrower Entity received an advance, and the Indebtedness is secured by all collateral subject to the Security. The Indebtedness exceeds both the market capitalization and the liquidation value of all or substantially all of the Corporation's assets and the proceeds from the RCM Asset Sale and the AIV Sale may be insufficient to retire the Indebtedness, and the Proposed Transaction does not assure any distribution to minority Shareholders. See "*Dilution and equity value*".

  The current maturity under the Loan Documents is December 31, 2026. The resulting funding shortfall, default and going-concern uncertainty led the Board and Special Committee to analyze all reasonably available alternatives. They concluded that the Forbearance Agreement and related Proposed Transaction offered the most practical opportunity to preserve value and improve the Corporation's financial position. As of June 30, 2026, the Corporation had cash on hand of approximately US$119,000, total assets of approximately US$6.1 million (of which approximately US$5.3 million, consisted of intangible assets and goodwill), and total liabilities of approximately US$30.7 million, of which approximately US$28.8 million were current liabilities. Based on Kovo's issued and outstanding Common Shares and the closing market price as of September 1, 2026, the Corporation's market capitalization was approximately CDN$899,000 (approximately US$647,000) as of September 1, 2026.

- **Shareholders' Approval.** The required Shareholders' approvals are protective of the rights of Shareholders. In determining "majority of the minority" approval for the Proposed Transaction, Kovo is required to exclude the votes attached to the Common Shares that, to the knowledge of the Corporation or any "interested party" (as defined in MI 61-101) or their respective directors or senior officers, after reasonable inquiry, are beneficially owned or over which control or direction is exercised, directly or indirectly, by: (a) Kovo; (b) an "interested party"; (c) a "related party" of an "interested party", unless the "related party" meets that description solely in its capacity as a director or senior officer of one or more persons that are neither "interested parties" nor "issuer insiders" of Kovo; or (d) "joint actors" with any person referred to in (b) or (c) above in respect of the transaction, all as defined in MI 61-101.

  Failure of the Shareholders to pass the Proposed Transaction Resolution constitutes a Termination Event under the Forbearance Agreement, entitling AVI to immediately terminate the forbearance period and exercise its

rights and remedies under the Loan Documents. See "*The Forbearance Agreement – Termination*" and "*Forbearance arrangements may not be honoured or may be terminated*".

- **Dissent Rights**. Registered Shareholders have the right to require a judicial appraisal of their Common Shares and obtain "fair value" pursuant to the proper exercise of the Dissent Rights.

  However, the exercise and non-withdrawal of Dissent Rights by Shareholders holding more than 5% of the issued and outstanding Common Shares, excluding Common Shares held by AVI and HEAL Access USA, constitutes a Termination Event under the Forbearance Agreement, entitling AVI to immediately terminate the forbearance period and exercise its rights and remedies under the Loan Documents. See "*The Forbearance Agreement – Termination*" and "*The Proposed Transaction may not be completed if a sufficient number of Shareholders exercise Dissent Rights*".

- **Evaluation and Analysis**. The Board has given consideration to the business, operations, assets and prospects for the Corporation.

- **No Other Strategic Alternative**. The Proposed Transaction is the result of a comprehensive Strategic Review process conducted by the Special Committee. Both prior to and throughout the negotiations of the terms of the Forbearance Agreement with the AVI, the Board, with the assistance of its advisors, and based upon their collective knowledge of the business, operations, financial condition, earnings and prospects of the Corporation, as well as their collective knowledge of the current and prospective environment in which the Corporation operates (including economic and market conditions), assessed the relative benefits and risks of various alternatives reasonably available to the Corporation. The Board assessed each reasonably available alternative throughout the process of evaluating and negotiating the Forbearance Agreement and the Board and the Special Committee ultimately concluded that entering into the Forbearance Agreement was the most favourable alternative reasonably available. While the Corporation has actively pursued different financing sources and evaluated different potential proposals, these alternatives have been unsuccessful. The Board and Special Committee believe that Kovo has pursued all reasonable alternatives to raise capital for the Corporation at this time. The Board does not believe that the Corporation would be able to find another potential investor or acquirer. Accordingly, the Board believes that no other strategic alternative is currently available to the Corporation, and if the Proposed Transaction is not approved, the Board will likely be forced to seek protection from its creditors through formal proceedings or placing the Corporation into receivership or bankruptcy.

- **Debt Restructuring and Liquidity.** The Proposed Transaction provides for an immediate enforcement standstill, the US$1.0 million Default Advance, staged forbearance periods through April 1, 2027 if applicable conditions are satisfied, monetization of the RCM Assets and AIV Business, potential revenue opportunities under the Development Agreement, development of the Updated Operating Plan and a potential Restructuring Facility for remaining indebtedness. These measures are intended to preserve operating value and provide time for the Corporation to implement the Reorganization Steps and Updated Operating Plan.

- **Likelihood of Closing**. The Special Committee and the Board believe that there is a high likelihood that the conditions precedent to the completion of the Proposed Transaction will be satisfied.

- **Reasonable Completion Time.** The Special Committee and the Board believe that the Proposed Transaction is likely to be completed in accordance with the Forbearance Agreement within a reasonable time, with the RCM Asset Sale and AIV Sale currently required to be completed by December 31, 2026 and the Third Forbearance Period extending to April 1, 2027, subject to all required approvals and conditions. April 1, 2027 is an interim forbearance milestone associated with entry into the contemplated Restructuring Facility and is not the expected maturity date of the restructured Indebtedness, which is expected to have a five-year term.

- **Procedural Protections.** The Proposed Transaction is subject to a number of procedural protections under MI 61-101, including the requirement for approval of a "majority of the minority" vote of the Shareholders in accordance with MI 61-101, in addition to approval by not less than two-thirds (66 ⅔%) of the votes cast by Shareholders.

Recommendations

The foregoing discussion of the information and factors considered and given weight by the Special Committee and Board is not intended to be exhaustive. In addition, in reaching the determination to approve and recommend the Proposed Transaction, the Board did not assign any relative or specific weights to the following factors which were considered, and individual directors may have given differing weights to different factors.

Recommendation of the Board

The Board, after considering the Special Committee's review and recommendation, advice from legal counsel and the other factors and risks described in this Information Circular, has: (a) determined that the Proposed Transaction is reasonable in the circumstances of the Corporation and in the best interests of the Corporation, having considered the process undertaken, the Independent Valuation and the other information and factors described herein; (b) determined that the Proposed Transaction and the entering into of the Forbearance Agreement are in the best interests of Kovo; (c) resolved to recommend that the Shareholders vote in favour of the Proposed Transaction Resolution; and (d) authorized the execution of and approved the Forbearance Agreement and the transactions contemplated thereby. Accordingly, the Board recommends that Shareholders vote FOR the Proposed Transaction Resolution. The Board's determination is not based on a formal fairness opinion, which was not obtained. The Indebtedness exceeds both the market capitalization and the liquidation value of all or substantially all of the Corporation's assets and the proceeds from the RCM Asset Sale and the AIV Sale may be insufficient to retire the Indebtedness, and the Proposed Transaction does not assure any distribution to minority Shareholders. See "*Dilution and equity value"*.

In coming to its conclusion and recommendation to the Shareholders, the Board considered, among others, the following factors (which are not intended to be exhaustive):

- the Sequeira Partners valuation analysis, the financial hardship analysis and the related party protections described in this Information Circular;
- the purpose and anticipated benefits of the Proposed Transaction as outlined elsewhere in this Information Circular, including under the heading "*Reasons for the Proposed Transaction*"; and
- information concerning the financial condition, results of operations, business plans and prospects of Kovo, and the alternatives available thereto.

Independent Valuation; No Fairness Opinion

The Special Committee engaged Socium as independent legal counsel and Sequeira Partners, which prepared a valuation analysis concluding on the fair market value of the RCM Assets and the AIV Business, and provided a range of values. The Independent Valuation is not a formal valuation under Part 6 of MI 61-101 (see "*Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions – Formal Valuation*").

No formal fairness opinion was obtained. After considering the nature and structure of the Proposed Transaction and in consultation with its legal counsel, the Special Committee determined that obtaining a fairness opinion was not necessary. The Proposed Transaction is not a fixed-price acquisition or a transaction involving a negotiated purchase price. Rather, it provides for a right of first refusal exercisable at fair market value, which is to be established by the Independent Valuation and, where applicable, informed by a bona fide third-party offer. In reaching its determination, the Special Committee considered the objective valuation framework applicable to the Proposed Transaction and reviewed the valuation analysis prepared by Sequeira Partners, which provided independent financial and valuation support to assist the Special Committee in evaluating the Proposed Transaction. Based on the foregoing, the Special Committee concluded that it had sufficient independent financial information to assess the Proposed Transaction and that a separate fairness opinion would not provide materially additional assistance in its evaluation.

Sequeira Partners: Engagement and Qualifications

Sequeira Partners was engaged by the Special Committee and prepared the Independent Valuation. The mandate was to analyze and conclude on the fair market value of the RCM Assets and the AIV Business. In carrying out that mandate, Sequeira Partners provided a range of values to assist the Special Committee in its deliberations and recommendations regarding the Proposed Transaction. The Special Committee determined, based on the information available to it, that Sequeira Partners is qualified and independent for purposes of this assignment and is not aware of any past, present or anticipated relationship between Sequeira Partners and Kovo, AVI, HEAL Group, HEAL RCM, Michael Steele or their respective advisors or affiliates that would be relevant to a perception of lack of independence. This disclosure is provided to assist Shareholders in understanding Sequeira Partners' mandate, qualifications and independence, notwithstanding that the Independent Valuation is not a formal valuation under Part 6 of MI 61-101.

Valuation

The Independent Valuation was prepared by Sequeira Partners in conformity with the Practice Standards of the CBV Institute. The scope of work and the classification of the resulting conclusion as an "Estimate Valuation Conclusion" were determined through the application of professional judgment, informed by discussions with the Special Committee regarding the purpose and intended use of the report. Based on its review of the nature and history of the RCM and AI Vector business operations and discussions with management, Sequeira Partners considered a going-concern approach to be the most appropriate basis for the valuation.

As AI Vector is not currently generating sufficient earnings to realize a reasonable return on its net tangible assets and is at an early stage in the commercialization of its flagship technology platform, Guardian+, Sequeira Partners considered both the market approach and the adjusted net asset approach in estimating the fair market value of AI Vector.

RCM Assets

The Independent Valuation is not a formal valuation under Part 6 of MI 61-101 (see "*Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions – Formal Valuation*"). The Independent Valuation provided the Special Committee with a range of fair market values for the RCM Assets, to assist in its deliberations and recommendations regarding the Proposed Transaction. Based on the methodologies described below, the en bloc fair market value of the equity of the RCM Assets was concluded to be in the range of US$8.3 million to US$9.7 million, with a midpoint of US$9.0 million, as at July 31, 2026 (the "**Valuation Date**"). The corresponding implied enterprise value was in the range of US$10.1 million to US$11.4 million.

Valuation Methodology

Sequeira Partners applied three valuation methodologies to estimate the fair market value of the RCM Assets: (i) an income approach (Capitalized Cash Flow method), capitalizing a maintainable EBITDA range of US$1.125 million to US$1.325 million at a capitalization rate of 10.0%, indicating an equity value of US$7.1 million to US$8.6 million; (ii) a guideline public company method, reviewing trading multiples of comparable public companies in the revenue cycle management sector, selecting multiples of 1.75x LTM Revenue, 1.50x NTM Revenue, 11.5x LTM EBITDA and 7.0x NTM EBITDA, and after adjustments for a 30.0% control premium and a 25.0% marketability discount, indicating an equity value of US$10.9 million to US$12.3 million; and (iii) a precedent transactions method, reviewing comparable private market transactions in the RCM and medical billing industries, selecting multiples of 1.5x LTM Revenue and 7.0x LTM EBITDA, with greater weight placed on revenue-based multiples reflecting the recurring revenue nature of RCM client relationships, indicating an equity value of US$8.2 million to US$9.2 million. Greater weighting (50%) was placed on the income approach because the RCM business is significantly smaller than the selected public companies and precedent transaction targets, and each market approach was weighted at 25%. Based on this weighting, the concluded en bloc fair market value of equity was US$8.3 million to US$9.7 million, with an implied enterprise value of US$10 million to US$11.4 million.

Based on the foregoing, Sequeira Partners concluded that the en bloc fair market value of the equity of the RCM Assets was in the range of US$8.3 million to US$9.7 million, with an implied enterprise value of US$10.1 million to US$11.4 million.

Following Shareholder approval, AVI (or an affiliate or nominee designated by AVI) will hold the RCM ROFR to acquire the Specified Assets at fair market value determined by the Independent Valuation or on the applicable Third Party Offer terms, subject to the RCM ROFR. AVI has advised Kovo that it is prepared to acquire the Specified Assets pursuant to the AVI Backstop Offer in exchange for a concurrent reduction of the Indebtedness in the amount of US$13,000,000. The Updated Operating Plan will be prepared by management and submitted to the Board for review and approval by December 31, 2026. Shareholders are not being asked to approve the Updated Operating Plan or any illustrative financial model at the Meeting.

AIV Business

The Independent Valuation is not a formal valuation under Part 6 of MI 61-101 (see "*Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions – Formal Valuation*"). The Independent Valuation provided the Special Committee with a range of fair market values for AI Vector, to assist in its deliberations and recommendations regarding the Proposed Transaction. Based on the methodologies described below, the operating enterprise value of AI Vector was concluded to be in the range of US$3.3 million to US$3.6 million, with a midpoint of US$3.4 million, as at July 31, 2026 (the "**AIV Valuation Date**"). As the operating enterprise value is insufficient to repay AI Vector's outstanding debt obligations of approximately US$3.7 million, there is no residual value available to equity holders.

Valuation Methodology

Sequeira Partners applied four valuation methodologies to estimate the fair market value of AI Vector: (i) a reproduction cost approach to value the Guardian+ technology platform, based on management's records of personnel time benchmarked to current market salaries, with adjustments for technological obsolescence and a developer's profit margin, indicating a FMV of US$3.3 million to US$3.5 million (the brand intangible was assessed at nil); (ii) a guideline public company method, reviewing EV/Revenue trading multiples of comparable IT consulting and SaaS platform companies, selecting multiples of 1.25x LTM Revenue and 1.50x NTM Revenue and adding the FMV of Guardian+ technology to the LTM-based indication, indicating an implied enterprise value of US$3.2 million to US$3.6 million; (iii) a precedent transactions method, reviewing comparable private market transactions in the IT consulting and infrastructure management sectors, selecting a multiple of 0.70x LTM Revenue and adding the FMV of Guardian+ technology to the indicated enterprise value, indicating an implied enterprise value of US$3.6 million to US$3.9 million; and (iv) an adjusted net asset value method, restating AI Vector's tangible assets and liabilities to fair market value, including restating software intangibles to reflect the FMV of Guardian+ technology, assessing the brand intangible at nil and eliminating intercompany balances, indicating an implied operating enterprise value of US$3.0 million to US$3.2 million. Each methodology was weighted equally (33.3%), given AI Vector's early stage of development and its transition toward a SaaS-based business model. Based on this weighting, the concluded operating enterprise value was US$3.3 million to US$3.6 million; after deducting net debt of approximately US$3.7 million, the en bloc fair market value of equity was nil.

Based on the foregoing, Sequeira Partners concluded that the operating enterprise value of AI Vector was in the range of US$3.3 million to US$3.6 million, with a midpoint of US$3.4 million. After deducting net debt of approximately US$3.7 million, the en bloc fair market value of the equity of AI Vector was concluded to be $Nil as at the Valuation Date.

Non-Arm's Length Transaction

AVI is a "related party" of the Corporation and is the Corporation's senior secured creditor and a "control person" in accordance with securities law. Michael Steele controls AVI, is its sole indirect beneficial shareholder and remains a director and officer of AVI, HEAL Group and HEAL RCM. Mr. Steele resigned unconditionally as a director and officer of Kovo effective August 5, 2026, before the Proposed Transaction was agreed to. His continuing status for purposes of MI 61-101 arises from his control of AVI and affiliated entities, and not from his former positions with Kovo. AVI is considered a "Non-Arm's Length Party" under applicable TSXV policies. The Proposed Transaction includes the Forbearance Agreement, the Forbearance Framework, the Strict Foreclosure, the RCM ROFR, the sale of the RCM Assets, the AIV Sale, the Development Agreement and related matters. These arrangements constitute "related party transactions" within the meaning of MI 61-101 and, absent an available exemption, would require a formal valuation (see "*Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions – Formal Valuation*") and minority shareholder approval. The specific exemptions and approval process are described below.

Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions

Transaction Characterization

The Proposed Transaction constitutes a "related party transaction" as defined in MI 61-101 because AVI is a related party of the Corporation and is a direct party to the Forbearance Agreement and related arrangements. AVI and its affiliates are the Corporation's control group and AVI is the Corporation's senior secured creditor. The control group currently holds or controls 119,920,009 Common Shares through AVI and HEAL Access USA, being approximately 66.69% of the outstanding Common Shares. If AVI were to convert all of its Indebtedness of approximately US$27,088,873 into Common Shares at the current market price of CDN$0.005 per share, subject to TSXV approval, AVI would receive approximately 7,528,539,584 Common Shares, which would represent approximately 97.7% of the Common Shares then outstanding on an as-converted basis. The Proposed Transaction involves the Corporation selling, transferring or disposing of the RCM Assets to HEAL RCM, a Steele-controlled affiliate, and materially amending the terms of outstanding debt owed to AVI. These connected arrangements fall within paragraphs (c) and (l), among others, of the definition of "related party transaction" in section 1.1 of MI 61-101.

Formal Valuation

Under section 5.4 of MI 61-101, a formal valuation would otherwise be required for a related party transaction described in paragraphs (a) to (g) of the definition of "related party transaction". The Corporation is relying on the exemption in section 5.5(b) because it is listed on the TSXV and is also relying on the financial hardship exemption in section 5.5(g). Accordingly, the Sequeira Partners valuation analysis is not a formal valuation prepared in compliance with Part 6 of MI 61-101; it was prepared to provide independent valuation evidence for the Special Committee's deliberations and recommendations. See "*Independent Valuation; No Fairness Opinion*". The five statutory requirements for the section 5.5(g) exemption are addressed separately below.

Financial Hardship Exemption (s. 5.5(g))

The Corporation relies on paragraph 5.5(g) of MI 61-101, which contains five cumulative statutory requirements. The Corporation's factual basis for each requirement is as follows:

(i) The Corporation is insolvent or in serious financial difficulty. The Corporation has approximately US$27,088,873 of Indebtedness, comprising principal, fees and accrued interest, for which the Borrower Entities are jointly and severally liable and which is secured by all collateral subject to the Security. This amount exceeds the Corporation's market capitalization and the liquidation value of all or substantially all of its assets. AVI delivered the Default Notice and demanded immediate repayment, and the Corporation has been unable to satisfy its debt obligations as they become due without successive forbearance arrangements, waivers and additional advances. The Corporation's financial statements and management forecasts also raise substantial going-concern concerns and indicate that the Indebtedness cannot be retired by December 31, 2026, or may not be retired at all.

(ii) The Proposed Transaction is designed to improve the financial position of the Corporation. The Forbearance Framework is intended to provide an immediate enforcement standstill, make available the US$1.0 million Default Advance, permit the Corporation to evaluate and implement the Reorganization Steps, monetize the RCM Assets and the AIV Business through valuation and sale processes or the RCM ROFR, establish potential ongoing revenue opportunities under the Development Agreement, develop and implement the Updated Operating Plan and permit entry into a Restructuring Facility having an expected five-year term at an annual interest rate of 12%. The Third Forbearance Period through April 1, 2027 is intended to provide time to complete the transaction steps and enter into that longer-term facility; it is not the expected maturity date of the restructured Indebtedness. The proposed measures are intended to preserve operating value, address the immediate enforcement risk and provide time to implement the Updated Operating Plan.

(iii) Paragraph 5.5(f) of MI 61-101 is not applicable. The Proposed Transaction is not being effected pursuant to a court approval or court order, and no court has ordered that the Proposed Transaction be completed.

(iv) The Corporation has one independent director in respect of the Proposed Transaction. Peter Bak is the Corporation's sole independent director and the sole member of the Special Committee. The Board has considered Dr. Bak's Vantage indebtedness, compensation and other relationships and has determined that they do not impair his independence for purposes of this transaction. See "*Special Committee Process - Transaction-Specific Independence Analysis*" and "*Indebtedness of Directors and Executive Officers*".

(v) The Board, acting in good faith, and the Corporation's independent director, acting in good faith, have determined that the Corporation is insolvent or in serious financial difficulty, that the Proposed Transaction is designed to improve the Corporation's financial position and that the terms of the Proposed Transaction are reasonable in the circumstances. Peter Bak is the sole independent director and therefore represents 100% of the independent directors, which is not less than the required two-thirds, provided that he makes the determination in his capacity as an independent director. See "*Special Committee Process - Transaction-Specific Independence Analysis*".

Minority Shareholder Approval

MI 61-101 requires the Corporation to obtain minority approval for the Proposed Transaction, in addition to any approval required under the ABCA and TSXV policies. Specifically, under section 5.6 of MI 61-101, an issuer shall not carry out a related party transaction unless it has obtained minority approval in accordance with Part 8. This requirement is mandatory and applies to the Proposed Transaction because it is a related party transaction involving AVI, a related party of the Corporation.

Section 5.7(1)(e) of MI 61-101 provides a narrow exemption from minority approval where the financial-hardship exemption under section 5.5(g) applies and there is no other corporate or legal requirement to hold a meeting. That exemption is not available to the Corporation because: (i) the ABCA requires the Corporation to hold a shareholder meeting to approve the sale or disposition of all or substantially all of its assets; and (ii) applicable TSXV policies independently require shareholder approval. Accordingly, the Corporation must obtain minority approval in accordance with section 5.6 and Part 8 of MI 61-101.

