

From the desk of Gaydon Leavitt  
January 8th, 2026  
St. George, Utah

Dear Shareholders,

Well, it has been a while since you have heard from me personally. Most of you probably have the same common questions...

What happened to G?

Is he coming back?

Should we be worried?

For personal medical reasons, I am currently unable to do the majority of the tasks of the CEO role. Is there a happy ending to this story? No, at least not yet.

The goal was always to return to an executive role, only if I knew I could do it well and thereby do well for shareholders via the quality of my work. With that said, I remain out.

I won't be doing a deep dive into my health, as I prefer not to, and ask you all to respect my decision. The real meaningful point here isn't the details of my health but rather, in light of the realities of my health, I am recommending that Toolbox hire a new CEO immediately. I feel this is an important step, as I am unable and Christopher cannot dedicate enough time, even though the work he does is highly effective. I will, of course, remain chairman of the board of directors and will attend all board meetings and do everything in my power to help the company however possible.

It would really be a dual-CEO situation for the first year. Christopher will presumably take more of the administrative tasks while the CEO can handle: team, training, hiring, deal negotiations, etc.

My personal stance is that hiring a new CEO is paramount right now, and should be prioritized above all else. Including but not limited to... everything single other thing.

I would like to alert you to Christopher and his heroics. What you don't realize is that I fired the entire bookkeeping/finance staff and was in the process of interviewing new hires when I went down (on medical leave). So, in fact, when Christopher took over, he did so without any bookkeeping/finance staff and still doesn't have any - he does it himself with our operations team helping. Mind-blowing. He has never complained and has delivered for the team miraculously.

We are currently still working on the deals Christopher alluded to in last quarter's newsletter. Nothing is signed yet, but the deal that could potentially result in liquidity for shareholders is close to terms and I expect them by Feb 1st. I am going to let Christopher report on that in his newsletter, which he will do when he has some docs, deal updates, and other items for you (likely February 1 or so). I would hope that he has all the other updates, data room, and documents for everyone at that time, but again, he has so much to do alone; it is staggering. We had to clean up a lot of bookkeeping stuff from the previous staff, not an uncommon thing. I know you want what

you want, and you want it now. However, I am extremely happy with his performance and what he has been able to deliver.

The exits Christopher mentioned in the previous newsletter are still hanging in the balance, and some are up for grabs here in Q1. More on that a little later.

Below are updates by category:

#### **- 2026 Exits -**

Exits. We want to exit or prepare to exit everything that we possibly can in 2026 (part of that is our perception of market timing). I think we can exit around 5 positions we are in this year, and 3 of them could happen in the first quarter.

There are at least \$10M in exits that we have on hand, and our hope is to accomplish all of them this year. Not a guarantee, a goal.

In the first quarter of this year, I expect to have an exit. Should end up with a couple of million net there. Others should follow as the year progresses.

#### **- The Fund Department -**

Our fund department remains the focus for the majority of the staff, excluding our technology team. All our cash flow is being generated from this department, the inconsistent and the consistent. In this department, we start and run our own funds where investors can put their money, and our funds are designed to produce double-digit returns per year for investors.

Currently, the gold funds we have are the main focus. 2025 was the year for us to focus on gold, and we believe we have laid the foundation to build a multi-million dollar empire there. Not without major sacrifices and challenges. However, we seem to be past most of those things and now control our supply chain for gold sourcing much more than we ever have. Most of the end-buyers of the gold we broker or purchase are ultimately banks in the UAE (Abu Dhabi and Dubai).

Gold was so much more profitable on paper than was our previously established currency trading division (forex), so we parlayed our investors into gold funds, and so far, they have preferred that move as have we.

If anyone wants to look at what we are doing with gold, you can visit our website at [gold.scaleau.com](http://gold.scaleau.com)

We remain able and willing to set up funds (for all types of purposes) for our entrepreneurial business (GP) partners who have a vision for how a fund could change their financial life.

#### **- Technology Department -**

Our tech department remains the supporting factor of everything else we do and is the largest department by staff count. Returns in tech are mostly based on startups exiting and are the most

inconsistent types of deals (as you know, about 1 in 10 succeed on average). However, the tech department is a key feature in terms of being able to scale everything else we do.

- We completed an automation system that can automate any law firm and their contracts.
- We completed a portal where business people can build and track their financial empire in unique ways we have not been able to in the past.
- We completed a completely unique HR platform build for Fortune 500 organizations.

Generally, we have tried to change the tech department over the last 2 years to be “less is more” and to shut down what doesn’t produce and put more effort into things we believe more strongly in.

