

In the Matter of the Lotus Ventures Inc.

Statement of Estimated Realization (rounded)

Bankruptcy vs. Proposal

Schedule "A"

	Proposal	Bankruptcy
ESTIMATED RECEIPTS		
Cash In Bank	\$ -	\$ -
Accounts Receivable	-	25,000
Inventory - Net Cost of Disposal	-	40,000
Equipment , Furniture and Fixtures	-	20,000
Real Property - Production Facility		1,564,630
Proposal Fund Payments		
Set Payments	2,350,000	-
Trustee Payments	288,750	
Total Estimated Receipts	\$ 2,638,750	\$ 1,569,630
ESTIMATED DISBURSEMENTS		
Trustee's Fees (including those of the Trustee's Legal Counsel)	275,000	200,000
GST on Above	13,750	
Total Estimated Disbursements	\$ 288,750	\$ 200,000
AVAILABLE FOR DISTRIBUTION	\$ 2,350,000	\$ 1,369,630
Preferred Creditors (Note 1)	-	24,000
General Creditors	2,350,000	1,345,630
	\$ 2,350,000	\$ 1,369,630
Claims of General Creditors claiming pro rata share (Note 2)	\$ 4,846,500	\$ 4,894,500
Estimated % Dividend (Note 3)	48%	27%

Notes:

1. There are no expected claims from employees within the Proposal. However, it is assumed that at any specific time wages and vacation pay will be accruing, which may for preferred claims under a bankruptcy scenario.
2. Additional unsecured creditors are assumed under the bankruptcy scenario due to employee severance costs.
3. The estimated dividend does not take into account the 5% levy payable to the Superintendent of Bankruptcy which is payable on all dividends. The levy is payable in either a proposal or bankruptcy.