Excluded Votes

Section 8.1(2) of MI 61-101 requires the Corporation to exclude votes beneficially owned or controlled or directed, directly or indirectly, by: (a) Kovo; (b) an interested party; (c) a related party of an interested party, subject to the limited director-officer exception in section 8.1(2)(c); or (d) a joint actor with a person referred to in paragraph (b) or (c) in respect of the Proposed Transaction. The application of each category to AVI, HEAL Access USA, Michael Steele and other potentially excluded persons is described under "*Excluded Votes*".

In determining whether minority approval has been obtained, section 8.1(2) of MI 61-101 requires the Corporation to exclude votes beneficially owned or controlled or directed, directly or indirectly, by: (a) Kovo; (b) an interested party; (c) a related party of an interested party (subject to the limited director-officer exception in section 8.1(2)(c)); or (d) a joint actor with a person referred to in paragraph (b) or (c) in respect of the Proposed Transaction. This means that all Common Shares held by: (i) AVI, which holds 106,739,971 Common Shares; (ii) HEAL Access USA, which holds 13,180,038 Common Shares; and (iii) any other related parties of AVI or associates or joint actors thereof whose votes are required, shall be excluded under MI 61-101. As Mr. Gahunia and Dr. Young are directors and/or officers of a related party of AVI, Mr. Gahunia, who holds 36,000 Common Shares personally and 400,000 Common Shares through Desiview Television Inc. Dba Kava Consulting, a corporation owned and controlled by Mr. Gahunia, will have such Common Shares excluded. Dr. Young does not hold any Common Shares directly or indirectly. In total, approximately 120,356,009 Common Shares, representing approximately 66.93% of the outstanding Common Shares, will be excluded.

Prior Valuations

To the knowledge of the Corporation, after reasonable inquiry, no prior valuations, as defined in MI 61-101, have been made in respect of the Corporation, its securities or its material assets within the 24 months preceding the date of this Information Circular that relate to or are otherwise relevant to the Proposed Transaction, other than (i) the valuation of the RCM business prepared by Sequeira Partners, as of July 31, 2026, which valued the en bloc fair market value of the equity of the RCM Assets was concluded to be in the range of US$8.3 million to US$9.7 million, with a midpoint of US$9.0 million; (ii) the valuation of the AIV Business prepared by Sequeira Partners, as of July 31, 2026, which valued AI Vector at US$3.26 million to US$3.552 million; and (iii) the Evans & Evans Valuation.

Shareholders may inspect copies of the above-noted prior valuations in person at 1500, 850 2nd St. SW, Calgary, AB T2P 0R8. Copies of the prior valuations will be sent to any Shareholder upon request and without charge by contacting the Corporation at investors@kovo.com or 1-866-558-6777. In either case, such Shareholders will be required to execute and deliver a release prior to such inspection or delivery, fully releasing and holding harmless the valuator from any and all claims, in such form as determined by the applicable valuator in its sole and unfettered discretion.

Interested Parties

AVI is an “interested party” within the meaning of MI 61-101 because it is a related party of the Corporation and is a direct party to the Proposed Transaction, satisfying subsection 1.1(d)(i) of the definition of “interested party”. HEAL Access USA is a related party of AVI and Michael Steele is a related party of AVI and a joint actor with AVI in respect of the Proposed Transaction. Mr. Steele’s effective resignation from Kovo on August 5, 2026 means that he was not a director or senior officer of Kovo when the Proposed Transaction was agreed to. His exclusion is instead based on his control of AVI and affiliated entities and does not arise solely from his former Kovo positions. HEAL Group and HEAL RCM are controlled affiliates and counterparties or beneficiaries of the Proposed Transaction.

Dissent Rights

Under the ABCA a Registered Shareholder is entitled to dissent to the resolution to approve the Proposed Transaction and, if such Shareholder dissents (the “**Dissenting Shareholder**”), subject to the provisions of the ABCA (summarized below), he or she will have the right to be paid the fair value for their Common Shares (the “**Dissent Rights**”).

The following is only a summary of the Dissent Rights applicable to the Proposed Transaction, which are technical and complex. The summary is not a comprehensive statement of the procedures to be followed by a Shareholder who seeks to exercise Dissent Rights and is qualified in its entirety by the full text of Section 191 of the ABCA (the “**Dissent Provisions**”), which are attached to this Information Circular as Schedule “C”. A Registered Shareholder who intends to exercise Dissent Rights in respect of the Proposed Transaction Resolution should carefully review, consider and comply with the Dissent Provisions and should seek legal advice as failure to comply strictly with the Dissent Provisions may prejudice the availability of the Dissent Rights.

Under the ABCA, a Registered Shareholder is entitled, in addition to any other right such holder may have, to dissent and, upon strict compliance with the ABCA, to be paid the fair value of the Common Shares held by such Dissenting Shareholder in respect of which such Dissenting Shareholder dissents, determined as of the close of business on the last Business Day before the day on which the resolution from which such Registered Shareholder dissents was adopted. Only Registered Shareholders may dissent. Persons who are beneficial owners of Common Shares registered in the name of a broker, custodian, nominee or other Intermediary who wish to dissent, should be aware that they may only do so through the registered owner of such securities. A Registered Shareholder, such as a broker, who holds Common Shares as nominee for beneficial holders, some of whom wish to dissent, must exercise Dissent Rights on behalf of such beneficial owners with respect to the Common Shares held for such beneficial owners. In such case, the written objection should set forth the number of Common Shares covered by such objection.

To exercise such right to dissent, a Registered Shareholder must send to Kovo, c/o Dentons Canada LLP, 1500, 850 – 2nd Street SW, Calgary, AB T2P 0R8, Attention: James O'Sullivan (email: james.osullivan@dentons.com), a written objection to the Proposed Transaction Resolution not later than 4:00 p.m. (MDT) on September 28, 2026 (or the date that is five (5) Business Days immediately prior to the date of any adjournment or postponement of the Meeting). Failure to strictly comply with the requirements set forth in Section 191 of the ABCA may result in the loss of any right of dissent.

A holder of Common Shares may not exercise Dissent Rights in respect of only a portion of such holder's Common Shares but may dissent only with respect to all of the Common Shares held by the holder.

An application may be made to the Court by the Corporation or by a Dissenting Shareholder after the adoption of the Proposed Transaction Resolution to fix the fair value of the Dissenting Shareholder's Common Shares. If such an application to the Court is made by the Corporation or a Dissenting Shareholder, the Corporation must, unless the Court otherwise orders, send to each Dissenting Shareholder a written offer to pay the Dissenting Shareholder an amount considered by the Board to be the fair value of the Common Shares. The offer, unless the Court otherwise orders, will be sent to each Dissenting Shareholder at least 10 days before the date on which the application is returnable, if the Corporation is the applicant, or within 10 days after the Corporation is served with notice of the application, if a Dissenting Shareholder is the applicant. The offer will be made on the same terms to each Dissenting Shareholder and will be accompanied by a statement showing how the fair value was determined.

A Dissenting Shareholder may make an agreement with the Corporation for the purchase of such holder's Common Shares in the amount of the offer made by the Corporation (or otherwise) at any time before the Court pronounces an order fixing the fair value of the Common Shares.

A Dissenting Shareholder is not required to give security for costs in respect of an application and, except in special circumstances, will not be required to pay the costs of the application or appraisal. On the application, the Court will make an order fixing the fair value of the Common Shares of all Dissenting Shareholders who are parties to the application, giving judgment in that amount against the Corporation and in favour of each of those Dissenting Shareholders, and fixing the time within which the Corporation must pay that amount payable to the Dissenting Shareholders. The Court may in its discretion allow a reasonable rate of interest on the amount payable to each Dissenting Shareholder calculated from the date on which the Dissenting Shareholder ceases to have any rights as a Shareholder, until the date of payment.

Upon the Proposed Transaction becoming effective, or upon the making of an agreement between the Corporation and the Dissenting Shareholder as to the payment to be made to the Dissenting Shareholder, or upon the pronouncement of a court order, whichever first occurs, the Dissenting Shareholder will cease to have any rights as Shareholder other than the right to be paid the fair value of such holder's Common Shares, in the amount agreed to between the Corporation and the Dissenting Shareholder or in the amount of the judgment, as the case may be. Until one of these events occurs, the Dissenting Shareholder may withdraw the Dissenting Shareholder's dissent, or if the Proposed Transaction has not yet become effective, the Corporation may rescind the resolution approving the Proposed Transaction, and in either event the dissent and appraisal proceedings in respect of that Dissenting Shareholder will be discontinued.

The Corporation will not make a payment to a Dissenting Shareholder under Section 191 of the ABCA if there are reasonable grounds for believing that the Corporation would, after the payment, be unable to pay its liabilities as they become due, or that the realizable value of the assets of the Corporation would thereby be less than the aggregate of its liabilities (the "Solvency Tests" in section 191(20) of the ABCA). The Corporation's ability to pay the fair value of Common Shares to Dissenting Shareholders is therefore subject to those Solvency Tests. Given the Corporation's significant indebtedness of approximately US$27 million and its financial condition and liquidity position, there can be no assurance that the Corporation will be in a position to make such payment. In such event, the Corporation shall, within 10 days after (i) the pronouncement of an order of the Court fixing the fair value of the Common Shares of all Dissenting Shareholders who are parties to an application, giving judgment in that amount against the Corporation and in favour of each Dissenting Shareholder, and fixing the time within which the Corporation must pay that amount to a Dissenting Shareholder; or (ii) the making of an agreement between a Dissenting Shareholder and the Corporation as to the payment to be made for the Dissenting Shareholder's Common Shares, notify each Dissenting Shareholder that

it is unable lawfully to pay Dissenting Shareholders for their Common Shares. A Dissenting Shareholder may, by written notice to the Corporation within 30 days after receipt of such notice, withdraw such Dissenting Shareholder's written objection, in which case the Corporation shall be deemed to consent to the withdrawal and such Dissenting Shareholder shall be reinstated with full rights as a Shareholder. If the Dissenting Shareholder does not withdraw the objection, the Dissenting Shareholder retains status as a claimant against the Corporation, to be paid as soon as the Corporation is lawfully entitled to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the Corporation but in priority to the Shareholders.

The above summary does not purport to provide a comprehensive statement of the procedures to be followed by a Dissenting Shareholder who seeks payment of the fair value of their Common Shares. Section 191 of the ABCA requires adherence to the procedures established therein and failure to do so may result in the loss of all rights thereunder. Accordingly, each Dissenting Shareholder who wishes to exercise Dissent Rights should carefully consider and comply with the provisions of that Section, the full text of which is set out in Schedule "C" attached hereto, and consult its own legal advisor.

Approval Matters

TSXV Approval

As the Proposed Transaction constitutes a related party transaction and a sale of all or substantially all of the Corporation's assets under applicable TSXV policies, including under the Reviewable Disposition procedures of TSXV Policy 5.3 – *Acquisitions and Dispositions of Non-Cash Assets*, it is subject to the approval of both the TSXV and the Shareholders.

Shareholder Approval

At the Meeting, Shareholders will be asked to consider and, if thought fit, pass, with or without variation, the Proposed Transaction Resolution approving the Proposed Transaction (the "**Proposed Transaction Resolution**").

The Forbearance Agreement expressly provides that failure of the Shareholders to approve the Proposed Transaction Resolution constitutes a Termination Event, permitting AVI to terminate the applicable forbearance period and exercise its rights and remedies under the Loan Documents.

The following resolution, with or without variation, will be placed before Shareholders in order to approve and ratify the Proposed Transaction Resolution:

"RESOLVED THAT:

1. the Proposed Transaction, including the Forbearance Framework, the Forbearance Agreement, the Strict Foreclosure, the Default Advance, the RCM ROFR, the sale, transfer or other disposition of the RCM Assets, the AIV Sale, the Development Agreement, the Reorganization Steps, the Updated Operating Plan, the potential Restructuring Facility in respect of any remaining Indebtedness and all related agreements, transactions, approvals, consents, waivers and matters, be and is hereby approved, ratified and confirmed;

2. the sale, transfer or other disposition of all or substantially all of the Corporation's undertaking, property and assets, including the RCM Assets and the AIV Business, and the execution, delivery and performance of the related agreements and transactions contemplated by the Proposed Transaction, be and are hereby approved to the extent required under the ABCA, MI 61-101, TSXV policies and other Applicable Laws;

3. the entering into, performance and implementation by the Corporation and the other Borrower Entities of the Forbearance Agreement, the Strict Foreclosure and the transactions contemplated thereby, including the staged forbearance arrangements, the Default Advance, the use-of-proceeds

restrictions, the Development Agreement, the RCM ROFR, the RCM Asset Sale, the AIV Sale, the Updated Operating Plan, the potential Restructuring Facility and the related covenants, conditions, consents, waivers and termination provisions, be and are hereby approved, ratified and confirmed;

4. notwithstanding that this resolution has been passed by the Shareholders, the directors of the Corporation are hereby authorized and empowered, without further notice to or approval of the Shareholders, to: (i) amend, modify or supplement the Forbearance Agreement, the RCM ROFR, the Development Agreement or any other agreement or document relating to the Proposed Transaction, provided that any such amendment, modification or supplement is not, in the judgment of the Board, materially prejudicial to the Corporation or the Shareholders; and (ii) determine not to proceed with all or any part of the Proposed Transaction at any time prior to its completion;

5. any director or officer of the Corporation is hereby authorized, for and on behalf of the Corporation, to make such amendments, modifications or supplements to the Forbearance Agreement, the RCM ROFR, the Development Agreement or any other agreement or document relating to the Proposed Transaction as may be required or advisable to satisfy the requirements or requests of the TSXV, any securities regulatory authority or any other governmental, regulatory or stock exchange authority, without requiring further approval of the Shareholders, provided that such amendments, modifications or supplements are not, in the judgment of the Board, materially prejudicial to the Corporation or the Shareholders; and

6. any one director or officer of the Corporation be and is hereby authorized and directed to do all things and to execute and deliver all documents and instruments as may be necessary or desirable to carry out the terms of this resolution."

In order to be passed, the Proposed Transaction Resolution must be approved by not less than two-thirds ($66^{2/3}$%) of the votes cast by Shareholders who vote in person or by proxy at the Meeting, including the majority of minority votes required under MI 61-101 and any two-thirds approval required under the ABCA or TSXV policies. If the Proposed Transaction Resolution is not approved by the Shareholders, or if another required approval is not obtained, the Proposed Transaction cannot be completed.

> Unless otherwise directed, the person(s) named in the accompanying Instrument of Proxy or VIF intend to vote FOR the ratification and confirmation of the Proposed Transaction Resolution.

OTHER MATTERS COMING BEFORE THE MEETING

As at the date hereof, management of the Corporation does not know of any business, other than as set out in this Information Circular, that will be presented at the Meeting. However, if any other matters properly come before the Meeting, it is the intention of the person(s) named in the accompanying Instrument of Proxy or VIF to vote all proxies in accordance with their judgment upon any such matters.

RISK FACTORS

The Proposed Transaction involves various risks. Shareholders should carefully consider the following risk factors in evaluating whether to approve the Proposed Transaction Resolution. Readers are cautioned that such risk factors are not exhaustive. These risk factors should be considered in conjunction with the other information included in this Information Circular, including the documents incorporated by reference herein and filed by Kovo pursuant to Applicable Laws from time to time. Additional risks and uncertainties, including those currently unknown or considered immaterial by the Corporation, may also adversely affect the Corporation and the Common Shares following completion of the Proposed Transaction.

Risks related to the Transaction

History of defaults and inability to satisfy obligations

The Corporation has a history of financial distress and inability to satisfy its obligations as they become due. Each Borrower Entity is jointly and severally liable as a co-borrower and primary obligor for the entire Indebtedness, regardless of which Borrower Entity received an extension of credit, and the Indebtedness is secured by all collateral subject to the Security. Since at least January 2024, the Corporation has been unable to meet its debt obligations to AVI without successive forbearance arrangements, waivers, fee deferrals and additional secured advances. On each occasion, the Corporation incurred additional fees, interest and obligations that compounded its indebtedness from approximately US$3.05 million in April 2023 to approximately US$27 million as of August 2026. There can be no assurance that the Corporation's financial condition will improve or that the Proposed Transaction will achieve the intended benefits.

Failure to satisfy conditions to the completion of the Proposed Transaction

The completion of the Proposed Transaction is subject to a number of conditions precedent, certain of which are outside the control of the Corporation, including obtaining the requisite Shareholder approval, TSXV approval and the satisfaction of other customary closing conditions. There can be no certainty, nor can the Corporation provide any assurance, that these conditions will be satisfied or waived, nor can there be any certainty as to the timing of their satisfaction or waiver.

A substantial delay in obtaining satisfactory approvals or the imposition of unfavourable terms or conditions in the approvals to be obtained could delay the completion of the Proposed Transaction and may adversely affect the business, financial condition or results of the Corporation. If the conditions to the Proposed Transaction are not satisfied or waived and the Proposed Transaction is not completed, there can be no assurance that the Board will be able to find a party willing to enter into a transaction on equivalent or more attractive terms, or at all.

Forbearance arrangements may not be honoured or may be terminated

AVI's agreement to forbear from enforcement is conditional on the Corporation's strict compliance with numerous conditions, milestones and covenants. The Forbearance Agreement contains extensive Termination Events, the occurrence of any one of which entitles AVI to terminate the applicable forbearance and immediately enforce the Security. **In particular, the Forbearance Agreement expressly provides that failure of the Shareholders to approve the Proposed Transaction Resolution constitutes a Termination Event.** The Corporation has previously failed to satisfy forbearance conditions, including the April 2024 operating plan milestone, which resulted in a Termination Event and required a separate waiver. There can be no assurance that the Corporation will satisfy all current forbearance conditions or that AVI will not terminate the forbearance arrangements.

If the Forbearance Agreement is terminated, the Corporation will still have incurred costs for pursuing the Proposed Transaction, including costs related to the diversion of management's attention away from the conduct of the Corporation's business. Failure to complete the Proposed Transaction could result in AVI exercising its enforcement rights under the Loan Documents, which could have a material adverse effect on the Corporation and its Shareholders.

The First Forbearance Period under the Forbearance Agreement expires at 4:00 p.m. (Calgary time) on October 5, 2026, which is the date of the Meeting. If the Meeting is adjourned or postponed beyond October 5, 2026, the First Forbearance Period may lapse before the Proposed Transaction Resolution is voted upon, potentially allowing AVI to terminate the forbearance and exercise its enforcement rights.

Enforcement action by AVI

If the Proposed Transaction is not approved by Shareholders, or if the Proposed Transaction fails to close by the applicable deadlines, the Forbearance Agreement may permit AVI to terminate the forbearance and enforce its rights under the Security, including appointing a receiver or interim receiver, seizing the Corporation's assets, commencing insolvency proceedings and realizing upon the collateral. On August 5, 2026, AVI served a notice of intention to enforce security under section 244 of the BIA. A section 244 notice generally gives the debtor ten days before enforcement may proceed, subject to applicable statutory exceptions, agreements, stays or court orders; the notice period may expire or enforcement may become available if the forbearance arrangements lapse. Such enforcement would likely result in a substantial or total loss of Shareholder value.

Executed Strict Foreclosure may facilitate enforcement

The Forbearance Agreement requires the Borrower Entities to deliver the executed Strict Foreclosure, consenting to and authorizing the acceptance by AVI of the Security or Specified Security to AVI in strict foreclosure and partial satisfaction of US$13,000,000 of the Indebtedness in accordance with §§ 9-620 and 9-621 of the UCC, and further consenting to the immediate private or court-appointed realization, liquidation and disposition of assets located in the United States, including through the appointment of an interim receiver, receiver, receiver and manager or other insolvency or enforcement officer as may be required under Applicable Laws. The Strict Foreclosure is to be held in escrow by AVI's counsel and may be released and relied upon by AVI upon a Termination Event if the Indebtedness has not been indefeasibly paid in full. If released, the Strict Foreclosure may facilitate or accelerate enforcement against U.S. assets and result in the transfer of the security granted to AVI (or such portion thereof as AVI elects) in satisfaction of US$13,000,000 of the Indebtedness, which could materially impair the Corporation's ability to preserve or continue its business operations.

The Default Advance is limited and subject to strict restrictions

The Forbearance Agreement contemplates the Default Advance of US$1.0 million to the Borrower Entities notwithstanding the Specified Defaults. The Default Advance will form part of the Indebtedness and will be secured by the Security. The Default Advance may be used only for the payables and purposes described in the applicable use-of-proceeds schedule and not for any other purpose. There can be no assurance that the Default Advance will be sufficient to fund the Corporation's liquidity needs, complete the Proposed Transaction, preserve operations or address creditor pressure. Any breach of the applicable funding conditions or use-of-proceeds restrictions may constitute a default or Termination Event.

The payment holiday does not reduce the Indebtedness

The Forbearance Agreement provides for a payment holiday in respect of cash payments of principal, interest, fees, expenses and other amounts owing to AVI for a period of 24 months, or until the earlier of the execution of the Restructuring Facility or the occurrence of a Termination Event, subject to the terms of the Forbearance Agreement. Interest shall continue to accrue pursuant to the applicable Loan Documents or any written amendment signed by the Parties. Accordingly, the payment holiday does not reduce the Indebtedness and may result in the obligations owing to AVI increasing over time. If the Corporation is unable to complete asset sales or enter into the contemplated Restructuring Facility, the payment holiday may defer, rather than resolve, the Corporation's liquidity and solvency issues.

Forbearance fee may increase the Indebtedness

The Forbearance Agreement provides for a forbearance fee equal to 3.0% of the Indebtedness as of the date of the Forbearance Agreement, inclusive of the Default Advance, to be earned by AVI upon the occurrence of a Termination Event. The Forbearance Fee shall only be taxable once earned. If a Termination Event occurs, the forbearance fee will be added to and become part of the Indebtedness and secured by the Security. This would further increase the Corporation's secured obligations and may reduce or eliminate any residual value available to Shareholders.