We used to measure the tech department by how many new deals we start. We don’t do that anymore and haven’t done that in about 18 months. It is more about (1) potency and whether we think we have 1 or 2 things that could go big, and (2) how the tech department supports the overall EBITDA initiative. As you likely know, tech deals almost never create EBITDA in the traditional sense; they usually only create EBITDA through exits. However, our tech department is also a support system for all other departments, which aids in EBITDA creation.

Artificial Intelligence, while the hot button and catch phrase of 2025, is still the wild wild west (for us) with lots of speculation as to where we may fit in. Currently, our belief is that adding AI to projects we have already built is the main thing, and we intend to keep the main thing, the main thing.

With that said, we are open to any AI projects coming our way that we can get passionate about and see an ROI on within the first 3 months of launch. This is our approach for all new tech deals: “Can we turn a profit of any kind, just 3 months from now?” and we stick to that as a rule of thumb.

#### **- Outlook -**

In my opinion, this year is going to be a breakout year for Toolbox mainly because of the potential exits that I spoke of, and support from having a great team with our gold operation hitting critical mass.

With that said, most of the early investors (who came in around the beginning) are tired and want to get out. I feel the same way. Originally, I only planned on doing this for 5 years and I will be the first to acknowledge that staying in for longer isn’t always fun. However, things like market crashes, COVID, banking crises, and other macro-economic forces were extremely painful for us (as I am sure they were for your businesses). I was not prepared to start the company of my dreams, knowing those tsunami waves were about to hit. I probably would have waited, had I known beforehand, but the journey and the learnings have been deep and tremendous. I would say our progress is more like we are 3 years in, and I have 2 more years to go, and then we will hit the spot that I am proud of. That is my outlook anyway, no real way of quantifying the future, of course.

Some have emailed to request cancellations of their subscription, which you can do. They will be handled when the board is able to accommodate your request, based on liquidity, and on a majority board vote.

For those who like the ride, in my opinion it has some bright spots going forward.

### **- EBITDA Initiative -**

Exits will generally influence EBITDA as much or more than anything else, in my opinion. In terms of the consistent EBITDA initiatives that we have been building the last 18 months, the build process was horribly difficult, but we are past all that really challenging up-front lift that so many never make it past.

Last year, we didn't turn exits in Q4 or realize consistent EBITDA creation before year-end so it ultimately became a "preparation year" for most of the deals we have in play. However, without it, we would not be well positioned for this year (having gone through the process I just mentioned).

In my opinion, we will do about \$16M in EBITDA this year in the gold space (and maybe a couple of other small fund-oriented related ventures). My opinion is that it should be over \$1M per month from the gold space starting sometime around the end of Q1. All the work we put in over the last year should yield that result from everything that I can see/predict/analyze right now. Obviously, we have several dependencies that have to go as planned in order for that to happen, just like any other business or fund we have. Add any (potential) exits to that result in our gold operation, and in my opinion, it would be the best year yet.

Other funds (besides gold) can play a BIG factor in how we end up in 2026. We have a new vertical planned for 2026 (common to add one per year for us) and can move into several others, if we have the bandwidth.

The #1 factor as to how much money we make in the fund department is access to investor capital. The more money we raise for gold, for example, the faster we multiply EBITDA (because we already built the model, infrastructure, and team). Each new vertical in the fund department requires new investor capital to launch. Hence, this is a major factor in how our year ultimately plays out and whether our expectations play out like we have them planned.

Many factors play into EBITDA creation, such as: new hires, commissions, additional compliance, increased legal work, and many other factors. However, this version I gave you is the simplest version I can share that boils it all down to the bare facts and what I think ultimately will matter end of the year 2026.

### **- Team -**

Since I took over operations in June of 2024, I have made hundreds of improvements and optimizations and spent hundreds of hours in training with our leaders. We have the best team we have ever had, but we also have the smallest team we have ever had, and that is not by accident. However, we do need some more help, but small amounts of quality help.

(Remember the CEO hire, which will be the #1 focus until it is complete)

We are also hiring a position in the bookkeeping / finance team. We can always use more talent on the capital raising team for our fund department. No other hires are planned at this time.

**- Contact -**

If the executives or board can help you with anything, just email - [board@toolboxos.com](mailto:board@toolboxos.com)

**- Thank You -**

I thank all of you for your prayers during this time and appreciate your patience with the company as we process this transition. I will leave you to Christopher to take it from here, and hopefully, soon will introduce you to a new CEO.

- G