The Corporation is subject to restrictions on its business during the pendency of the Proposed Transaction

The Forbearance Agreement and related arrangements restrict the Corporation from taking specified actions until the Proposed Transaction is completed, including in respect of the management and disposition of the RCM Assets and other operational matters. These restrictions may prevent the Corporation from pursuing attractive business opportunities that may arise prior to the completion of the Proposed Transaction and could limit the Corporation's ability to respond to competitive developments or changes in its industry.

Failure to complete the RCM Asset Sale and AIV Sale by December 31, 2026

The Forbearance Agreement contemplates that the RCM Asset Sale and the AIV Sale will be completed with a third party or pursuant to the RCM ROFR on or before December 31, 2026, on terms satisfactory to AVI. There can be no assurance that these sale processes will result in acceptable offers, that the RCM Assets or AIV Business will be sold at values consistent with the Independent Valuation, that AVI will approve the terms of any sale, or that any sale will be completed by the applicable deadline. Failure to complete these sales by the required date may constitute a Termination Event.

The RCM ROFR and AVI Backstop Offer may affect market interest or pricing

The RCM ROFR grants AVI, or an affiliate or nominee designated by AVI, a right of first refusal in respect of the RCM Assets and the AIV Business. AVI has advised Kovo that it is prepared to acquire the Specified Assets pursuant to the AVI Backstop Offer and in exchange for a concurrent reduction of the Indebtedness in the amount of US$13,000,000. The existence of the RCM ROFR and the AVI Backstop Offer may discourage third parties from participating in the sale process, reduce competitive tension, delay negotiations or affect the price and terms that third-party bidders are prepared to offer. Although the AVI Backstop Offer is intended to establish a floor price and provide transaction certainty while preserving Kovo’s ability to solicit and accept higher or better offers, there can be no assurance that the resulting transaction terms will maximize value for the Corporation or Shareholders.

The Proposed Transaction may not be completed if a sufficient number of Shareholders exercise Dissent Rights

Shareholders have the right to exercise Dissent Rights and demand payment of the fair value of their Common Shares, in cash, in connection with the Proposed Transaction in accordance with section 191 of the ABCA. The determination of the amount payable is subject to a Court-supervised valuation process, and there is no certainty that a Dissenting Shareholder will be entitled to receive an amount greater than or less than the value of the Common Shares implied by the Proposed Transaction. The Corporation’s ability to pay the fair value of Common Shares to Dissenting Shareholders is subject to the Solvency Tests in section 191(20) of the ABCA. Given the Corporation’s significant indebtedness of approximately US$27 million and its financial condition, there can be no assurance that the Corporation will be in a position to make such payment. If the Corporation cannot lawfully make the payment, a Dissenting Shareholder who does not withdraw its objection will retain status as a claimant against the Corporation, subordinate to the Corporation’s creditors but in priority to its other Shareholders. If there are a significant number of Dissenting Shareholders, a substantial cash payment may nevertheless be required, which could adversely affect the Corporation’s financial condition and cash resources. See “*Dissent Rights*”.

The exercise and non-withdrawal of Dissent Rights by Shareholders holding more than 5% of the issued and outstanding Common Shares, excluding Common Shares held by AVI and HEAL Access USA, constitutes a Termination Event under the Forbearance Agreement, entitling AVI to immediately terminate the forbearance period and exercise its rights and remedies under the Loan Documents, including enforcing its security over all Collateral. See “*The Forbearance Agreement – Termination*”.

Kovo may fail to successfully commercialize its post-transaction business

If the Proposed Transaction is completed, Kovo would no longer depend primarily on owning and financing a traditional revenue cycle management business and would instead seek to operate as a healthcare technology commercialization company focused on technology-enabled products and services for healthcare providers and, where appropriate, their patients. The principal long-term opportunity described in this Information Circular is the proposed development and commercialization of a Personal Health Intelligence membership powered by HEAL Access, which is expected to be offered at approximately US$5 per month. There can be no assurance that a meaningful number of patients will subscribe to, pay for or continue to use this capability, that clinics will participate in its commercialization, or that the Corporation will achieve sufficient adoption, retention, revenue, profitability or cash flow to support its operations or repay its remaining indebtedness. Privileged commercial access to clinics and patients served by HEAL RCM does not guarantee distribution, adoption or revenue.

The Corporation will incur costs even if the Proposed Transaction is not completed

Certain costs related to the Proposed Transaction, such as legal, accounting and other professional fees, must be paid by the Corporation even if the Proposed Transaction is not completed. The Corporation is liable for all of its costs incurred to date in connection with the Proposed Transaction. These costs could be substantial and could have a material adverse effect on the Corporation's cash resources and financial condition.

The Proposed Transaction may divert the attention of management

The pendency of the Proposed Transaction could cause the attention of the Corporation's management to be diverted from day-to-day operations. These disruptions could be exacerbated by a delay in the completion of the Proposed Transaction and could have an adverse effect on the business, operating results or prospects of the Corporation regardless of whether the Proposed Transaction is ultimately completed.

Concentration of control and conflicts

AVI is Kovo's senior secured creditor and, together with its affiliated entities under Michael Steele's control, holds or controls approximately 66.69% of the Common Shares. Until Mr. Steele's unconditional resignation became effective on August 5, 2026, he controlled both the lender, AVI, and the borrower, Kovo. He remains the sole indirect beneficial shareholder of AVI and a director or officer of AVI, HEAL Group and HEAL RCM. AVI (or an affiliate or nominee designated by AVI) is the holder of the RCM ROFR for the RCM Assets and, pursuant to the AVI Backstop Offer, has advised Kovo that it is prepared to acquire the Specified Assets in exchange for a concurrent reduction of the Indebtedness in the amount of US$13,000,000. HEAL RCM is also the counterparty to the Development Agreement. These overlapping creditor, control, purchaser and commercial-counterparty roles create actual and potential conflicts of interest. The terms of the Proposed Transaction may not be as favourable to Kovo as terms negotiated with arm's-length parties, and the minority vote and Special Committee process may not eliminate all risks arising from the concentration of control.

Single-member Special Committee

The Special Committee consists solely of Peter Bak. Although Dr. Bak is independent under MI 61-101, NI 58-101 and applicable TSXV policies and has authority to retain advisors and meet independently, a single-member committee permits no collective deliberation, peer challenge or comparison of independent views. The process therefore depends substantially on one director's judgment, subject to the advice received and the limitations disclosed elsewhere in this Information Circular. Shareholders should consider this limitation when assessing the committee's process and recommendation.

Going concern and insolvency risk

The Indebtedness owing to AVI is approximately US$27,088,873, plus accruing interest, fees and enforcement costs. Each Borrower Entity is jointly and severally liable as a co-borrower and primary obligor for the entire Indebtedness, regardless of which Borrower Entity received an extension of credit, and the Indebtedness is secured by all collateral subject to the Security. Each guarantor under the Loan Documents also jointly and severally, unconditionally and irrevocably guarantees, as a primary obligor and not merely as a surety, the full and prompt payment of all Guarantied Liabilities. The Indebtedness exceeds both its market capitalization and the liquidation value of all or substantially all of its assets. The expected aggregate value of the Corporation's assets, the current share price and the likelihood of repaying the Indebtedness owed to all creditors together indicate that there may be little to no residual value for equityholders. See "*Dilution and equity value*".

The Corporation's ability to continue as a going concern is subject to substantial doubt, and the Corporation may be unable to meet its obligations as they become due. If the Proposed Transaction is not completed, or if the Forbearance arrangements terminate, the Corporation may become subject to receivership, bankruptcy or another insolvency proceeding which it can only do with the consent of AVI. In an insolvency, Shareholders rank behind secured and unsecured creditors and may receive no recovery. As of June 30, 2026, the Corporation had cash on hand of approximately US$119,000, total assets of approximately US$6.1 million, and total liabilities of approximately US$30.7 million, of which approximately US$28.8 million were current liabilities. Based on Kovo's issued and outstanding Common Shares and the closing market price as of September 1, 2026, the Corporation's market capitalization was approximately CDN$899,000 (approximately US$647,000) as of September 1, 2026.

Dilution and equity value

The Indebtedness of approximately US$27 million exceeds both its market capitalization and the liquidation value of all or substantially all of its assets. The proceeds from the RCM Asset Sale and the AIV Sale may be insufficient to retire the Indebtedness, and the Proposed Transaction does not assure any distribution to minority Shareholders. The Corporation may need to incur additional debt, issue equity or otherwise restructure its capital to continue operating, which could dilute existing Shareholders and further reduce the value of their Common Shares. If the Corporation enters receivership or bankruptcy, which it can only do with the consent of AVI, Shareholders' claims are subordinate to those of creditors and minority Shareholders may receive no value.

Shareholders may vote on financial information that becomes outdated

The Corporation's financial condition is subject to rapid change. Although this Information Circular contains the most current available financial information regarding the Corporation's financial condition, including the unaudited interim financial statements for the six-month period ended June 30, 2026 and management's assessment of the Corporation's ability to continue as a going concern, material developments may occur after the information cut-off date or before the Meeting. If a change occurs that could reasonably be expected to affect a Shareholder's decision, the Corporation may be required to provide supplementary disclosure, but there can be no assurance that all developments will be known or disclosed before Shareholders vote. Shareholders should review any supplementary materials and the financial statements and MD&A incorporated by reference.

Reliance on the financial hardship exemption

The Corporation is relying on the financial-hardship exemption under section 5.5(g) of MI 61-101 from the requirement to obtain a formal valuation prepared in compliance with Part 6 of MI 61-101. Together with the exemption under section 5.5(b), the financial-hardship exemption means that the Corporation has no obligation under MI 61-101 to obtain a formal valuation in respect of the Proposed Transaction. See "*Independent Valuation; No Fairness Opinion*". Although the Corporation has engaged Sequeira Partners to prepare an independent valuation in the spirit of MI 61-101, reliance on the financial hardship exemption may be subject to regulatory scrutiny. If the exemption were successfully challenged, the Corporation could be required to obtain a formal valuation or the Proposed Transaction could be delayed. Securities regulatory authorities could also take compliance or enforcement action if they determine that the Corporation's reliance on the exemption is not adequately supported by the facts.

No formal fairness opinion

No formal fairness opinion has been obtained. Shareholders will therefore rely on the Independent Valuation, the Special Committee's process and the Board's judgment in assessing the Proposed Transaction. Sequeira Partners was not asked to express an opinion as to whether the Proposed Transaction is fair, from a financial point of view, to Shareholders, and the Independent Valuation is not a formal valuation under Part 6 of MI 61-101. The absence of a fairness opinion may make it more difficult for Shareholders to assess the overall fairness of the connected arrangements, including the RCM ROFR, asset sale, Development Agreement and debt restructuring.

Compounding fees and indebtedness

Over the course of the forbearance relationship, the Indebtedness to AVI has increased substantially as a result of forbearance fees (including the 20% fee under the First Forbearance Agreement); monthly Interest Waiver Fees of 1% of indebtedness; the US$50,000 waiver fee; default interest; PIK interest capitalization; legal and advisory costs added to the indebtedness; and additional advances.

The Indebtedness grew from approximately US$3.05 million in April 2023 to approximately US$27 million by August 2026. All Borrower Entities are jointly and severally liable for the resulting Indebtedness, which is secured by all collateral subject to the Security. This compounding of obligations reduces the Corporation's equity value and may limit the alternatives available to the Corporation and its Shareholders.

Development Agreement dependency

Following completion of the Proposed Transaction and any disposition of the RCM Assets, Kovo's ability to generate revenue may depend materially on the Development Agreement and other commercial arrangements with HEAL RCM and HEAL Access, entities affiliated with Michael Steele. The Development Agreement may not be executed on the terms currently contemplated, may contain terms less favourable than arm's-length terms, may be terminated or may not generate the expected clinic participation, patient access, pricing, adoption or profitability. Privileged access to clinic and patient relationships does not require clinics to promote Kovo's products and does not require patients to subscribe. A termination, breach or change in the business or strategy of HEAL RCM or HEAL Access could materially reduce Kovo's revenue and impair its ability to service the restructured Indebtedness.

Personal Health Intelligence commercialization risk

The proposed Personal Health Intelligence offering is at an early stage and has not established product-market fit. There can be no assurance that patients will pay approximately US$5 per month, that Kovo will achieve or sustain meaningful adoption, that subscribers will remain engaged, or that the costs of product refinement, clinic activation, marketing, customer support, privacy, compliance and public-company administration will permit the expected margins. HEAL Access may require additional development, integration and validation, and that work may take longer or cost more than anticipated. If the proposition is not validated during the initial two-year period, Kovo may be unable to generate sufficient cash to continue operating or repay its remaining Indebtedness.

No assurance that the Restructuring Facility will be entered into

The Forbearance Agreement contemplates that, if applicable conditions are satisfied and no prior Termination Event has occurred, AVI and the Borrower Entities may enter into a new restructuring credit facility in respect of any remaining indebtedness to AVI on or before April 1, 2027, on terms satisfactory to AVI, including an annual interest rate of no less than 12% and a five-year repayment term. There can be no assurance that the Corporation will satisfy the conditions required to reach that stage, that the Parties will agree on definitive terms, or that the Restructuring Facility will be available on terms that permit the Corporation to continue as a going concern. Failure to enter into the Restructuring Facility by the applicable deadline may result in a Termination Event.

There may be potential undisclosed liabilities or risks associated with the Proposed Transaction

Although the Corporation and the Special Committee have carried out due diligence in connection with the Proposed Transaction, there may be liabilities or risks that the Corporation failed to discover or was unable to quantify in its due diligence. Any such undisclosed liabilities or risks could have a material adverse effect on the Corporation's business, financial condition and results of operations.

Healthcare Data Management and other litigation

The Default Notice alleges that Kovo failed to report litigation commenced by, among others, Healthcare Data Management, Inc., which was one of the alleged defaults underlying the enforcement demand. The proceeding may create defence costs, damages, settlement exposure, operational disruption or additional defaults, and its outcome may affect the value of the Corporation's assets and its ability to continue as a going concern. The Corporation may also face scrutiny regarding the completeness and timeliness of its disclosure to AVI and the public.

The Corporation may be unable to secure alternative financing or transactions

If the Proposed Transaction is not completed and the Board decides to seek alternative transactions or financing, there can be no assurance that it will be able to find a party willing to enter into a transaction on equivalent or more attractive terms, or that any alternative financing will be available to the Corporation on acceptable terms or at all. The Corporation's financial condition, including the significant indebtedness owing to AVI, may limit the alternatives available to the Corporation and could result in the Corporation being unable to continue as a going concern.

Risks Related to the Corporation

If the Proposed Transaction is not completed, the Corporation will continue to face, and Shareholders will be exposed to, the risks that the Corporation currently faces with respect to its business, affairs, operations and future prospects, including, without limitation, the significant indebtedness owing to AVI under the Loan Documents. A description of the risk factors applicable to the Corporation is contained in the Corporation's continuous disclosure documents filed on SEDAR+ at www.sedarplus.ca.

Forward-Looking Information

Forward-Looking Information May Prove Inaccurate

Shareholders are cautioned not to place undue reliance on our forward-looking information. By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. Additional information on the risks, assumptions, and uncertainties are found under the heading "*Forward-Looking Information*" of this Information Circular.

ADDITIONAL INFORMATION

Financial information about Kovo is provided in our consolidated financial statements and MD&A, which are available on SEDAR+ at www.sedarplus.ca and on the Corporation's website at www.kovoplus.com. You may access other information about our Corporation, including our continuous disclosure materials, reports, statements and other information filed with the Canadian securities regulatory authorities through SEDAR+.

The Corporation will endeavour to respond to reasonable shareholder inquiries regarding the Proposed Transaction in a timely manner. Shareholders may direct inquiries to Peter Bak, Board Chair, at investors@kovo.com or 1-866-558-6777, or to the Corporation at the address set out below.

You may also obtain a copy of the above-mentioned documents by contacting the Corporation as follows:

- Kovo+ Holdings Inc.
- 1600 - 925 West Georgia Street
- Vancouver, BC, V6C 3L2
- 1-800-714-0308
- www.kovoplus.com/investors

INTERESTS OF DIRECTORS AND OFFICERS IN THE PROPOSED TRANSACTION

The following material interests, direct or indirect, by way of beneficial ownership of securities or otherwise, are known to the Corporation in matters to be acted upon at the Meeting, including interests that differ from or are in addition to those of Shareholders generally.

Michael Steele. Mr. Steele is the sole indirect beneficial shareholder of AVI and controls approximately 66.69% of the outstanding Common Shares through AVI and HEAL Access USA, Inc. He is also a director and officer of HEAL Group and HEAL RCM. Mr. Steele resigned as Chief Executive Officer and director of the Corporation on August 5, 2026. He has an interest in the Proposed Transaction as the controlling person of entities that are creditors, counterparties to and beneficiaries of the Proposed Transaction.

Peter Bak. Dr. Bak is Chair of the Board, the sole member of the Special Committee and the Corporation's sole independent director. He is indebted to the Corporation through Vantage Business Management Services ("**Vantage**"), a related party of the Corporation. For the full terms and description of that indebtedness, see "*Indebtedness of Directors and Executive Officers*". The Board has determined that this indebtedness does not impair his independence for purposes of MI 61-101 or the Special Committee Mandate because it pre-dates the Proposed Transaction and is not connected to it, Dr. Bak abstained from voting on the Second Amendment, the indebtedness is on commercially reasonable terms, and Dr. Bak has no interest in the Proposed Transaction that differs from or is in addition to that of Shareholders generally. Dr. Bak is compensated at CDN$650 per hour for Special Committee services, subject to a total cap of CDN$50,000, plus reasonable out-of-pocket expenses. His compensation as a director and Special Committee member, is not contingent on approval or completion of the Proposed Transaction.

Chris Burch. Mr. Burch was appointed interim Chief Executive Officer of the Corporation effective August 6, 2026. He is also president of HEAL Global Holdings Inc., a Kovo subsidiary.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

Management of the Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or nominee for director, or executive officer of the Corporation or anyone who has held office as such since the beginning of the Corporation's last financial year or of any associate or affiliate of any of the foregoing in any matter to be acted upon at the Meeting, other than the Proposed Transaction.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed herein, there were no material interests, direct or indirect, of directors or executive officers of the Corporation, of any Shareholder who beneficially owns or controls or directs, directly or indirectly, more than 10% of the outstanding Common Shares, or any other Informed Person (as defined in NI 51-102) or any known associate or affiliate of such persons, in any transaction since the commencement of the most recently completed financial year of the Corporation or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Except as described below, no director, executive officer, employee or former director, executive officer, or employee of the Corporation or any of its subsidiaries, or any associate of any such director, officer or employee is, or has been at any time since the beginning of the most recently completed financial year of the Corporation, indebted to the Corporation or any of its subsidiaries in respect of any indebtedness that is still outstanding, nor, at any time since the beginning of the most recently completed financial year of the Corporation has, any indebtedness of any such person been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

Peter Bak, the Chair of the Board and the sole member of the Special Committee, is indebted to the Corporation pursuant to a Secured Promissory Note dated January 21, 2021 (the "**Original Note**"), as amended by Amendment No. 1 dated November 8, 2021 (the "**First Amendment**") and Amendment No. 2 dated May 9, 2025 (the "**Second Amendment**"). The Original Note was issued in connection with a loan advanced by the Corporation to Vantage Business Management Services, a company related to Peter Bak, to fund Vantage's purchase of warrants of the Corporation. The indebtedness is held through Vantage, a related party of the Corporation.

The original principal balance was approximately US$218,000, as referenced in the applicable loan agreements. As of the Second Amendment, the outstanding principal amount was US$147,686.76; the difference reflects partial payments made before the Second Amendment. Under the Second Amendment, the term of the Secured Note was extended for a five-year period expiring April 28, 2030. The outstanding principal amount is US$147,686.76 and, commencing May 1, 2025, bears interest at 4% per annum, calculated monthly and compounded annually. The indebtedness is payable in 20 quarterly installments commencing June 30, 2025, with each installment due on the last day of each quarter thereafter. The loan is secured by the existing pledge agreement entered into concurrently with the First Amendment; no new security was granted in connection with the Second Amendment.

The Second Amendment was a related party transaction under MI 61-101. The Corporation relied on the exemptions from the formal valuation and minority approval requirements under sections 5.5(b) and 5.7(1)(a), respectively, on the basis that the Corporation is a TSXV-listed issuer and the fair market value of the subject matter and consideration did not exceed 25% of the Corporation's market capitalization. The Second Amendment was approved by all directors other than Dr. Bak, who abstained from voting.

SCHEDULE "A"

FORBEARANCE AGREEMENT

(See attached)

<u>FORBEARANCE AGREEMENT</u>

THIS FORBEARANCE AGREEMENT is dated this 2nd day of September, 2026 among **AVONLEA VENTURES #2 INC.** (“**Lender**”) on the one hand, and **KOVO+ HOLDINGS INC.** (“**Kovo**”), **KOVO+ (USA), INC.** (formerly **MEDWORXS, INC.**) (“**Kovo USA**”), **NEXUS AI DATA, INC.** (“**Nexus**”), **NOC5280 LLC** (“**NOC**”), **KOVO DENTAL OPERATING SYSTEM, LLC** (“**Kovo Dental**”), **HEAL GLOBAL HOLDINGS INC.** (“**HEAL Global**”), **AI VECTOR 2.0, INC.** (“**AI Vector**”), **HEAL VUE, INC.** (“**HEAL Vue**”), **KOVO ACQUISITIONS LLC** (“**Kovo Acquisitions**”), **RPM BILLING LLC** (“**RPM**”), **KOVO HUMAN CAPITAL LLC** (“**Kovo HC**”), and **RSKM LLC** (“**RSKM**”, and collectively with Kovo, Kovo USA, Nexus, NOC, Kovo Dental, HEAL Global, AI Vector, HEAL Vue, Kovo Acquisitions, RPM and Kovo HC, the “**Borrower Entities**”, and each a “**Borrower Entity**”, and the foregoing with the Lender being the “**Parties**” and each a “**Party**”) on the other hand.

WHEREAS:

A. On August 29, 2024, the Parties entered into a second amended and restated senior loan and security agreement (the “**Credit Agreement**”).

B. On May 1, 2025, Kovo and Avonlea entered into a secured promissory grid note pursuant to which the Lender made available to Kovo an additional US$850,000, which was fully drawn by June 16, 2025 (the “**Secured Grid Note**”) with a Maturity Date (as defined in the Secured Grid Note) of June 30, 2025.

C. In connection with execution of the Grid Note, the Lender agreed to extend the Term Loan Maturity Date (as defined in the Credit Agreement and together with the Maturity Date under the Secured Grid Note, the “**Maturity Date**”) set forth in the Credit Agreement to June 30, 2025 (the “**First Extension**”).

D. On June 30, 2025, the Lender agreed to further extend the Maturity Date to July 31, 2025 (the “**Second Extension**”).

E. On July 31, 2025, the Lender agreed to further extend the Maturity Date to August 29, 2025 (the “**Third Extension**”) and make available to the Borrower an additional US$400,000 of principal indebtedness under the Secured Promissory Note (the “**Note Bulge**”).

F. On August 29, 2025, the Lender agreed to further extend the Maturity Date to December 31, 2025 (the “**Fourth Extension**”) and make available to the Borrower an additional US$2,500,000 of principal indebtedness under the Secured Grid Note (the “**Second Note Bulge**”) bringing the aggregate principal indebtedness of the Borrower under the Secured Grid Note to US$3,750,000.

G. On April 20, 2026, the Lender agreed to further extend the Maturity Date to December 31, 2026 (the “**Fifth Extension**”, and together with the First Extension, the Second Extension, the Third Extension and the Fourth Extension, the “**Extension Agreements**”).

H. To secure its obligations to the Lender under the Credit Agreement and the Secured Grid Note, among other things: (i) Kovo provided a general security agreement to the Lender, dated April 20, 2023, charging all present and after-acquired property of Kovo; (ii) the Borrower Entities provided to the Lender a guaranty and security agreement dated April 20, 2023 with respect to guaranteeing the liabilities of the Borrower Entities; and (iii) the Borrower Entities provided to the Lender a securities pledge agreement dated April 20, 2023, together with each amendment, restatement, joinder and accession agreement thereto, with respect to the shares of capital stock or other equity interests owned by them in each of the Borrower Entities and their subsidiaries (collectively, the "**Security**", and together with the Credit Agreement, the Secured Grid Note and the Extension Agreements, the "**Loan Documents**").

I. On August 12, 2026, the Lender has advanced $150,000 to the Borrower Entities and intends to advance $850,000 of additional funding, each to be secured by the Security.

J. The aggregate principal indebtedness, plus accrued interest and fees, owed to the Lender by the Borrower Entities pursuant to the Loan Documents as of August 4, 2026 is US$27,088,873.

K. On August 5, 2026, the Lender delivered to the Borrower Entities a notice of default and demand for repayment (the "**Demand Notice**"), and notice of intent to enforce security pursuant to section 244 of the *Bankruptcy and Insolvency Act* (Canada) ("**Notice of Enforcement**", and together with the Demand Notice, the "**Default Notices**") noting to the Borrower Entities that all indebtedness (including all accrued but unpaid interest, expenses and other fees), liabilities and obligations to the Lender were immediately due and payable.

L. The Borrower Entities have advised the Lender that they are evaluating their liquidity, business operations and strategic alternatives in light of the most recently filed unaudited interim financial statements of the Borrower for the three-month period ended March 31, 2026 and the latest financial forecast provided by management (the "**Financial Results**").

M. In addition, the Borrower Entities have committed the following defaults under the Credit Agreement, Secured Grid Note, Extension Agreements and Security, including the failure to:

(i) promptly report legal actions pending or threatened in writing against Kovo and Kovo Acquisitions LLC by Healthcare Data Management, Inc.;

(ii) provide the Lender an updated, corrected and true and complete Perfection Certificate no less than once every quarter until the Term Loan Maturity Date (as defined in the Loan Agreements);

(iii) forthwith upon becoming aware of the occurrence of a Default or the occurrence of an Event of Default, delivering to the Lender notice describing same in detail and specifying the steps being taken to cure or remedy the same;

(iv) promptly, and no later than twenty-four (24) hours, notifying the Lender of any material deviation, or any expected material deviation, from the Operating Plan; and

(v) observe and comply with all other terms and conditions of the Loan Documents owing to the Lender.

(collectively, the "**Specified Defaults**")

N. The Borrower determined that based on the Financial Results and the Defaults it will be impossible for the Borrower to satisfy its debt obligations to the Lender due December 31, 2026.

O. As a result of the receipt by the Borrower Entities of the Default Notices and in anticipation of the Borrower Entities' inability to retire the amounts owing to the Lender under the Loan Documents by December 31, 2026 or at all, the Borrower Entities have requested that:

(i) the Lender forbear from taking any enforcement steps as a consequence of the Specified Defaults until October 1, 2026 and to provide them with a limited period of time in which to, among other things: (1) undertake a strategic review of the business and operations of the Borrower Entities to determine what business lines of the Borrower Entities will be marketed, sold, retained or restructured; (2) provide complete disclosure on the business of the Borrower so that the Lender can assess the business of the Borrower for a potential restructuring or recapitalization; (3) terminate, divest or waive rights to transactions and business opportunities that are not feasible given the Borrower's current financial circumstances; (4) call and hold a special meeting of shareholders to approve the transactions contemplated by this Agreement; (5) evaluate potential commercial opportunities between the Lender and the Borrower Entities over the long term to ensure a viable business of the Borrower for the period following this forbearance; (6) provide the Lender with a right of first refusal regarding certain of its business lines if it is unable to successfully market and sell such business lines; (7) provide the Borrower with sufficient time to develop and implement a revised operating plan for the fiscal year ending December 31, 2027 (the "**Updated Operating Plan**"), that more accurately reflects the Borrower's financial condition and capital needs; and (8) restructure the loan arrangements under the Loan Documents to support the long-term viability of the Borrower Entities; and

(ii) in connection with the execution of this Agreement and the satisfaction of certain conditions precedent as set forth herein, the Lender has agreed to advance a further US$1.0 million to the Borrower Entities notwithstanding the Specified Defaults, subject to strict compliance by the Borrower with the terms and conditions of a Subsequent Installment (as defined in the Credit Facility) under the Credit Facility (the "**Default Advance**") which such advance shall be added to the indebtedness of the Borrower hereunder.

P. the Borrower Entities have developed a restructuring and reorganization plan comprising certain corporate, operational and financing transactions and initiatives as set out in **Schedule "A"** hereto (the "**Reorganization Steps**"), and have requested that the Lender forbear from exercising its rights and remedies under the Loan Documents during the Forbearance Period to permit the implementation and evaluation of the Reorganization Steps.

Q. the Lender has prepared and presented a restructuring plan, which is set out in **Schedule "E"** hereto (the "**Restructuring Plan**").

R. the Lender has agreed to forbear from immediate enforcement of its rights under the Security upon the terms and conditions set out in this Agreement (the "**Forbearance**").

NOW THEREFORE in consideration of the mutual covenants set forth in this Agreement and other good and valuable consideration exchanged between the parties, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

ARTICLE 1
ACKNOWLEDGEMENTS AND WAIVERS

1.1 **Acknowledgements.** The Borrower Entities hereby acknowledge and agree that:

(a) as of the date of this Agreement, the facts as set out in the Recitals to this Agreement are true and accurate in all respects and the same are expressly incorporated into and form part of this Agreement;

(b) the Loan Documents and all covenants, terms and provisions thereof shall be and continue to be in full force and effect and the Loan Documents are hereby ratified and confirmed and shall from and after the date hereof continue in full force and effect, subject only to any amendments provided hereunder;

(c) the Lender has not made any promises, other than the covenants and agreements specifically contained herein, and has not taken any action or omitted to take any action, that would constitute a waiver or estoppel of the Lender's rights to enforce the Security or pursue its remedies in respect of the Loan Documents;

(d) the Loan Agreements are valid and binding and the Borrower Entities are liable for all obligations owing to the Lender thereunder, howsoever and wheresoever they arise, including all interest, fees, costs (including legal fees on a solicitor and its own client, full indemnity basis) and expenses incurred or accruing by the Lender and all other indebtedness of the Borrower Entities to the Lender, including as may hereafter be advanced, charged or incurred;

(e) the indebtedness of the Borrower Entities, as of August 4, 2026, is the sum of US$27,088,873 which amount continues to accrue interest, plus all ongoing professional fees (including legal fees on a solicitor and its own client, full indemnity basis), charges and costs for which the Borrower Entities are, jointly and/or severally (as the case may be) liable (hereafter the "**Indebtedness**");

(f) the Borrower Entities are in default of their obligations to the Lender under the Loan Documents for reasons including, but not limited to, the Specified Defaults;

(g) the Security:

i. has been duly granted by the Borrower Entities in favour of the Lender and is valid, enforceable, and binding upon the Borrower Entities in all respects;

ii. has been provided by the Borrower Entities to the Lender to secure repayment and performance of all of its obligations to the Lender, without limitation, including the Indebtedness and all amounts now or in the future owing to the Lender; and

iii. has not been discharged, varied, waived or altered and each of the documents comprising the Security is valid, binding upon the Borrower Entities and is enforceable against the Borrower Entities in accordance with the terms thereof;

(h) the Lender is entitled to exercise all rights and remedies pursuant to the Loan Documents or otherwise available at law against the Borrower Entities, and each of them, forthwith and without any further notice; and

(i) the Borrower Entities confirm that, to their knowledge as of the date of this Agreement and except for the Disclosed Claims (as defined below) and any rights, claims, defences or offsets expressly preserved by this Agreement or arising from events after the date of this Agreement, they have not asserted any set-off, damages, recoupment, offset, defence, claim or counterclaim with respect to the validity and enforceability of the Loan Documents.

1.2 Release and Waiver.

(a) In consideration of the agreements of the Lender contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Borrower Entities, on their behalf and on behalf of their successors, assigns, and other legal representatives, hereby absolutely, unconditionally and irrevocably release, remise and forever discharge the Lender and each of its successors and assigns, participants, affiliates, subsidiaries, branches, divisions, predecessors, directors, officers, attorneys, employees, lenders and other representatives and advisors (the Lender and all such other persons being hereinafter referred to collectively as the "Releasees" and individually as a "**Releasee**"), of and from all demands, actions, causes of action, suits, covenants, contracts, controversies, agreements, promises, sums of money, accounts, bills, reckonings, complaints, damages and any and all other claims, counterclaims, defences, rights of set-off, demands and liabilities whatsoever (individually, a "**Claim**" and collectively, "**Claims**") of every name and nature, known or unknown, suspected or unsuspected, both arising at law and in equity, which any of the Borrower Entities, or any of their successors, assigns or other legal representatives may now own, hold, have or claim to have against the Releasees or any of them for, upon or by reason of any circumstance, action, cause or thing whatsoever which arises at any time on or prior to the day and date of this Agreement, including, without limitation, for or on account of, or in relation to, or in any way in connection with, any of the Loan Documents or transactions thereunder or related thereto.

(b) The Borrower Entities hereby acknowledge that the Lender has not waived any of its rights in respect of the Specified Defaults and expressly reserves its right to rely on the Specified Defaults upon the occurrence of a Termination Event (as defined in this Agreement).

(c) The Borrower Entities hereby agree that they shall be obligated to indemnify and hold the Releasees harmless with respect to any and all liabilities, obligations, losses, penalties, actions, judgments, suits, claims, legal costs on a solicitor and its own client full indemnity basis, expenses or disbursements of any kind or nature whatsoever incurred by the Releasees, or any of them, whether direct, indirect or consequential, as a result of or arising from or relating to any proceeding by, or on behalf of any person, including, without limitation, the Borrower Entities, their respective subsidiaries or affiliates, and their respective officers, directors, agents, trustees, creditors, partners or shareholders, whether threatened or initiated, in respect of any claim for legal or equitable remedy under any statute, regulation or common law principle arising from or in connection with the negotiation, preparation, execution, delivery, performance, administration and enforcement of the Loan Documents, this Agreement or any other document executed and/or delivered in connection herewith or therewith. The foregoing indemnity shall survive the termination of this Agreement, the Loan Documents, and the payment in full of the Indebtedness.

1.3 **No Protection Without Notice.** Each of the Borrower Entities covenants and agrees that it will not, without the prior express written consent of the Lender, make any filing or seek any protection (including a stay of proceedings) pursuant to the *Bankruptcy and Insolvency Act* (the "**BIA**"), the *Companies' Creditors Arrangement Act* (the "**CCAA**"), the *Business Corporations Act* (or equivalent) of any Canadian province or of Canada (in any case, a "**BCA**"), any chapter or provision of the United States Bankruptcy Code ("**US Bankruptcy Code**", without limitation including Chapter 11 or Chapter 15), or otherwise at law or in equity.

ARTICLE 2
FORBEARANCE

2.1 **Forbearance.** The Lender covenants and agrees, subject to the terms and conditions hereof, that it will take no action to:

(a) appoint a receiver or interim receiver pursuant to the Security or otherwise enforce the Security against the Borrower Entities;

(b) seize any of the property, assets or undertaking of the Borrower Entities;

(c) commence or continue any proceeding or application in any court of competent jurisdiction including, without limitation, issuing claims against the Borrower Entities, appointing of a receiver or receiver-manager, or interim receiver in respect of the Borrower Entities or any or all of its assets; or

(d) issue any petition pursuant to the BIA, the US Bankruptcy Code or any other insolvency or corporate laws against the Borrower Entities.

2.2 **Definitions.** All capitalized terms not defined within this Article 2 shall have the meaning set forth in Schedule "A".

2.3 **First Forbearance Period.** The forbearance of the Lender's rights pursuant to this Article 2 (the "**First Forbearance Period**") shall remain in full force and effect until the earlier of any of the following events (each event hereinafter referred to as a "**First Termination Event**"), unless waived or extended in writing by the Lender:

(a) any default by the Borrower Entities, or any of them, apart from the Specified Defaults, under this Agreement or the Loan Documents;

(b) any incorrectness or breach of any representation or warranty made by the Borrower Entities or any of them, or any breach or non-fulfillment by the Borrower Entities or any of them of any covenant, condition or obligation thereof under any agreement with the Lender, which includes but is not limited to the Loan Documents and this Agreement;

(c) any person or entity other than the Lender, taking any step against or in respect of the Borrower Entities, any of them or any of the Borrower Entities' other affiliates in the manner of making demand for payment, delivering notice of enforcement or legal action, serving any garnishment or requirement/enhanced requirement to pay;

(d) the Lender determines that a material portion of the collateral subject to the Security is in jeopardy and gives the Borrower Entities written notice describing the facts supporting that determination;

(e) the Borrower Entities or any one of them making an assignment in bankruptcy or any other assignment for the benefit of creditors, making any proposal or seeking any relief under the BIA, a BCA, the CCAA, the US Bankruptcy Code, or any other bankruptcy, insolvency or analogous law in Canada, the United States or elsewhere, as the case may be;

(f) the Lender, acting reasonably, deems the Borrower to have suffered from a material adverse change;

(g) the Borrower Entities or any one of them refuses to provide information requested by the Lender in accordance with Section 3.2;

(h) the Borrower Entities, or any one of them, enters into any agreement to sell, transfer or convey a portion of property subject to the Security outside the ordinary course of business without the Lender's prior written consent;

(i) the Borrower Entities fail to operate in accordance with the Reorganization Steps within the First Reorganization Period including, without limitation, meeting all milestones therein;

(j) the exercise and non-withdrawal of dissent rights by shareholders holding more than 5% of the issued and outstanding common shares of Kovo, excluding any shares held by Avonlea or HEAL Group, at the Special Meeting (as defined in Schedule "A" hereto);

(k) any person or entity other than the Lender taking any other step described in Section 2.1 hereof; or

(l) 4:00 p.m. (Calgary time) on **October 6th, 2026**;

(the earliest of the occurrence of any of the foregoing, the "**First Forbearance Date**").

Upon the occurrence of a First Termination Event, and subject to applicable law, the Lender shall be at liberty to immediately take any action otherwise precluded under Section 2.1 hereof.

2.4 **Second Forbearance Period.** In the event a First Termination Event shall not have occurred on or prior to October 6th, 2026, the forbearance of the Lender's rights pursuant to this Article 2 (the "**Second Forbearance Period**") shall continue and remain in full force and effect from October 6th, 2026 until the earlier of any of the following events (each event hereinafter referred to as a "**Second Termination Event**") unless waived or extended in writing by the Lender:

(a) any default by the Borrower Entities or any of them, apart from the Specified Defaults, including, without limitation, the non-performance of any obligation of the Borrower Entities or any of them under any agreement with the Lender, which includes but is not limited to the Loan Documents and this Agreement;

(b) any incorrectness or breach of any representation or warranty made by Borrower Entities or any of them, or any breach or non-fulfillment by the Borrower Entities or any of them of any covenant, condition or obligation thereof under any agreement with the Lender, which includes but is not limited to the Loan Documents and this Agreement;

(c) any person or entity other than the Lender, taking any step against or in respect of the Borrower Entities, any of them or any of the Borrower Entities' other affiliates in the manner of making demand for payment, delivering notice of enforcement or legal action, serving any garnishment or requirement/enhanced requirement to pay;

(d) the Lender, acting reasonably, deems any of the collateral subject to the Security to be in jeopardy;

(e) the Borrower Entities or any one of them making an assignment in bankruptcy or any other assignment for the benefit of creditors, making any proposal or seeking any relief under the *BIA*, a BCA, the *CCAA*, the *US Bankruptcy Code*, or any other bankruptcy, insolvency or analogous law in Canada, the United States or elsewhere, as the case may be;

(f) the Lender, acting reasonably, deems the Borrower to have suffered from a material adverse change;

(g) the Borrower Entities or any one of them refuses to provide information requested by the Lender in accordance with Section 3.2;

(h) the Borrower Entities or any one of them enters into any arrangement, understanding or agreement, binding or non-binding, to sell, transfer or convey all or any portion of property which is subject to the Security, without the Lender's prior express written consent;

(i) the Borrower Entities fail to operate in accordance with the Reorganization Steps within the Second Reorganization Period including, without limitation, meeting all milestones therein;

(j) any person or entity other than the Lender taking any other step described in Section 2.1 hereof; or

(k) 4:00 p.m. (Calgary time) on **December 31, 2026**,

(the earliest of the occurrence of any of the forgoing, the "**Second Forbearance Date**").

Upon the occurrence of a Second Termination Event, and subject to applicable law, the Lender shall be at liberty to immediately take any action otherwise precluded under Section 2.1 hereof.

2.5 **Third Forbearance Period.** In the event a Second Termination Event shall not have occurred on or before January 1, 2027, the forbearance of the Lender's rights pursuant to this Article 2 (the "**Third Forbearance Period**") shall continue and remain in full force and effect from January 1, 2027 until the earlier of any of the following events (each event hereinafter referred to as a "**Third Termination Event**", and together with a First Termination Event and a Second Termination Event, a "**Termination Event**"), unless waived or extended in writing by the Lender:

(a) any default by the Borrower Entities or any of them, apart from the Specified Defaults, including, without limitation, the non-performance of any obligation of the Borrower Entities or any of them under any agreement with the Lender, which includes but is not limited to the Loan Documents and this Agreement;

(b) any incorrectness or breach of any representation or warranty made by Borrower Entities or any of them, or any breach or non-fulfillment by the Borrower Entities or any of them of any covenant, condition or obligation thereof under any agreement with the Lender, which includes but is not limited to the Loan Documents and this Agreement.

(c) any person or entity other than the Lender, taking any step against or in respect of the Borrower Entities, any of them or any of the Borrower Entities' other affiliates in the manner of making demand for payment, delivering notice of enforcement or legal action, serving any garnishment or requirement/enhanced requirement to pay;

(d) the Lender, acting reasonably, deems any of the collateral subject to the Security to be in jeopardy;

(e) the Borrower Entities or any one of them making an assignment in bankruptcy or any other assignment for the benefit of creditors, making any proposal or seeking any relief under the *BIA*, a BCA, the *CCAA*, the *US Bankruptcy Code*, or any other bankruptcy, insolvency or analogous law in Canada, the United States or elsewhere, as the case may be;

(f) the Lender, acting reasonably, deems the Borrower to have suffered from a material adverse change;

(g) the Borrower Entities or any one of them refuses to provide information requested by the Lender in accordance with Section 3.2;

(h) the Borrower Entities or any one of them enters into any arrangement, understanding or agreement, binding or non-binding, to sell, transfer or convey all or any portion of property which is subject to the Security, without the Lender's prior express written consent;

(i) the Lender determines that the Borrower has deviated from the Updated Operating Plan (once approved) in any material way;

(j) the Borrower Entities fail to operate in accordance with the Reorganization Steps within the Third Reorganization Period including, without limitation, meeting all milestones therein;

(k) any person or entity other than the Lender taking any other step described in Section 2.1 hereof; or

(l) 4:00 p.m. (Calgary time) on **<u>April 1, 2027</u>**,

(the earliest of the occurrence of any of the forgoing, the "**Third Forbearance Date**").

Upon the occurrence of a Third Termination Event, and subject to applicable law, the Lender shall be at liberty to immediately take any action otherwise precluded under Section 2.1 hereof.

2.6 **Forbearance Extension.** If, in the Lender's sole and unfettered discretion, the Lender determines an extension of the First Forbearance Date, the Second Forbearance Date or the Third Forbearance Date is warranted, the Lender may provide in writing to the Borrower Entities (including by email or any other written means), the Lender's confirmation of its agreement to an extension and the date and time the Forbearance Date may be extended to.

2.7 **Termination Event.** Upon the occurrence of a Termination Event:

(a) formal demands for repayment of the Indebtedness along with the notice of intention to enforce security pursuant to the BIA and the US Bankruptcy Code, as applicable, shall be deemed to be issued as of the Forbearance Date;

(b) the Lender may pursue all rights and remedies that the Lender has in connection with the Loan Documents as the Lender deems appropriate and to the extent permissible by law; and

(c) the Borrower Entities unconditionally and irrevocably agree that any receiver, receiver-manager or interim receiver as may be appointed by the Lender, or under any court order is free to act concurrently or alternatively as a trustee in bankruptcy if the Lender requires the appointment of such a trustee, without conflict.

2.8 **Remedies not Exhaustive.** The foregoing remedies are not exhaustive and the Lender may in its sole discretion, elect to exercise some, none, or all of the foregoing remedies and such remedies may be exercised independently and in any order deemed necessary or advisable by the Lender upon the occurrence or during the continuation of any Termination Event.

ARTICLE 3
COVENANTS

3.1 **Loan Documents.** The Borrower Entities will each continue to observe all of its covenants under the Loan Documents, including, without limitation, to make timely payments and meet all reporting obligations to the Lender as required therein, except as amended in this Agreement.

3.2 **Access to Property and Reporting.** Each of the Borrower Entities covenants as follows:

(a) to give the Lender (and its representatives) full and unrestricted access to all of the Borrower Entities' property, assets, leases, lands, buildings and personal property, by which the Borrower Entities carry on business, provided access shall be given upon reasonable notice (not needing to exceed 48 hours) and managed by the Lender and the Borrower so as not to unduly interfere with the Borrower Entities' normal business operations, subject to applicable law and privilege;

(b) to provide to the Lender and its representatives, upon written request, and subject to applicable law and privilege, access to and/or copies of books, records and accounting documents related to the finances, business, collateral and operations of the Borrower Entities, including financial statements, supporting notes, analysis, working papers and related documents;

(c) to supply to the Lender (and its representatives) any information it requests and to instruct the Borrower Entities' respective employees, agents, contractors, accountants, auditors and consultants to supply any such information;

(d) to provide to the Lender (and its representatives) upon written request updated reporting and specification of all cash outflows, including without limitation all regular and extraordinary payables, pre-paid amounts, deposit amounts, financial assistance, priority payables and encumbrances, governmental claims, source deductions, tax payables, municipal and property taxes and other expenditures; and

(e) to cooperate with the Lender (and its representatives) in every way to facilitate accurate and timely reporting and access to information for the Lender's purposes of managing its financial risk.

3.3 **No Sale of Property.** Each of the Borrower Entities acknowledges and agrees that:

(a) no property which is the subject of the Security will be sold by the Borrower Entities or any of them, except in accordance with this Agreement or with the express prior written consent of the Lender;

(b) should any property which is the subject of the Security, or any part thereof, be sold or conveyed (which, for greater certainty, shall constitute a Termination Event), all proceeds of such sale will forthwith be paid to the Lender, to be applied by the Lender in its sole and unfettered discretion on account of the Indebtedness;

(c) none of the Borrower Entities will grant any additional security or charges as against any of their respective assets or undertaking, without the express prior written consent of the Lender; and

(d) it will give the Lender prompt written notice of the happening of any event which could adversely affect or impair the ability of the Lender to collect the Indebtedness or affect or impair the ability of the Lender to realize on the Security, or which may result in a material adverse change to any operations and/or financial position of the Borrower Entities or any of them.

3.4 **Prohibition on Debt and Equity.** The Borrower Entities shall not incur any short or long term debt, or issue or sell any equity securities, except pursuant to this Agreement or as approved in writing by the Lender.

3.5 **Default Advance.** The Borrower shall strictly adhere to the requirements of the Credit Facility in respect of the Default Advance, or such new facility as required by the Lender in its sole discretion evidencing the Default Advance (the "**New Facility**"), and shall have delivered to the Lender prior to the date hereof all documents and materials required for a Subsequent Installment in accordance with the Credit Facility, the New Facility, as the case may be, and any other materials, documents and information requested by the Lender in its sole and unfettered discretion.

3.6 **Engage and Pay Counsel**. The Borrower shall continue to engage and pay its counsel, Dentons Canada LLP, within 30 days of receipt of invoices therefrom and ensure that its other advisors, including the advisors of any special committee of the Board of Directors are paid in the ordinary course of business.

3.7 **<u>Use of Proceeds.</u>** The Borrower Entities shall use the Default Advance solely for the payment of the payables described in Schedule "B" attached hereto and not for any other purpose.

3.8 **<u>Updated Operating Plan.</u>** The Borrower Entities shall develop the Updated Operating Plan, which shall be prepared by management, reviewed by the Special Committee, approved by the Board of Directors of the Borrower, and subject to the Lender's approval, as soon as practicable.

3.9 **<u>Commercial Agreement</u>.** The Borrower Entities shall cooperate fully with the Lender and negotiate in good faith the terms and conditions of a strategic marketing and development contract which will enable the Borrower to be the exclusive provider of products, services and digital content to HEAL-RCM (USA), Inc.'s United Stated based revenue cycle and credentialing services businesses, including HEAL-Pay, HEAL "&YOU" products, HEAL Wellness and Innovations products, and the HEAL Access platform (the "**Development Agreement**") which shall become legally effective on or before the date the Necessary Approvals are obtained, which such Development Agreement will be fully described in the Information Circular.

3.10 **<u>Management of RCM Business</u>.** Pursuant to the terms and conditions of the Development Agreement or such other agreement as the Borrower and the Lender may agree, in the event the RCM Assets are acquired by the Lender, the Borrower shall manage the RCM Assets and such other revenue cycle management and credentialing services as may be agreed by the parties, with such management services to be provided in accordance with the professional standards of the industry, in a customary and workmanlike manner.

3.11 **<u>ROFR Agreement</u>.** The Borrower Entities shall cooperate fully with the Lender and negotiate in good faith the terms and conditions of a right of first refusal agreement to be entered into on or before **<u>September 2, 2026</u>** granting the Lender, or an affiliate or nominee, a right of first refusal in respect of the RCM Asset Sale and the AIV Sale (the "**ROFR Agreement**"), which such ROFR Agreement shall be described in detail in the Information Circular.

3.12 **<u>Costs.</u>** The Lender's costs and expenses, including all legal fees, incurred in connection with the preparation, negotiation and enforcement of this Agreement and any ancillary documents shall become part of the Indebtedness and shall be secured by the Security.

3.13 **<u>No Writs, etc.</u>** The Borrower Entities shall ensure that no writs, executions, attachments, receivership proceedings, or proceedings under any bankruptcy, insolvency, reorganization, winding-up or similar legislation, is instituted against them or any of their respective property.

3.14 **<u>Priority Payments.</u>** In respect of priority payments, each of the Borrower Entities represents, warrants, covenants, and agrees that:

(a) from and after the date of this Agreement it will remit, in accordance with legal requirements, (i) any statutory deemed trust amounts in favour of the Crown in Right of Canada or of any province or State or other jurisdiction that are required to be deducted from employees' wages, including, without limitation, amounts in respect of employment insurance, Canada Pension Plan, and income taxes; (ii) amounts payable in respect of Workers' Compensation, employment insurance, Canada Pension Plan, and income taxes with respect to employees or similar amounts under the laws of the United States; and (iii) all goods and services or sales taxes of any jurisdiction payable by it or its customers in connection with the retail sale of goods and services by it to such customers;

(b) all remittances and payments described in subparagraph (a) are, as of the date hereof, current and in good standing or arrangements have been made and communicated to the Lender to bring such remittances and payments into good standing;

(c) it shall provide to the Lender, at any time at the request of the Lender, a certificate or other evidence, in form and substance acceptable to the Lender, certifying that the remittances and payments described in subparagraph (a) are in good standing.

3.15 **Ordinary Course.** The Borrower shall conduct the business in a manner consistent with past practices and in the ordinary course of normal day-to-day operations, except as required by this Agreement, the Updated Operating Plan and the Development Agreement. In addition, the Borrower shall use commercially reasonable efforts to:

(a) preserve intact the Borrower's current business organization, keep available the services of the employees and maintain good relations with suppliers, customers, landlords, creditors and all other persons having business relationships with the Borrower;

(b) retain possession and control of the property of the Borrower, maintain insurance coverage commensurate with existing coverage;

(c) not make any change in the compensation paid or payable to any officer or director of the Borrower or grant any general increase in the rate of wages, salaries, bonuses or other remuneration of any employees; and

(d) preserve all material contracts of the Borrower.

ARTICLE 4
FORBEARANCE FEE AND LOAN PAYMENT HOLIDAY

4.1 **Fee.** In consideration of this Agreement, the Borrower Entities agree to pay to the Lender a forbearance fee in an amount equal to 3.0% of the Indebtedness as of the date of this Agreement, inclusive of the Default Advance (the "**Forbearance Fee**"), to be earned by the Lender upon the occurrence of a Termination Event. The Forbearance Fee shall only be taxable once earned. The Borrower Entities agree that the Forbearance Fee shall be added to and become a part of the Indebtedness, subject to the Loan Documents, and secured by the Security.

4.2 **Payment Holiday.** Notwithstanding any other provision of this Agreement or the Loan Documents, until the earlier of the execution of the Restructuring Facility or the occurrence of a Termination Event, the Lender agrees that the Borrower Entities will not be required to make cash payments under the Loan Documents in respect of principal, interest, fees, expenses or other amounts owing to the Lender for a period of 24 months, except as provided for herein. Interest shall continue to accrue pursuant to the applicable Loan Documents or any written amendment signed by the parties.

ARTICLE 5
CONDITIONS PRECEDENT

5.1 **Conditions Precedent to the Effectiveness of this Agreement.** Other than as provided by section 5.2 herein, any obligation on the part of the Lender to forbear or to continue to advance credit to the Borrower Entities shall not be effective unless and until:

(a) the Lender shall have received a copy of this Agreement, fully executed by each of the Borrower Entities;

(a) the Lender shall have received an executed Notification of Proposal and Acceptance of Strict Foreclosure in Partial Satisfaction of Obligations (the "**Strict Foreclosure**") from each of the Borrower Entities, in the form set out in Schedule "C" hereto, consenting to and authorizing the transfer of the Security or Specified Security (as defined in the Strict Foreclosure) to Lender in strict foreclosure and partial satisfaction of obligations, as further provided in the Strict Foreclosure. The Borrower Entities also hereby consent to the private or court-appointed realization, liquidation and disposition of all assets of the Borrower Entities located in the United States, including through the appointment of an interim receiver, receiver or receiver and manager, or such other insolvency or enforcement officer as may be required under applicable law, which Strict Foreclosure shall be held in escrow by the Lender's counsel, Aird & Berlis LLP, and may be released and relied upon by the Lender upon a Termination Event if the Indebtedness has not been indefeasibly paid in full.

5.2 **No Conditions Precedent to the Effectiveness of the Strict Foreclosure.** The Strict Foreclosure shall be effective immediately upon its respective execution and delivery to the Lender.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES

6.1 **Representations and Warranties of the Borrower.** Each of the Borrower Entities hereby represents, warrants and agrees that:

(a) it is a corporation validly existing and in good standing under the laws of its governing jurisdiction, it is duly registered in all other jurisdictions where the nature of its property or character of its business requires registration and has all necessary power and authority to own its properties and carry on its business as presently carried on or as contemplated by this Agreement;

(b) it has full power, legal right and authority, and has taken all necessary action to be authorized, to enter into this Agreement and do all such acts and things as are required by this Agreement to be done, observed or performed in accordance with the terms hereof;

(c) none of the authorizations, executions or deliveries of this Agreement is in conflict with or contravention of its articles, by-laws, other organization documents or resolutions of its directors, shareholders, partners or trustees or the provisions of any other indenture, instrument, undertaking or other agreement to which it is a party or its properties or assets are bound;

(d) other than the Specified Defaults and any matters disclosed in Schedule "D", no Termination Events have occurred and are continuing;

(e) the Restructuring Plan contained in Schedule "E" is true and accurate in all respects; and

(f) no claims, demands, or legal proceedings have been commenced, made of, or threatened against it, save and except for those demands and proceedings disclosed in Schedule "D" hereto (the "**Disclosed Claims**").

6.2 **<u>Survival.</u>** The representations and warranties set out in this Agreement shall survive the execution and delivery of this Agreement notwithstanding any investigations or examinations which may be made by or on behalf of the Lender, and the representations and warranties in connection with the Loan Documents shall survive until the Loan Documents have been terminated in accordance with their respective terms.

ARTICLE 7
<u>TOLLING</u>

7.1 **<u>Extension of Limitation Period</u>.** The Borrower Entities agree that:

(a) the Lender's rights shall not be affected in any way by the passage of any applicable limitation periods during the period beginning on the date of this Agreement and ending on the occurrence of a Termination Event (the "**Standstill Period**"), including, without limiting the generality of the foregoing, the limitation periods provided by federal, state or provincial limitations acts or similar statutes and periods governing delay provided under provincial rules of court (all of the foregoing limitation periods being a "**Limitation Period**"); and

(b) for greater certainty, and in addition, in defence to any subsequent proceedings brought by the Lender against the Borrower Entities or any of them, the Borrower Entities and each of them shall not rely in any way, to the detriment of the Lender, on the passage of time during the Standstill Period, and the time that passes during the Standstill Period shall be deemed not to have passed in respect of the computation of any Limitation Period.

ARTICLE 8
<u>RETENTION OF CONSULTANTS</u>

8.1 **<u>Retention of Agents and Advisors.</u>** The Borrower Entities acknowledge that the Lender may retain agents and advisors from time to time for the purpose of reviewing, reporting on, preserving and realizing upon the Borrower's business and property. The Borrower Entities acknowledge that any agents retained by the Lender will be at the Borrower Entities' expense, solely for the benefit of the Lender and will have no obligation to report or otherwise account to the Borrower Entities or any of them.

8.2 **<u>Liability for Fees and Costs.</u>** The Borrower Entities acknowledge and agree that they will be liable for the payment of the fees, disbursements, and costs of any agents and advisors as may be engaged by the Lender from time to time, and that these fees shall form part of the Indebtedness and be secured by the Security.

8.3 **<u>Lender May Pay Advisory Costs and Add to the Indebtedness</u>.** The Borrower Entities agree that the Lender may pay the fees, disbursements, and costs of such agents as the Lender may engage, and thereafter debit the Borrower Entities' accounts maintained with the Lender, thereby increasing the Indebtedness owing by the Borrower Entities to the Lender by the amount of such fees, disbursements, and costs, and all such amounts will be added to the aggregate Indebtedness owing by the Borrower Entities to the Lender, and will be subject to the Loan Documents.

8.4 **<u>Communication by the Lender</u>.** The Borrower Entities authorize the Lender and the Lender's advisors and agents to communicate with any shareholders, guarantors, creditors or suppliers of the Borrower Entities, any parties interested in providing financing to the Borrower Entities and each of them, any parties interested in purchasing assets of any of the Borrower Entities, any parties interested in purchasing the Lender's security and position, and any professionals retained by any of the foregoing (collectively, "**Interested Parties**") only to the extent reasonably necessary to implement this Agreement, evaluate a refinancing, restructuring or sale transaction, or protect the Lender's rights under the Loan Documents.

ARTICLE 9
MISCELLANEOUS

9.1 **Management of Lender's Financial Risk.** The Borrower Entities acknowledge that the implementation and performance of this Agreement are intended to facilitate both the Lender's management of its financial risk and the Borrower Entities' efforts to preserve value, continue operations, pursue strategic alternatives, and address the Indebtedness in a manner consistent with applicable law and the duties of the directors and officers. The foregoing, including any exercise of the Lender's discretion hereunder, does not constitute any form of possession, management or control by the Lender in respect of the Borrower Entities' businesses or operations.

9.2 **Additional Security.** The Lender may request additional security or similar loan facility documentation, including a securities control agreement, only where reasonably necessary to preserve the existing priority and enforceability of the Security.

9.3 **Confidentiality.** The Borrower Entities acknowledge and agree that the existence and terms of this Agreement constitute privileged and confidential information and the Borrower Entities shall not by any means whatsoever disclose, transmit, release, publish or disseminate to any other person in any fashion directly or indirectly the existence or any of the terms of this Agreement, save and except:

(a) as expressly permitted in this Agreement;

(b) as may be reasonably required in connection with the Borrower Entities or any of them fulfilling the terms of this Agreement;

(c) as required by law, including applicable securities laws and rules of the TSX Venture Exchange;

(d) as may be reasonably required for accounting, legal and income tax purposes; or

(e) with the prior written consent of the Lender.

9.4 **Entire Agreement.** This Agreement, together with the Loan Documents, constitutes the entire agreement of the Parties relating to the subject matter hereof and may not be amended or modified except by written consent executed by the Parties.

9.5 **Rights Cumulative.** The Parties agree that all the rights and remedies of the Lender hereunder and under any agreement delivered pursuant hereto are cumulative and are in addition to, without prejudice to and shall not be deemed to exclude, any other right or remedy allowed to the Lender hereunder or any agreement delivered pursuant hereto or under the Loan Documents, except as specifically set out herein.

9.6 **Idem.** The Parties agree that all rights and remedies of the Lender may be exercised concurrently.

9.7 **<u>Lender's Records.</u>** The Borrower Entities acknowledge that the Lender maintains accounts and records evidencing the borrowings of the Borrower Entities, including all principal, interest, fees, costs and other amounts due and becoming due by the Borrower Entities to the Lender, and agrees the Lender's records do and shall constitute, in the absence of manifest error, conclusive proof of the Indebtedness of the Borrower Entities to the Lender at any given time.

9.8 **<u>Legal Advice</u>.** The Borrower Entities acknowledge and represent that they have carefully read this Agreement, know and understand its contents, has received all information and advice each of them requires, including independent legal advice, relating to the Loan Documents, this Agreement, and the credit arrangements between the Borrower Entities and the Lender generally, or expressly hereby waive the right to same, and in this regard: (a) acknowledge and consent to this Agreement; (b) voluntarily accepts the terms and conditions herein; and (c) agree to be bound by the provisions of this Agreement.

9.9 **<u>Confirmation.</u>** The Borrower Entities acknowledge receiving valuable consideration (the adequacy and sufficiency of which is specifically acknowledged) for its obligations hereunder and agrees that none of:

(a) the terms of this Agreement;

(b) nor any failure by the Lender to insist upon strict performance or observance of its rights set forth in this Agreement or the Loan Documents;

(c) nor any waiver or amendment by the Lender of any such rights;

shall prejudice the Lender's rights under any or all of the Loan Documents or this Agreement, nor shall sustain or constitute any defence or estoppel in favour of the Borrower Entities in respect of enforcement of the Loan Documents.

9.10 **<u>Time of the Essence</u>.** Time shall be of the essence in this Agreement.

9.11 **<u>Notices</u>.** Any notices under this Agreement may be delivered by courier or email transmission to the Parties at the addresses set forth below and, where so given, shall be deemed received by the recipient on the same business day as delivered or transmitted if delivered or transmitted prior to 4:00 p.m. (Calgary time), otherwise on the next business day:

if to the Lender:

Avonlea Ventures #2 Inc.
P.O. Box 8 Caledon East
Caledon ON L7C 3L8

Attention: Michael Steele, Chief Executive Officer
Email: [redacted]

with a copy to:

Aird & Berlis LLP
701 West Georgia St., Suite 1420
Vancouver, BC, Canada
V7Y 1E4

Attention: John Munnis
Email: [redacted]

if to the Borrower Entities:

Kovo+ Holdings Inc.
13303 S Teal Rdg Wy Ste 200
Riverton
UT 84096

Attn: Chris Burch, Chief Executive Officer
Email: [redacted]

with a copy to:

Dentons Canada LLP
1500, 850 2 Street SW
Calgary, AB, Canada T2P 0R8

Attention: Mark Kopitar
Email: [redacted]

9.12 **Applicable Law.** This Agreement shall be governed by the laws of the Province of Alberta and the Parties hereby attorn to the non-exclusive jurisdiction of the courts of competent jurisdiction in the Province of Alberta in the judicial centre of Calgary.

9.13 **No Amendment.** Save as expressly provided in this Agreement, nothing in this Agreement is intended to alter, amend, modify or limit the existence or the effectiveness of any agreement among the Borrower Entities (or any of them) and the Lender, including, without limitation, the Loan Documents.

9.14 **Interpretation and Headings.** In this Agreement:

(a) headings are inserted for convenience of reference only and shall not affect the construction or interpretation of this Agreement;

(b) words importing the singular number include the plural and vice versa, and words importing gender include masculine, feminine and neuter;

(c) references to “herein”, “hereunder”, and similar expressions shall be a reference to this Agreement and not to any particular section;

(d) reference to a statute shall be deemed to refer to such statute and the regulations made pursuant thereto, with all amendments made thereto and in force from time to time, and to any statute or regulation that may be passed which has the effect of supplementing or superseding such statute or the regulations made pursuant thereto; and

(e) unless otherwise noted, all references to "Article" refer to an article, sub-article, paragraph or sub-paragraph of this Agreement, as the case may be.

9.15 **Conflict.** In the event that there is any conflict between the provisions of this Agreement and the Loan Documents, the provisions of this Agreement shall govern to the extent of the conflict.

9.16 **Currency and Time References.**

(a) Unless otherwise noted, all references to currency shall be deemed to refer to United States Dollars.

(b) Unless otherwise noted, all references to time shall be deemed to refer to Calgary in the Province of Alberta local time.

9.17 **Severability.** If any provision of any of this Agreement or the Loan Documents, or any part thereof, is found or determined to be invalid, illegal or unenforceable, such provision shall be severable and the remainder of this Agreement and the Loan Documents, as the case may be, shall be construed as if such invalid, illegal or unenforceable provision or part had been read down to the extent required to still give the fullest and best effect to the remainder of the Agreement.

9.18 **No Waiver.** No provision of this Agreement shall be deemed waived by any course of conduct unless such waiver is in writing and signed by all Parties, specifically stating that it is intended to modify this Agreement.

9.19 **No Prior Waivers, Reinstatement or Release by Lender.** Except as expressly set forth herein, the execution, delivery and effectiveness of this Agreement shall not directly or indirectly, (i) create any obligation to make any further extensions of credit or to continue to defer any enforcement action after the occurrence of any Termination Event; (ii) constitute a consent or waiver of any past, present or future violations of any provisions of the Loan Documents; (iii) amend, modify or operate as a waiver of any provision of the Loan Documents, as the case may be, or any right, power or remedy of the Lender; (iv) constitute a consent to any merger or other transaction or to any sale, restructuring or refinancing transaction, apart from as expressly set out herein; (v) constitute a course of dealing or other basis for altering the Loan Documents or any other contract or instrument. Except as expressly set forth herein, the Lender reserves all of its rights, powers and remedies under the Loan Documents and applicable law. All of the provisions of the Loan Documents, including without limitation, the time of the essence provisions, are hereby reiterated, and if ever waived, are hereby reinstated. This Agreement shall not be deemed or construed to be a satisfaction, restatement, novation or release of the Loan Documents, as the case may be.

9.20 **Perfection of Security.** All security interests in favour of the Lender shall be registered or perfected in all such jurisdictions and against all such trade names as may be required, in the reasonable opinion of the Lender or its counsel, to preserve and protect the enforceability and priority of the Security.

9.21 **Non-Performance of Covenants.** If any of the Borrower Entities fail to perform any of their respective covenants or agreements hereunder, the Lender may itself, but shall not be obliged to, perform or cause to be performed the same and all reasonable expenses incurred or payments made by the Lender in so doing shall be paid by the Borrower Entities or any of them to the Lender forthwith upon demand. Any such expenses or payments remaining unpaid after demand shall bear interest at the rates agreed to pursuant to the Loan Documents, or this Agreement, as the case may be, from the date such expense or payment was incurred or made by the Lender until paid and shall be added to the Indebtedness and secured by the Security.

9.22 **Successors and Assigns.** This Agreement and the Loan Documents shall be binding and enure to the benefit of each of the Parties hereto and their respective heirs, executors, administrators, successors, and assigns.

9.23 **Assignment.** The Borrower Entities shall not assign any of their respective rights or obligations hereunder or thereunder, as the case may be, without the prior written consent of the Lender (which consent may be arbitrarily withheld). The Lender may, in its absolute discretion, assign, without notice to the Borrower Entities and without the consent of the Borrower Entities or any of them, to an assignee of its own choosing all or any interest of the Lender in all or any of the Loan Documents and this Agreement, and any document, security, Judgment or Court Order granted or arising pursuant to this Agreement.

9.24 **Assurances.** The Parties hereby covenant and agree to do such further and other things that the other party may reasonably request to give full or better effect to the provisions of this Agreement.

9.25 **Execution.** This Agreement may be executed in counterparts and delivered via emailed PDF (with duplicates to follow by ordinary post or delivery), and all counterparts when taken together, shall constitute one Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF the parties hereto have executed these presents effective the date first above written.

AVONLEA VENTURES #2 INC.

By: (signed) *"Michael Steele"*
Name: Michael Steele
Title: Chief Executive Officer

KOVO+ HOLDINGS INC.

By: (signed) *"Chris Burch"*
Name: Chris Burch
Title: CEO

KOVO+ (USA), INC. (formerly MEDWORXS INC.)

By: (signed) *"Chris Burch"*
Name: Chris Burch
Title: President

NEXUS AI DATA, INC.

By: (signed) *"Chris Burch"*
Name: Chris Burch
Title: President

HEAL GLOBAL HOLDINGS INC.

By: (signed) *"Chris Burch"*
Name: Chris Burch
Title: President

AI VECTOR 2.0, INC.

By: (signed) *"Chris Burch"*
Name: Chris Burch
Title: President

HEAL VUE, INC.

By: (signed) *"Chris Burch"*
Name: Chris Burch
Title: President

KOVO ACQUISITIONS LLC

By: (signed) *"Chris Burch"*
Name: Chris Burch
Title: Manager

RPM BILLING LLC

By: (signed) *"Chris Burch"*
Name: Chris Burch
Title: Manager

KOVO HUMAN CAPITAL LLC

By: (signed) *"Chris Burch"*
Name: Chris Burch
Title: Manager

NOC5280 LLC

By: (signed) *"Chris Burch"*
Name: Chris Burch
Title: Manager

RSKM LLC

By: (signed) *"Chris Burch"*
Name: Chris Burch
Title: Manager

KOVO DENTAL OPERATING SYSTEM, LLC

By: (signed) *"Chris Burch"*
Name: Chris Burch
Title: Manager

Schedule “A”
Reorganization Steps

[*Attached Hereto*]

Reorganization Steps

First Reorganization Period. The period during which the Borrower Entities shall undertake and implement the Reorganization Steps contemplated by this Agreement (the **"First Reorganization Period"**) shall take place pursuant to the following events and milestones, unless otherwise extended in writing by the Lender:

a. The Borrower Entities shall strike an independent committee of the Board of Directors by **August 10, 2026** (the "**Special Committee**").

b. The Special Committee shall:

   A. recommend that the Board of Directors: (i) terminate and rescind the letter of intent between it and Complete Medical Billing of Florida, Inc.; and (ii) waive any obligations of Michael A. Steele in relation to the business opportunity presented thereby, by **August 31, 2026** (the "**CMB LOI Termination**");

   B. engage an independent business valuator to value the revenue cycle management and credentialing assets of the business (the "**RCM Assets**") and market such RCM Assets for the purpose of raising proceeds to repay the Indebtedness, by **August 15, 2026** (the "**RCM Asset Sale**");

   C. engage an independent business valuator to value the business and assets of AI Vector 2.0, Inc. (the "**AIV Business**") and market such AIV Business for the purpose of raising proceeds to repay the Indebtedness, by **August 15, 2026** (the "**AIV Sale**");

   D. recommend to the Board of Directors of Kovo to reorganize its business lines and transfer, sell or convey the RCM Assets to a new wholly-owned subsidiary of **Kovo+ (USA), Inc** in contemplation of the RCM Asset Sale, by **August 31, 2026** (the "**Reorganization**");

   E. recommend to the Board of Directors of Kovo to call a special meeting of shareholders where the shareholders of Kovo will be asked to approve this Agreement and the transactions contemplated hereunder, including the RCM Asset Sale, the AIV Sale, the ROFR Agreement (as defined herein), the sale of all or substantially all of the assets of the Borrower Entities, and such other approvals and authorizations as required pursuant to applicable law and the rules and policies of the TSX Venture Exchange (the "**Necessary Approvals**"), by **August 31, 2026** (the "**Special Meeting**");

c. A management information circular in respect of the Special Meeting (the "**Information Circular**") has been prepared in compliance with applicable corporate and securities laws, will be mailed to shareholders of Kovo, by **September 8, 2026**;

d. The Special Meeting will be held by **October 5, 2026**;

e. The Shareholders of Kovo will approve the Necessary Approvals at the Special Meeting; and

f. The Borrower Entities will agree to the terms of the Development Agreement and the ROFR Agreement, and the ROFR Agreement will be executed, by **September 2, 2026**.

Second Reorganization Period. In the event a First Termination Event shall not have occurred on or prior to October 6, 2026, the period during which the Borrower Entities shall further undertake and implement the Reorganization Steps contemplated by this Agreement (the **"Second Reorganization Period"**) shall take place pursuant to the following events and milestones, unless otherwise extended in writing by the Lender:

a. the Updated Operating Plan acceptable to the Lender in its sole and unfettered discretion is not approved by the Board of Directors of Kovo on or before **December 31, 2026**;

b. The RCM Asset Sale and AIV Sale have not been completed with a third-party or pursuant to the ROFR Agreement on or before December 31, 2026, on terms satisfactory to the Lender in its sole and unfettered discretion; and

c. Within ten (10) Business Days of the later of the completion of the RCM Asset Sale and the AIV Sale (but in any event, no later than **December 31, 2026**), Kovo and the Lender shall have entered into a management agreement pursuant to which the parties will formalize the services to be provided by Kovo in respect of the management of the RCM Assets and such other revenue cycle management and credentialing services as owned by the Lender, as determined by the Lender in its sole and unfettered discretion.

Third Reorganization Period. In the event a Second Termination Event shall not have occurred on or prior to January 1, 2027, the period during which the Borrower Entities shall further undertake and implement the Reorganization Steps contemplated by this Agreement (the **"Third Reorganization Period"**) shall take place pursuant to the following events and milestones, unless otherwise extended in writing by the Lender:

a. the Lender and the Borrower Entities shall enter into a new restructuring credit facility in respect of any remaining indebtedness to the Lender, on terms satisfactory to the Lender in its sole and unfettered discretion, including an annual interest rate of no less than 12% and a five-year repayment term, on or before **April 1, 2027** (the "**Restructuring Facility**").

Schedule "B"
Use of Proceeds

Item	Total	Total Aug Paid	Total Sep Paid	Total Oct Paid	Total Nov Paid	Total Dec Paid
Socium	$40,000	$17,750				
Sequeria	$47,760	$40,260	$7,500			
Computershare	$5,000	$2,600				
SRCO	$66,000			$20,000	$10,000	$10,000
Critical Vendors \ Payables Due	$383,000	$59,785	$140,000	$40,984	$35,000	$35,000
AIV Outstanding	$27,737			$5,000	$5,000	$5,000
Frontier Merchant (Shareholder Relations)	$12,000		$12,000			
Dentons Costs (and payback)	$150,000		$149,972			
Contingency	$268,503	$30,000				
Total by Month		**$150,395**	**$309,472**	**$65,984**	**$50,000**	**$50,000**
Total Planned	**$1,000,000**	**$849,605**	**$540,133**	**$474,149**	**$424,149**	**$374,149**

Schedule "C"
The Strict Foreclosure

[*Attached Hereto*]

NOTIFICATION OF PROPOSAL AND ACCEPTANCE OF STRICT FORECLOSURE IN PARTIAL SATISFACTION OF OBLIGATIONS

THIS NOTIFICATION OF PROPOSAL AND ACCEPTANCE OF STRICT FORECLOSURE IN PARTIAL SATISFACTION OF OBLIGATIONS ("**Strict Foreclosure**") is dated this 2nd day of September, 2026 among **AVONLEA VENTURES #2 INC.** ("**Lender**") on the one hand, and **KOVO+ HOLDINGS INC.** ("**Kovo**"), **KOVO+ (USA), INC.** (formerly **MEDWORXS, INC.**) ("**Kovo USA**"), **NEXUS AI DATA, INC.** ("**Nexus**"), **NOC5280 LLC** ("**NOC**"), **KOVO DENTAL OPERATING SYSTEM, LLC** ("**Kovo Dental**"), **HEAL GLOBAL HOLDINGS INC.** ("**HEAL Global**"), **AI VECTOR 2.0, INC.** ("**AI Vector**"), **HEAL VUE, INC.** ("**HEAL Vue**"), **KOVO ACQUISITIONS LLC** ("**Kovo Acquisitions**"), **RPM BILLING LLC** ("**RPM**"), **KOVO HUMAN CAPITAL LLC** ("**Kovo HC**"), and **RSKM LLC** ("**RSKM**", and collectively with Kovo, Kovo USA, Nexus, NOC, Kovo Dental, HEAL Global, AI Vector, HEAL Vue, Kovo Acquisitions, RPM and Kovo HC, the "**Borrower Entities**", and each a "**Borrower Entity**", and the foregoing with the Lender being the "**Parties**" and each a "**Party**") on the other hand.

WHEREAS:

A. On August 29, 2024, the Parties entered into a second amended and restated senior loan and security agreement (the "**Credit Agreement**");

B. On May 1, 2025, Kovo and Avonlea entered into a secured promissory grid note pursuant to which the Lender made available to Kovo an additional US$850,000, which was fully drawn by June 16, 2025 (the "**Secured Grid Note**") with a Maturity Date (as defined in the Secured Grid Note) of June 30, 2025;

C. In connection with execution of the Grid Note, the Lender agreed to extend the Term Loan Maturity Date (as defined in the Credit Agreement and together with the Maturity Date under the Secured Grid Note, the "**Maturity Date**") set forth in the Credit Agreement to June 30, 2025 (the "**First Extension**");

D. On June 30, 2025, the Lender agreed to further extend the Maturity Date to July 31, 2025 (the "**Second Extension**");

E. On July 31, 2025, the Lender agreed to further extend the Maturity Date to August 29, 2025 (the "**Third Extension**") and make available to the Borrower an additional US$400,000 of principal indebtedness under the Secured Promissory Note (the "**Note Bulge**");

F. On August 29, 2025, the Lender agreed to further extend the Maturity Date to December 31, 2025 (the "**Fourth Extension**") and make available to the Borrower an additional US$2,500,000 of principal indebtedness under the Secured Grid Note (the "**Second Note Bulge**") bringing the aggregate principal indebtedness of the Borrower under the Secured Grid Note to US$3,750,000;

G. On April 20, 2026, the Lender agreed to further extend the Maturity Date to December 31, 2026 (the "**Fifth Extension**", and together with the First Extension, the Second Extension, the Third Extension and the Fourth Extension, the "**Extension Agreements**")

H. To secure its obligations to the Lender under the Credit Agreement and the Secured Grid Note, among other things: (i) Kovo provided a general security agreement to the Lender, dated April 20, 2023, charging all present and after-acquired property of Kovo; (ii) the Borrower Entities provided to the Lender a guaranty and security agreement dated April 20, 2023 with respect to guaranteeing the liabilities of the Borrower Entities; and (iii) the Borrower Entities provided to the Lender a securities pledge agreement dated April 20, 2023, together with each amendment, restatement, joinder and accession agreement thereto, with respect to the shares of capital stock or other equity interests owned by them in each of the Borrower Entities and their subsidiaries (collectively, the "**Security**", and together with the Credit Agreement, the Secured Grid Note and the Extension Agreements, the "**Loan Documents**");

I. On August 12, 2026, the Lender has advanced $150,000 to the Borrower Entities and intends to advance $850,000 of additional funding, each to be secured by the Security;

J. The aggregate principal indebtedness, plus accrued interest and fees, owed to the Lender by the Borrower Entities pursuant to the Loan Documents as of August 4, 2026 is US$27,088,873 (the "**Indebtedness**");

K. On August 5, 2026, the Lender delivered to the Borrower a notice of default and demand for repayment (the "**Demand Notice**"), and notice of intent to enforce security pursuant to section 244 of the *Bankruptcy and Insolvency Act* (Canada) ("**Notice of Enforcement**", and together with the Demand Notice, the "**Default Notices**") noting to the Borrower Entities that all indebtedness (including all accrued but unpaid interest, expenses and other fees), liabilities and obligations to the Lender were immediately due and payable;

L. The Borrower Entities have advised the Lender that they are evaluating their liquidity, business operations and strategic alternatives in light of the most recently filed unaudited interim financial statements of the Borrower for the three-month period ended March 31, 2026 and the latest financial forecast provided by management (the "**Financial Results**");

M. In addition, the Borrower Entities have committed the following defaults under the Credit Agreement, Secured Grid Note, Extension Agreements and Security, including the failure to:

(i) promptly report legal actions pending or threatened in writing against Kovo and Kovo Acquisitions LLC by Healthcare Data Management, Inc.;

(ii) provide the Lender an updated, corrected and true and complete Perfection Certificate no less than once every quarter until the Term Loan Maturity Date (as defined in the Loan Agreements);

(iii) forthwith upon becoming aware of the occurrence of a Default or the occurrence of an Event of Default, delivering to the Lender notice describing same in detail and specifying the steps being taken to cure or remedy the same;

(iv) promptly, and no later than twenty-four (24) hours, notifying the Lender of any material deviation, or any expected material deviation, from the Operating Plan; and

(v) observe and comply with all other terms and conditions of the Loan Documents owing to the Lender.

(collectively "**Specified Defaults**")

N. The Lender has agreed to forbear from immediate enforcement of its rights relating to the Security upon the terms and conditions set out in that certain Forbearance Agreement executed herewith (the “**Forbearance**”).

O. As a condition precedent to the Forbearance, Lender requires the full execution of this Strict Foreclosure.

NOW THEREFORE in consideration of the mutual covenants set forth in this Strict Foreclosure and other good and valuable consideration exchanged between the Parties, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

PLEASE TAKE NOTICE THAT, pursuant to (a) §§ 9-620 and 9-621 et seq. of the Uniform Commercial Code, as adopted in such states that govern the Loan Documents and that apply with respect to strict foreclosure of the Security (the “**UCC**”), the Lender proposes to accept all of the Borrower Entities’ right, title and interest in and to the Security, or such portions or portions of the Security as Lender shall elect (the “**Specified Security**”), in satisfaction of $13,000,000.00 of the balance of the Indebtedness (the “**Satisfied Obligations**”) outstanding (the “**Strict Foreclosure in Partial Satisfaction**”). It is acknowledged and agreed by all parties hereto that the Strict Foreclosure in Partial Satisfaction and the transactions contemplated by this Strict Foreclosure shall constitute an “acceptance” of collateral in satisfaction of the Satisfied Obligations (partial satisfaction of the Indebtedness) in accordance with and to the extent required by §§ 9-620(a)(1) and 9-620(c)(1) of the UCC.

Each Borrower Entity acknowledges that the Specified Defaults have occurred as of the date hereof, and that the Indebtedness under the Loan Documents is due and owing in full. Each Borrower Entity agrees to execute such documents and take such actions as are reasonably necessary to effect transfer of the Security or Specified Security (the “**Additional Agreements**”) upon the request of Lender to effect the transfers contemplated by the Strict Foreclosure in Partial Satisfaction.

The Lender hereby requests that the Borrower Entities waive, and the Borrower Entities hereby waive, any notice requirements and any right of redemption and hereby consent to the Strict Foreclosure in Partial Satisfaction of the Security or Specified Security in satisfaction of the Satisfied Obligations, as set forth herein by signing below and returning to the Lender.

PARTIAL SATISFACTION. Effective upon the Effective Date (as defined below), Lender accepts the Security or Specified Security in satisfaction of the Satisfied Obligations. The Borrower Entities agree that the Satisfied Obligations represent only a portion of the obligations owing under the Loan Documents and the Borrower Entities remain liable to Lender for the remaining Indebtedness pursuant to the terms of the Loan Documents. The Borrower Entities agree that the Satisfied Obligations are a reasonable estimate of the sale proceeds that the Lender would have received pursuant to a sale of the Security or Specified Security through a public auction conducted on commercially reasonable terms as permitted under the terms of the Loan Documents and UCC, and that the Borrower Entities’ rights and defenses hereafter in and to the Security or Specified Security and under the Loan Documents shall be no different than any such rights and defenses would have been had the Security or Specified Security been sold in such a commercially reasonable public auction.

EFFECTIVE DATE. The consummation of the Strict Foreclosure in Partial Satisfaction contemplated herein shall occur, and be deemed to have occurred, after the execution and delivery of this Strict Foreclosure and upon execution and delivery of the Additional Agreements (the “**Effective Date**”).

REPRESENTATIONS AND WARRANTIES AND AGREEMENTS. By accepting, executing and delivering this Strict Foreclosure: (a) each Borrower Entity consents to and accepts the acceptance of the Security or Specified Security by Lender in satisfaction of the Satisfied Obligations in accordance with and as required by §§ 9-620(a)(1) and 9-620(c)(1) of the UCC, and (b) each Party hereto agrees that the Strict Foreclosure in Partial Satisfaction shall constitute an "acceptance" of collateral in satisfaction of the Satisfied Obligations in accordance with and to the extent required by §§ 9-620(a)(1) and 9-620(c)(1) of the UCC. By accepting, executing and delivering this Strict Foreclosure, each Borrower Entity hereby represents and warrants to the Lender that, as of the date hereof:

A. **Proper Acceptance**: Each Borrower Entity consents to and accepts the Lender's acceptance of the Security or Specified Security in satisfaction of the Satisfied Obligations in accordance with and as required by §§ 9-620(a)(1) and 9-620(c)(1) of the UCC and further agrees that the Strict Foreclosure in Partial Satisfaction shall constitute an "acceptance" of collateral in satisfaction of the Satisfied Obligations in accordance with and to the extent required by §§ 9-620(a)(1) and 9 620(c)(1) of the UCC.

B. **No Other Claim or Lien Holders**: No Borrower Entity has received an authenticated notification of a claim of an interest in any of the Security or Specified Security as contemplated under § 9-621(a)(1) of the UCC at any time on or prior to their acceptance, execution and delivery of this Strict Foreclosure.

C. **Organization**: Each Borrower Entity (i) is duly organized and validly existing under the Laws of the state of its organization, (ii) is duly qualified or licensed to do business and is in good standing or equivalent status under the Laws of each jurisdiction where the Security it makes such qualification or license necessary, except in each case, to the extent where the failure to be so qualified does not result in a material adverse effect, and (iii) has all corporate or similar power and authority to own and operate the Security, except in each case, to the extent where the failure to have such power or authority does not result in a material adverse effect.

D. **Due Authorization, Execution and Delivery; Enforceability**: Each Borrower Entity has the requisite corporate or similar power and authority to enter into, execute and deliver this Strict Foreclosure and to perform its obligations hereunder, and has taken all necessary corporate or similar action required for the due authorization, execution, delivery and performance by it of this Strict Foreclosure (including the consummation of the Strict Foreclosure in Partial Satisfaction). This Strict Foreclosure has been duly and validly executed and delivered by each Borrower Entity and constitutes the legally valid and binding obligation of each Borrower Entity, enforceable against it in accordance with the terms herein, subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar Laws affecting creditors' rights and remedies generally and subject, as to enforceability, to general principles of equity, including principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding at law or in equity).

"AS IS, WHERE IS" SALE. OTHER THAN AS EXPLICITLY SET FORTH HEREIN, NONE OF THE BORROWER ENTITIES MAKES ANY REPRESENTATIONS WITH RESPECT TO ANY SECURITY OR SPECIFIED SECURITY OR ANY SUFFICIENCY OR VALUE WITH RESPECT THERETO. OTHER THAN AS EXPLICITLY SET FORTH HEREIN. LENDER ACKNOWLEDGES THAT IT HAS RELIED UPON ITS OWN INVESTIGATIONS AND INSPECTIONS OF THE SECURITY OR SPECIFIED SECURITY AND THAT LENDER IS RESPONSIBLE TO CONDUCT ITS OWN INSPECTIONS AND INVESTIGATIONS OF ALL MATTERS AND THINGS CONNECTED WITH OR IN ANY WAY RELATED TO THE SECURITY OR

SPECIFIED SECURITY AND THAT LENDER HAS SATISFIED ITSELF WITH RESPECT TO THE PHYSICAL CONDITION AND VALUE OF THE SECURITY OR SPECIFIED SECURITY. IN ADDITION, OTHER THAN AS EXPLICITLY SET FORTH HEREIN, LENDER ACKNOWLEDGES THAT IT HAS RELIED UPON ITS OWN INVESTIGATIONS AND INSPECTIONS IN ENTERING INTO THIS STRICT FORECLOSURE, THAT LENDER IS ACQUIRING THE SECURITY OR SPECIFIED SECURITY ON AN "AS IS, WHERE IS" BASIS AS OF THE EFFECTIVE DATE, AND THAT LENDER WILL ACCEPT THE SECURITY OR SPECIFIED SECURITY IN ITS PRESENT STATE, CONDITION, AND LOCATION. OTHER THAN AS EXPLICITLY SET FORTH HEREIN, LENDER HEREBY ACKNOWLEDGES THAT NONE OF THE BORROWER ENTITIES HAS MADE AND NONE OF THE BORROWER ENTITIES DOES HEREBY MAKE ANY REPRESENTATIONS, WARRANTIES, STATEMENTS, OR PROMISES WITH RESPECT TO THE SECURITY OR SPECIFIED SECURITY, INCLUDING AS TO DESCRIPTION, FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, QUANTITY, CONDITIONS OR THE QUALITY OF ANY MATTER OR THING WHATSOEVER, AND ANY AND ALL SUCH CONDITIONS AND SUCH WARRANTIES EXPRESSED OR IMPLIED BY LAW DO NOT APPLY TO THE STRICT FORECLOSURE IN PARTIAL SATISFACTION OF THE SECURITY OR SPECIFIED SECURITY AND ARE HEREBY WAIVED BY LENDER.

SURVIVAL OF OBLIGATIONS AND LOAN DOCUMENTS. Notwithstanding anything in this Strict Foreclosure to the contrary, except as otherwise provided herein, the Loan Documents and the Indebtedness (other than the Satisfied Obligations) shall expressly survive the consummation of the Strict Foreclosure in Partial Satisfaction in satisfaction of the Satisfied Obligations and the other transactions contemplated by this Strict Foreclosure.

NO WAIVER. Except as expressly provided herein, no failure or delay by any Party hereto in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein and therein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

GOVERNING LAW. THIS STRICT FORECLOSURE AND ALL MATTERS ARISING HEREUNDER OR RELATED HERETO SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE INTERNAL LAW OF THE STATE OF DELAWARE APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED ENTIRELY WITHIN THE STATE OF DELAWARE, WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES. EACH PARTY HERETO HEREBY CONSENTS TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED IN DELAWARE, AND IRREVOCABLY AGREES THAT ALL ACTIONS OR PROCEEDINGS ARISING OUT OF OR RELATING TO THIS STRICT FORECLOSURE SHALL BE LITIGATED IN SUCH COURTS. EACH PARTY HERETO EXPRESSLY SUBMITS AND CONSENTS TO THE JURISDICTION OF THE AFORESAID COURTS AND WAIVES ANY DEFENSE OF FORUM NON CONVENIENS. NOTWITHSTANDING THE FOREGOING, TO THE EXTENT THE LAW OF ANOTHER STATE IS AS A MATTER OF MANDATORY APPLICATION UNDER APPLICABLE STATUTORY CHOICE OF LAW RULES DETERMINED TO BE THE GOVERNING LAW, THIS STRICT FORECLOSURE AND ALL MATTERS ARISING HEREUNDER OR RELATED HERETO SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE INTERNAL LAW OF SUCH STATE INCLUDING THE UNIFORM COMMERCIAL CODE OF SUCH STATE, AS ADOPTED.

NOTICES. Any notices under this Agreement may be delivered by courier or email transmission to the Parties at the addresses set forth below and, where so given, shall be deemed received by the recipient on the same business day as delivered or transmitted if delivered or transmitted prior to 4:00 p.m. (Calgary time), otherwise on the next business day:

if to the Lender:

Avonlea Ventures #2 Inc.
P.O. Box 8 Caledon East
Caledon, ON L7C 3L8

Attention: Michael Steele, Chief Executive Officer
Email: [redacted]

with a copy to:

Aird & Berlis LLP
701 West Georgia St., Suite 1420
Vancouver, BC, Canada
V7Y 1E4

Attention: John Munnis
Email: [redacted]

if to the Borrower Entities:

Kovo+ Holdings Inc.
13303 S Teal Rdg Wy Ste 200
Riverton
UT 84096

Attn: Chris Burch, Chief Executive Officer
Email: [redacted]

with a copy to:

Dentons Canada LLP
1500, 850 2 Street SW
Calgary, AB, Canada T2P 0R8

Attention: Mark Kopitar
Email: [redacted]

NO AMENDMENT. Save as expressly provided in this Strict Foreclosure, nothing in this Strict Foreclosure is intended to alter, amend, modify or limit the existence or the effectiveness of any agreement among the Borrower Entities (or any of them) and the Lender, including, without limitation, the Loan Documents.

INTERPRETATIONS AND HEADINGS. In this Strict Foreclosure:

(a) headings are inserted for convenience of reference only and shall not affect the construction or interpretation of this Strict Foreclosure;

(b) words importing the singular number include the plural and vice versa, and words importing gender include masculine, feminine and neuter;

(c) references to “herein”, “hereunder”, and similar expressions shall be a reference to this Strict Foreclosure and not to any particular section; and

(d) reference to a statute shall be deemed to refer to such statute and the regulations made pursuant thereto, with all amendments made thereto and in force from time to time, and to any statute or regulation that may be passed which has the effect of supplementing or superseding such statute or the regulations made pursuant thereto.

CONFLICT. In the event that there is any conflict between the provisions of this Strict Foreclosure and the Forbearance, the provisions of the Forbearance shall govern to the extent of the conflict.

CURRENCY AND TIME REFERENCES.

(a) Unless otherwise noted, all references to currency shall be deemed to refer to United States Dollars.

(b) Unless otherwise noted, all references to time shall be deemed to refer to Calgary in the Province of Alberta local time.

SEVERABILITY. If any provision of any of this Strict Foreclosure or the Loan Documents, or any part thereof, is found or determined to be invalid, illegal or unenforceable, such provision shall be severable and the remainder of this Strict Foreclosure and the Loan Documents, as the case may be, shall be construed as if such invalid, illegal or unenforceable provision or part had been read down to the extent required to still give fullest and best effect to the remainder of the Strict Foreclosure.

NO PRIOR WAIVERS, REINSTATEMENT OR RELEASE BY LENDER. Except as expressly set forth herein, the execution, delivery and effectiveness of this Strict Foreclosure shall not directly or indirectly, (i) create any obligation to make any further extensions of credit or to continue to defer any enforcement action after the occurrence of any Termination Event (as defined in the Forbearance); (ii) constitute a consent or waiver of any past, present or future violations of any provisions of the Loan Documents; (iii) amend, modify or operate as a waiver of any provision of the Loan Documents, as the case may be, or any right, power or remedy of the Lender; (iv) constitute a consent to any merger or other transaction or to any sale, restructuring or refinancing transaction, apart from as expressly set out herein; or (v) constitute a course of dealing or other basis for altering the Loan Documents or any other contract or instrument. Except as expressly set forth herein, the Lender reserves all of its rights, powers and remedies under the Loan Documents, Forbearance and applicable law. All of the provisions of the Loan Documents and Forbearance, including without limitation, the time of the essence provisions, are hereby reiterated, and if ever waived, are hereby reinstated. This Strict Foreclosure shall not be deemed or construed to be a satisfaction, restatement, novation or release of the Loan Documents or Forbearance, as the case may be.

NON-PERFORMANCE OF COVENANTS. If any of the Borrower Entities fail to perform any of their respective covenants or agreements hereunder, the Lender may itself, but shall not be obliged to, perform or cause to be performed the same and all reasonable expenses incurred or payments made by the Lender in so doing shall be paid by the Borrower Entities or any of them to the Lender forthwith upon demand. Any such expenses or payments remaining unpaid after demand shall bear interest at the rates agreed to pursuant to the Loan Documents or the Forbearance as the case may be, from the date such expense or payment was incurred or made by the Lender until paid and shall be added to the Indebtedness and secured by the Security.

SUCCESSORS AND ASSIGNS. This Strict Foreclosure, the Loan Documents and Forbearance shall be binding and enure to the benefit of each of the Parties hereto and their respective heirs, executors, administrators, successors, and assigns.

ASSIGNMENT. The Borrower Entities shall not assign any of their respective rights or obligations hereunder or thereunder, as the case may be, without the prior written consent of the Lender (which consent may be arbitrarily withheld). The Lender may, in its absolute discretion, assign, without notice to the Borrower Entities and without the consent of the Borrower Entities or any of them, to an assignee of its own choosing all or any interest of the Lender in this Strict Foreclosure, and any document, security, Judgment or Court Order granted or arising pursuant to this Strict Foreclosure.

ASSURANCES. The Parties hereby covenant and agree to do such further and other things that the other party may reasonably request to give full or better effect to the provisions of this Strict Foreclosure.

EXECUTION. This Strict Foreclosure may be executed in counterparts and delivered via emailed PDF (with duplicates to follow by ordinary post or delivery), and all counterparts when taken together, shall constitute one agreement.

[Signature Page Follows]

IN WITNESS WHEREOF the Parties hereto have executed these presents effective the date first above written.

AVONLEA VENTURES #2 INC.

By Signed "*Michael Steele*"____________________
Name: Michael Steele
Title: Chief Executive Officer

KOVO+ HOLDINGS INC.

By Signed "*Chris Burch*"____________________
Name: Chris Burch
Title: CEO

KOVO+ (USA), INC. (formerly MEDWORXS INC.)

By Signed "*Chris Burch*"____________________
Name: Chris Burch
Title: President

NEXUS AI DATA, INC.

By Signed "*Chris Burch*"____________________
Name: Chris Burch
Title: President

HEAL GLOBAL HOLDINGS INC.

By Signed "*Chris Burch*"____________________
Name: Chris Burch
Title: President

AI VECTOR 2.0, INC.

By Signed "*Chris Burch*"____________________
Name: Chris Burch
Title: President

HEAL VUE, INC.

By Signed "*Chris Burch*"____________________
Name: Chris Burch
Title: President

KOVO ACQUISITIONS LLC

By Signed "*Chris Burch*" ____________________
Name: Chris Burch
Title: Manager

RPM BILLING LLC

By Signed "*Chris Burch*" ____________________
Name: Chris Burch
Title: Manager

KOVO HUMAN CAPITAL LLC

By Signed "*Chris Burch*" ____________________
Name: Chris Burch
Title: Manager

NOC5280 LLC

By Signed "*Chris Burch*" ____________________
Name: Chris Burch
Title: Manager

RSKM LLC

By Signed "*Chris Burch*" ____________________
Name: Chris Burch
Title: Manager

KOVO DENTAL OPERATING SYSTEM, LLC

By Signed "*Chris Burch*" ____________________
Name: Chris Burch
Title: Manager

Schedule “D”
Disclosed Claims

A. Existing Claims

- Heritage on the Marina (HOTM) - Names RPM BILLING, LLC, KOVO+ HOLDINGS, INC., f/k/a KOVO HEALTHTECH CORPORATION, KOVORCM,
- CPR Anesthesia, Inc - Names RSKM, LLC d/b/a E&A Medical Billing.
- Colley Medical Group, PLLC - Names RSKM, LLC d/b/a E&A MEDICAL BILLING, KOVO ACQUISITIONS, LLC
- Greg Noble, Jeana Noble, New Course Advisors LLC – Names Kovo+ Holdings Inc, Kovo+ USA Inc., Michael Steele, Peter Bak

B. Threatened Claims

- HDM - Names KOVO HEALTHTECH CORPORATION and KOVO ACQUISTIONS LLC

<u>Schedule “E”</u>
<u>Restructuring Plan</u>

[*Attached Hereto*]

Heal Medical Billing LLC

		26-Aug	26-Sep	26-Oct	26-Nov	26-Dec	27-Jan	27-Feb	27-Mar	27-Apr	27-May	27-Jun	27-Jul	27-Aug	27-Sep	27-Oct	27-Nov	27-Dec	(Aug–Dec)	FY2027
Month #		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17		
Profit & Loss																				
Services - HMB		565,713	571,020	611,327	651,634	726,941	801,904	856,866	901,828	916,791	931,753	946,716	961,678	976,640	991,603	1,006,565	1,021,528	1,036,490	3,126,635	11,350,362
Other income (none modeled)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Total revenue		**565,713**	**571,020**	**611,327**	**651,634**	**726,941**	**801,904**	**856,866**	**901,828**	**916,791**	**931,753**	**946,716**	**961,678**	**976,640**	**991,603**	**1,006,565**	**1,021,528**	**1,036,490**	**3,126,635**	**11,350,362**
Cost of services		49,783	50,250	53,797	57,344	63,971	70,568	75,404	79,361	80,678	81,994	83,311	84,628	85,944	87,261	88,578	89,894	91,211	275,144	998,832
Gross profit		**515,930**	**520,770**	**557,530**	**594,290**	**662,970**	**731,336**	**781,462**	**822,468**	**836,113**	**849,759**	**863,405**	**877,050**	**890,696**	**904,342**	**917,987**	**931,633**	**945,279**	**2,851,491**	**10,351,530**
Payroll (incl. incentives & growth hires)		374,924	380,770	380,770	380,770	380,770	435,003	380,524	383,724	444,483	390,124	393,324	455,523	399,724	402,924	466,563	409,324	412,524	1,898,005	4,973,764
Professional services		58,209	58,209	58,209	58,209	58,209	58,209	58,209	58,209	58,209	58,209	58,209	58,209	58,209	58,209	58,209	58,209	58,209	291,044	698,506
IT expenses		8,677	8,677	8,677	8,677	8,677	8,677	8,677	8,677	8,677	8,677	8,677	8,677	8,677	8,677	8,677	8,677	8,677	43,387	104,129
General & administrative		22,006	22,006	22,006	22,006	22,006	22,006	22,006	22,006	22,006	22,006	22,006	22,006	22,006	22,006	22,006	22,006	22,006	110,028	264,067
Total operating expenses		**463,816**	**469,662**	**469,662**	**469,662**	**469,662**	**523,895**	**469,416**	**472,616**	**533,375**	**479,016**	**482,216**	**544,415**	**488,616**	**491,816**	**555,455**	**498,216**	**501,416**	**2,342,464**	**6,040,466**
EBITDA (as reported)		**52,114**	**51,108**	**87,868**	**124,628**	**193,309**	**207,442**	**312,046**	**349,852**	**302,739**	**370,743**	**381,189**	**332,636**	**402,080**	**412,526**	**362,533**	**433,417**	**443,863**	**509,028**	**4,311,064**
EBITDA %		**9%**	**9%**	**14%**	**19%**	**27%**	**26%**	**36%**	**39%**	**33%**	**40%**	**40%**	**35%**	**41%**	**42%**	**36%**	**42%**	**43%**	**16%**	**38%**
Add-backs (none identified)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Adjusted EBITDA		**52,114**	**51,108**	**87,868**	**124,628**	**193,309**	**207,442**	**312,046**	**349,852**	**302,739**	**370,743**	**381,189**	**332,636**	**402,080**	**412,526**	**362,533**	**433,417**	**443,863**	**509,028**	**4,311,064**
Depreciation (computer equipment)		298	381	464	548	631	714	798	881	964	1,048	1,131	1,214	1,298	1,381	1,464	1,548	1,631	2,322	14,073
Interest (no entity-level debt modeled)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Pre-tax income		**51,816**	**50,727**	**87,404**	**124,081**	**192,677**	**206,727**	**311,248**	**348,970**	**301,774**	**369,695**	**380,058**	**331,421**	**400,782**	**411,145**	**361,068**	**431,869**	**442,232**	**506,706**	**4,296,991**
Income tax (flows through to HEAL-RCM; no entity-level tax)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Net income (after tax)		**51,816**	**50,727**	**87,404**	**124,081**	**192,677**	**206,727**	**311,248**	**348,970**	**301,774**	**369,695**	**380,058**	**331,421**	**400,782**	**411,145**	**361,068**	**431,869**	**442,232**	**506,706**	**4,296,991**
Cash Flow																				
Net income		51,816	50,727	87,404	124,081	192,677	206,727	311,248	348,970	301,774	369,695	380,058	331,421	400,782	411,145	361,068	431,869	442,232	506,706	4,296,991
(+) Depreciation		298	381	464	548	631	714	798	881	964	1,048	1,131	1,214	1,298	1,381	1,464	1,548	1,631	2,322	14,073
(Increase) / decrease in accounts receivable		-	(5,307)	(40,307)	(40,307)	(75,307)	(74,962)	(54,962)	(44,962)	(14,962)	(14,962)	(14,962)	(14,962)	(14,962)	(14,962)	(14,962)	(14,962)	(14,962)	(161,229)	(309,549)
Increase / (decrease) in accounts payable		-	467	3,547	3,547	6,627	6,597	4,837	3,957	1,317	1,317	1,317	1,317	1,317	1,317	1,317	1,317	1,317	14,188	27,240
Other working-capital & bank movements, net (none modeled)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Net cash from operating activities		**52,114**	**46,268**	**51,108**	**87,868**	**124,628**	**139,076**	**261,920**	**308,846**	**289,093**	**357,097**	**367,543**	**318,990**	**388,434**	**398,880**	**348,887**	**419,771**	**430,217**	**361,987**	**4,028,755**
Capital expenditure		(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(15,000)	(36,000)
Net cash used in investing activities		**(3,000)**	**(3,000)**	**(3,000)**	**(3,000)**	**(3,000)**	**(3,000)**	**(3,000)**	**(3,000)**	**(3,000)**	**(3,000)**	**(3,000)**	**(3,000)**	**(3,000)**	**(3,000)**	**(3,000)**	**(3,000)**	**(3,000)**	**(15,000)**	**(36,000)**
Financing / distributions (none modeled at entity level)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Net change in cash		**49,114**	**43,268**	**48,108**	**84,868**	**121,628**	**136,076**	**258,920**	**305,846**	**286,093**	**354,097**	**364,543**	**315,990**	**385,434**	**395,880**	**345,887**	**416,771**	**427,217**	**346,987**	**3,992,755**
Opening cash (nil at close; cash consolidated at HEAL-RCM)		-	49,114	92,382	140,491	225,359	346,987	483,063	741,983	1,047,829	1,333,922	1,688,019	2,052,562	2,368,553	2,753,987	3,149,867	3,495,754	3,912,526		
Closing cash		**49,114**	**92,382**	**140,491**	**225,359**	**346,987**	**483,063**	**741,983**	**1,047,829**	**1,333,922**	**1,688,019**	**2,052,562**	**2,368,553**	**2,753,987**	**3,149,867**	**3,495,754**	**3,912,526**	**4,339,743**	**346,987**	**4,339,743**
Balance Sheet - Kovo HealthTech Consolidated																				
		Opening (Aug 31, 2026)	**Sep 2026**	**Oct 2026**	**Nov 2026**	**Dec 2026**														
Assets																				
Cash - operating accounts (per CF June forward, active scenario)		32,662	5,227	5,608	(8,760)	(224,395)														
Cash - bank accounts outside weekly CF scope (held constant)		525,301	525,301	525,301	525,301	525,301														
Total cash & bank		557,963	530,528	530,909	516,541	300,906														
Accounts receivable (held at Aug close; collections embedded in CF)		250,514	250,514	250,514	250,514	250,514														
Other current assets (held)		197,220	197,220	197,220	197,220	197,220														
Fixed assets (held)		5,374	5,374	5,374	5,374	5,374														
Other assets - goodwill, intangibles & notes (held)		5,140,937	5,140,937	5,140,937	5,140,937	5,140,937														
Total assets		6,152,008	6,124,574	6,124,954	6,110,587	5,894,951														
Liabilities & equity																				
Derived CFO less combined (AR build & rounding)		114	(10,732)	17,108	(36,132)	(63,372)	(57,924)	(41,421)	(32,154)	(1,907)	(8,903)	(11,457)	(8,010)	(15,566)	(18,120)	(15,113)	(22,229)	(23,783)	(93,013)	(256,586)
Cash collections per CF June forward		482,856	530,000	525,000	525,000	525,000														
Memo: revenue less cash collections (AR build & billing-to-cash timing)		82,857	41,020	86,327	126,634	201,941														
HEAL-RCM Purchase Accounting																				
HMB LLC asset at FMV (booked at HEAL-RCM)		15,000,000																		
Monthly amortization of HMB LLC asset (10-yr / 120-mo, at HEAL-RCM)		125,000																		
Net tangible assets contributed at close (AR + computer equipment - AP, per Source tab)		434,758																		
Total HMB LLC asset equity recorded at HEAL-RCM ($15.0M + net tangibles)		15,434,758																		
Check vs Consolidated BS "HMB LLC Asset" equity		-																		
FY2025 HMB LLC Carve-Out Actuals																				
FY2025 revenue (HMB carve-out actual)		9,825,244																		
FY2025 EBITDA (HMB carve-out actual)		1,153,536																		
FY2025 net income (HMB carve-out actual)		308,311																		
FY2025 average monthly revenue		818,770																		
HMB LLC Carve-Out Balance Sheet - post-sale entity as received by HEAL-RCM																				
Cash & equivalents	-	49,114	92,382	140,491	225,359	346,987	483,063	741,983	1,047,829	1,333,922	1,688,019	2,052,562	2,368,553	2,753,987	3,149,867	3,495,754	3,912,526	4,339,743	346,987	4,339,743
Accounts receivable (30-day DSO)	565,713	565,713	571,020	611,327	651,634	726,941	801,904	856,866	901,828	916,791	931,753	946,716	961,678	976,640	991,603	1,006,565	1,021,528	1,036,490	726,941	1,036,490
Fixed assets, net (computer equipment)	7,720	10,422	13,041	15,576	18,028	20,397	22,683	24,885	27,004	29,040	30,992	32,861	34,646	36,349	37,967	39,503	40,955	42,324	20,397	42,324
Total Assets	573,432	625,249	676,443	767,394	895,021	1,094,326	1,307,650	1,623,735	1,976,662	2,279,753	2,650,765	3,032,139	3,364,877	3,766,976	4,179,437	4,541,822	4,975,008	5,418,557	1,094,326	5,418,557
Accounts payable (30 days)	138,675	138,675	139,142	142,689	146,236	152,863	159,459	164,296	168,253	169,569	170,886	172,203	173,520	174,836	176,153	177,470	178,786	180,103	152,863	180,103
Total Liabilities	138,675	138,675	139,142	142,689	146,236	152,863	159,459	164,296	168,253	169,569	170,886	172,203	173,520	174,836	176,153	177,470	178,786	180,103	152,863	180,103
Contributed capital - net tangible assets at close	434,758	434,758	434,758	434,758	434,758	434,758	434,758	434,758	434,758	434,758	434,758	434,758	434,758	434,758	434,758	434,758	434,758	434,758	434,758	434,758
Retained earnings - cumulative post-close	-	51,816	102,544	189,947	314,028	506,706	713,433	1,024,681	1,373,651	1,675,426	2,045,121	2,425,178	2,756,600	3,157,382	3,568,527	3,929,595	4,361,464	4,803,696	506,706	4,803,696
Total Equity	434,758	486,574	537,301	624,705	748,786	941,463	1,148,190	1,459,439	1,808,409	2,110,183	2,479,878	2,859,936	3,191,357	3,592,140	4,003,284	4,364,353	4,796,222	5,238,454	941,463	5,238,454
Check: assets less liabilities & equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		

SCHEDULE "B"

RCM ROFR

(See attached)

RIGHT OF FIRST REFUSAL AGREEMENT

THIS AGREEMENT made effective on September 2, 2026 (the "**Agreement**")

BETWEEN:

AVONLEA VENTURES #2 INC. a corporation formed under the laws of the Province of Ontario ("**AVI**")

- and -

KOVO+ HOLDINGS INC. a corporation continued under the laws of the Province of Alberta ("**Kovo+**")

(each a "**Party**" and together, the "**Parties**" to this Agreement)

WHEREAS:

A. AVI, as a bare trustee for HEAL Group Holdings Inc., is the majority shareholder of Kovo+ and its senior secured creditor;

B. On August 5, 2026, AVI advised Kovo+ of certain defaults (the "**Specified Defaults**") and demanded repayment in connection with the 2nd Amended & Restated Senior Loan and Security Agreement dated August 29, 2024 between Kovo+ and AVI (the "**Senior Loan**") and secured promissory grid note dated May 1, 2025 (the "**Secured Note**"), both as extended and amended pursuant to extension agreements dated May 1, 2025, June 30, 2025, July 31, 2025, August 29, 2025, and April 20, 2026 (the "**Extension Agreements**" and together with the Senior Loan and Secured Note, the "**Loan Documents**") and certain security granted thereunder (collectively, the "**Security**");

C. The aggregate indebtedness owed to AVI by Kovo+ as of August 4, 2026 is US$27,088,873;

D. As a result of the financial circumstances of Kovo+ and its inability to satisfy its obligations to AVI, AVI and Kovo+ have entered into a forbearance agreement dated September 2, 2026 pursuant to which AVI has agreed to forbear on the enforcement of its security interests against Kovo+ (the "**Forbearance Agreement**") in exchange for certain covenants of Kovo+, including without limitation the grant of a right of first refusal in respect of certain business lines of Kovo+; and

E. Therefore, in connection with execution of the Forbearance Agreement, Kovo+ wishes to grant AVI, and AVI wishes to acquire, a right of first refusal to acquire certain Specified Assets (as defined herein) pursuant to the terms and conditions of this Agreement.

NOW THEREFORE, for good and valuable consideration including the sum of $1.00, the receipt and sufficiency of which are hereby acknowledged and agreed, Kovo+ and AVI agree as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions

Whenever used in this Agreement, the following words and terms have the meanings set out below:

"**Affiliate**" has the meaning ascribed thereto in the *Business Corporations Act* (Alberta).

“**Business Days**” has the meaning ascribed thereto in the Forbearance Agreement.

“**Exercise Period**” has the meaning ascribed thereto in Section 2.2(a)(ii).

“**Parties**” shall mean the parties to this Agreement and its successors and permitted assigns, and each a “Party”.

“**ROFR**” means the right of first refusal granted by Kovo+ to AVI pursuant to Section 2.1(a).

“**ROFR Notice**” has the meaning ascribed thereto in Section 2.2(a)(i).

“**ROFR Term**” has the meaning set forth in Section 2.3(a).

“**Specified Assets**” shall include: (i) any and all revenue cycle management and credentialing services businesses or assets of Kovo+, including without limitation, the equity securities of any direct or indirect wholly-owned subsidiaries of Kovo+ operating such businesses or owning such assets, which shall include, for greater certainty, all issued and outstanding member interests of HEAL Medical Billing, LLC; and (ii) the equity securities or assets of AI Vector 2.0, Inc.

“**Third Party**” means a person other than Kovo+ or any of its downstream Affiliates.

“**Third Party Offer**” has the meaning ascribed thereto in Section 2.2(a)(i).

“**Third Party Offeror**” has the meaning ascribed thereto in Section 2.2(a)(i).

ARTICLE 2
GRANT OF RIGHT OF FIRST REFUSAL

2.1 Grant of ROFR

(a) Kovo+ hereby irrevocably grants to AVI, or an Affiliate or nominee designated by AVI, the ROFR on the terms and conditions set forth herein.

(b) Kovo+ shall cause each of its direct and indirect subsidiaries to comply with the terms of this Agreement and shall not permit any such subsidiary to sell, transfer, assign, convey or otherwise dispose of, directly or indirectly, any Specified Assets except in accordance with the terms of this Agreement.

2.2 Terms of ROFR

(a) If at any time during the ROFR Term Kovo+ or any of its direct or indirect subsidiaries receives, solicits or proposes to accept a *bona fide* written offer from a Third Party, or negotiates or proposes to enter into any agreement, arrangement or understanding with a Third Party, in each case providing for the direct or indirect sale, transfer, assignment, conveyance or other disposition of any Specified Assets, whether in a single transaction or a series of related transactions, including by way of a merger, amalgamation, business combination, change of control, sale of equity interests or other substantially similar transaction, then:

(i) Kovo+ shall promptly deliver to AVI written notice of the proposed transaction (the “**ROFR Notice**”), together with a complete and unredacted copy of the *bona fide* written offer and all related agreements, term sheets, side letters and other documents setting out or affecting its terms (collectively, the “**Third Party Offer**”), including the identity of the person making the Third Party Offer (the “**Third Party Offeror**”), the Specified Assets proposed to be acquired, the purchase price and other consideration, the proposed closing date and all other material terms and conditions. Kovo+ shall certify that the ROFR Notice contains a complete and accurate description of all terms of the Third Party Offer and that there are no other agreements, arrangements or understandings with the Third Party Offeror affecting the proposed transaction;

(ii) AVI shall have the right, exercisable by written notice to Kovo+ within fifteen (15) days after receipt of the ROFR Notice (the “**Exercise Period**”), to elect to purchase the applicable Specified Assets on the same terms and conditions as set forth in the Third Party Offer. If any consideration under the Third Party Offer is non-cash, contingent, deferred, consists of assumed liabilities or rollover equity, or includes any term that is personal or unique to the Third Party Offeror and cannot reasonably be replicated by AVI, its Affiliate or nominee, AVI may satisfy or replace that consideration or term with its cash equivalent or other economically equivalent consideration or term, as applicable. Any dispute concerning economic equivalence shall be submitted to an independent valuator mutually selected by the Parties, whose determination shall be final and binding, and the Exercise Period and applicable closing period shall be extended pending that determination;

(iii) If AVI timely exercises the ROFR, a binding agreement for the purchase of the applicable Specified Assets shall arise on the terms set out in the Third Party Offer, subject only to such customary modifications as are reasonably necessary to reflect AVI, its Affiliate or nominee as purchaser. The Parties shall promptly execute a definitive purchase agreement documenting those terms. Closing shall occur within sixty (60) days after AVI’s exercise notice, subject to automatic extension for any period reasonably required to obtain applicable regulatory, shareholder or third-party approvals and for any delay caused by Kovo+, any of its subsidiaries or the Third Party Offeror; and

(iv) If AVI does not exercise the ROFR within the Exercise Period, Kovo+ may complete the transaction with the Third Party Offeror within ninety (90) days after expiry of the Exercise Period (subject to automatic extension for any period reasonably required to obtain applicable regulatory, shareholder or third-party approvals), but only on terms that are not more favourable, individually or in the aggregate, to the Third Party Offeror than those disclosed in the ROFR Notice. Any material amendment to the proposed transaction, any reduction in the purchase price or other consideration, any improvement in the terms offered to the Third Party Offeror, or any failure to complete the transaction within that ninety (90)-day period shall constitute a new Third Party Offer subject to the ROFR.

(b) Kovo+ retains the full right to solicit, negotiate and discuss prospective transactions regarding its business with Third Parties without prior notice to AVI. The ROFR shall have no application to, and shall not be triggered by: (i) an internal reorganization or transfer of Specified Assets to a direct or indirect wholly-owned subsidiary of Kovo+, provided that (A) the transferee remains a direct or indirect wholly-owned subsidiary of Kovo+, (B) the transferred Specified Assets remain subject to this Agreement, and (C) Kovo+ remains responsible for causing the transferee to comply with this Agreement, and any subsequent disposition of the transferred Specified Assets or of any equity interest in the transferee shall be subject to the ROFR; (ii) equity financing transactions that do not result in a direct or indirect disposition of any Specified Assets or a change of control of Kovo+ or any direct or indirect subsidiary that owns any Specified Assets; (iii) mergers, amalgamations, business combinations or similar transactions where Kovo+ maintains direct or indirect control of the resulting entity and no Specified Assets are disposed of to a Third Party; or (iv) any insolvency transaction or proceeding approved in writing by AVI, in its capacity as senior secured creditor.

(c) The Parties acknowledge and agree that the grant of the ROFR by Kovo+ to AVI constitutes a "related party transaction" pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). Kovo+ agrees, as soon as practicable, to seek the minority approval required under MI 61-101 and any other required shareholder approval at a duly called special meeting of shareholders (the "**Special Meeting**") to be held in connection with the transactions contemplated by the Forbearance Agreement, together with any other regulatory or stock exchange approvals required in connection with the grant or exercise of the ROFR (collectively, the "**Necessary Approvals**"). The Parties acknowledge that the grant and exercise of the ROFR may be subject to the Necessary Approvals. Kovo+ shall use commercially reasonable efforts to obtain the Necessary Approvals as soon as practicable. Pending receipt of the Necessary Approvals, Kovo+ shall not, and shall cause each of its direct and indirect subsidiaries not to, complete any transaction involving the Specified Assets other than in accordance with this Agreement. If Kovo+ delivers a ROFR Notice before receipt of the Necessary Approvals, the Exercise Period shall be extended until the date that is five (5) Business Days after AVI receives written notice that the Necessary Approvals have been obtained. The receipt of the Necessary Approvals shall not limit or otherwise affect AVI's rights under this Agreement or the Forbearance Agreement.

(d) Nothing in this Agreement limits, amends or waives any right or remedy of AVI under the Forbearance Agreement, the Loan Documents or the Security, and AVI's exercise or non-exercise of the ROFR shall not constitute any such limitation, amendment or waiver.

(e) Notwithstanding the foregoing, nothing herein shall prevent AVI, on its own behalf or on behalf of its Affiliate or nominee, from making a *bona fide* offer to Kovo+ to purchase any of the Specified Assets at any time and from time to time.

2.3 Term of ROFR

The ROFR shall remain in effect until:

(a) the later of: (i) two (2) years from the date hereof, and (ii) the date on which all indebtedness, liabilities and obligations owing to AVI under or in connection with the Loan Documents, the Forbearance Agreement and the Security have been indefeasibly paid and satisfied in full and the Security has been discharged (the "**ROFR Term**"); or

(b) such earlier date on which the Parties mutually agree in writing that this Agreement shall be terminated.

ARTICLE 3
MISCELLANEOUS

3.1 Assignment

Kovo+ may not assign this Agreement or any of its rights or obligations hereunder without the prior written consent of AVI. AVI may, without notice to or consent of Kovo+, assign this Agreement and the ROFR, in whole or in part, to any Affiliate or nominee of AVI or to any assignee or transferee of all or any portion of the indebtedness, the Loan Documents or the Security.

3.2 Governing Law

This Agreement shall be construed and enforced in accordance with the Laws of the Province of Alberta and the Laws of Canada applicable thereto.

3.3 Further Assurances

Each Party will, from time to time and without further consideration, do such further acts and deliver all such further assurances, deeds and documents as shall be reasonably required in order to fully perform and carry out the terms of this Agreement.

3.4 Waiver

The failure by any Party to insist on the strict performance of any of the provisions of this Agreement or to take advantage of any of the rights hereunder, shall not be construed as a waiver of any such provisions or relinquishment of any such rights, but the same will continue in full force and effect.

3.5 Enurement

This Agreement shall be binding upon and enure to the benefit of the respective successors and permitted assigns of the Parties.

3.6 Entire Agreement

This Agreement supersedes all other agreements, documents, writings and verbal understandings among the Parties relating specifically to the ROFR and expresses the entire agreement of the Parties with respect to the ROFR. For greater certainty, this Agreement does not supersede, amend or limit the Forbearance Agreement, the Loan Documents or the Security.

3.7 Equitable Remedies

The Parties acknowledge that a breach of this Agreement may cause irreparable harm for which damages would not be an adequate remedy. Accordingly, AVI shall be entitled to seek specific performance, injunctive relief and other equitable remedies to enforce this Agreement, without prejudice to any other rights or remedies available to AVI at law or in equity.

3.8 Counterparts

This Agreement may be executed by the Parties in counterparts and all such counterparts shall together constitute one and the same agreement. An electronic pdf copy of this Agreement containing the signature of a Party (including by way of DocuSign) will be deemed to be an originally signed document.

[Signature Page Follows]

IN WITNESS OF WHICH the Parties have executed and delivered this Agreement as of the date first above written.

KOVO+ HOLDINGS INC.

Per: Signed "*Chris Burch*"
Name: Chris Burch
Title: CEO
I have authority to bind the Corporation

AVONLEA VENTURES #2 INC.

Per: Signed "*Michael Steele*"
Name: Michael A. Steele
Title: President
I have authority to bind the Corporation

SCHEDULE "C"

SECTION 191 OF THE BUSINESS CORPORATIONS ACT (ALBERTA)

Shareholder's right to dissent

191(1) Subject to sections 192 and 242, a holder of shares of any class of a corporation may dissent if the corporation resolves to:

(a) amend its articles under section 173 or 174 to add, change or remove any provisions restricting or constraining the issue or transfer of shares of that class;

(b) amend its articles under section 173 to add, change or remove any restrictions on the business or businesses that the corporation may carry on;

(b.1) amend its articles under section 173 to add or remove an express statement establishing the unlimited liability of shareholders as set out in section 15.2(1);

(c) amalgamate with another corporation, otherwise than under section 184 or 187;

(d) be continued under the laws of another jurisdiction under section 189; or

(e) sell, lease or exchange all or substantially all its property under section 190.

(2) A holder of shares of any class or series of shares entitled to vote under section 176, other than section 176(1)(a), may dissent if the corporation resolves to amend its articles in a manner described in that section.

(3) In addition to any other right the shareholder may have, but subject to subsection (20), a shareholder entitled to dissent under this section and who complies with this section is entitled to be paid by the corporation the fair value of the shares held by the shareholder in respect of which the shareholder dissents, determined as of the close of business on the last business day before the day on which the resolution from which the shareholder dissents was adopted.

(4) A dissenting shareholder may only claim under this section with respect to all the shares of a class held by the shareholder or on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

(5) A dissenting shareholder shall send to the corporation a written objection to a resolution referred to in subsection (1) or (2).

(a) at or before any meeting of shareholders at which the resolution is to be voted on; or

(b) if the corporation did not send notice to the shareholder of the purpose of the meeting or of the shareholder's right to dissent, within a reasonable time after the shareholder learns that the resolution was adopted and of the shareholder's right to dissent.

(6) An application may be made to the Court after the adoption of a resolution referred to in subsection (1) or (2),

(a) by the corporation; or

(b) by a shareholder if the shareholder has sent an objection to the corporation under subsection (5), to fix the fair value in accordance with subsection (3) of the shares of a shareholder who dissents under this section, or to fix the time at which a shareholder of an unlimited liability corporation who dissents under this section ceases to become liable for any new liability, act or default of the unlimited liability corporation.

(7) If an application is made under subsection (6), the corporation shall, unless the Court otherwise orders, send to each dissenting shareholder a written offer to pay the shareholder an amount considered by the directors to be the fair value of the shares.

(8) Unless the Court otherwise orders, an offer referred to in subsection (7) shall be sent to each dissenting shareholder:

(a) at least 10 days before the date on which the application is returnable, if the corporation is the applicant; or

(b) within 10 days after the corporation is served with a copy of the application, if a shareholder is the applicant.

(9) Every offer made under subsection (7) shall:

(a) be made on the same terms; and

(b) contain or be accompanied with a statement showing how the fair value was determined.

(10) A dissenting shareholder may make an agreement with the corporation for the purchase of the shareholder's shares by the corporation, in the amount of the corporation's offer under subsection (7) or otherwise, at any time before the Court pronounces an order fixing the fair value of the shares.

(11) A dissenting shareholder:

(a) is not required to give security for costs in respect of an application under subsection (6); and

(b) except in special circumstances must not be required to pay the costs of the application or appraisal.

(12) In connection with an application under subsection (6), the Court may give directions for:

(a) joining as parties all dissenting shareholders whose shares have not been purchased by the corporation and for the representation of dissenting shareholders who, in the opinion of the Court, are in need of representation;

(b) the trial of issues and interlocutory matters, including pleadings and questioning under Part 5 of the Alberta Rules of Court;

(c) the payment to the shareholder of all or part of the sum offered by the corporation for the shares;

(d) the deposit of the share certificates with the Court or with the corporation or its transfer agent;

(e) the appointment and payment of independent appraisers, and the procedures to be followed by them;

(f) the service of documents; and

(g) the burden of proof on the parties.

(13) On an application under subsection (6), the Court shall make an order:

(a) fixing the fair value of the shares in accordance with subsection (3) of all dissenting shareholders who are parties to the application;

(b) giving judgment in that amount against the corporation and in favour of each of those dissenting shareholders;

(c) fixing the time within which the corporation must pay that amount to a shareholder; and

(d) fixing the time at which a dissenting shareholder of an unlimited liability corporation ceases to become liable for any new liability, act or default of the unlimited liability corporation.

(14) On

(a) the action approved by the resolution from which the shareholder dissents becoming effective;

(b) the making of an agreement under subsection (10) between the corporation and the dissenting shareholder as to the payment to be made by the corporation for the shareholder's shares, whether by the acceptance of the corporation's offer under subsection (7) or otherwise; or

(c) the pronouncement of an order under subsection (13),

whichever first occurs, the shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of the shareholder's shares in the amount agreed to between the corporation and the shareholder or in the amount of the judgment, as the case may be.

(15) Subsection (14)(a) does not apply to a shareholder referred to in subsection (5)(b).

(16) Until one of the events mentioned in subsection (14) occurs,

(a) the shareholder may withdraw the shareholder's dissent; or

(b) the corporation may rescind the resolution,

and in either event proceedings under this section shall be discontinued.

(17) The Court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder, from the date on which the shareholder ceases to have any rights as a shareholder by reason of subsection (14) until the date of payment.

(18) If subsection (20) applies, the corporation shall, within 10 days after

(a) the pronouncement of an order under subsection (13); or

(b) the making of an agreement between the shareholder and the corporation as to the payment to be made for the shareholder's shares,

notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.

(19) Notwithstanding that a judgment has been given in favour of a dissenting shareholder under subsection (13)(b), if subsection (20) applies, the dissenting shareholder, by written notice delivered to the corporation within 30 days after receiving the notice under subsection (18), may withdraw the shareholder's notice of objection, in which case the corporation is deemed to consent to the withdrawal and the shareholder is reinstated to the shareholder's full rights as a shareholder, failing which the shareholder retains a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.

(20) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that:

(a) the corporation is or would after the payment be unable to pay its liabilities as they become due; or

(b) the realizable value of the corporation’s assets would by reason of the payment be less than the aggregate of its liabilities.