



No. S-226284
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

VANCOUVER CITY SAVINGS CREDIT UNION

Petitioner

AND:

**CEDAR ROAD BIOENERGY INC.
SUNCURRENT INDUSTRIES INC.
PAUL LIDDY**

Respondents

**IN THE MATTER OF THE RECEIVERSHIP OF THE ASSETS AND PROPERTY OF
CEDAR ROAD BIOENERGY INC.**

**FIRST REPORT OF
THE COURT-APPOINTED RECEIVER AND MANAGER,
D. MANNING & ASSOCIATES INC.**

DECEMBER 6, 2022

**D. MANNING & ASSOCIATES INC.
COURT-APPOINTED RECEIVER AND MANAGER OF THE
ASSETS AND PROPERTY OF
CEDAR ROAD BIOENERGY INC.
Suite 520 – 625 Howe Street
Vancouver, B.C. V6C 2T6
(604) 683-8030, Fax (604) 683-8327
www.manning-trustee.com**

BACKGROUND

This is the First Report of D. Manning & Associates Inc. (the “**Receiver**”), in its capacity as Court-Appointed Receiver Manager of the assets and property of Cedar Road Bioenergy Inc. (the “**Company**”),

The Receiver was appointed by an Order of Mr. Justice Tammen of the Supreme Court of British Columbia on August 4, 2022, under Action No. S-226284 (Vancouver Registry), on the application of Vancouver City Savings Credit Union (“**Vancity**”), the primary secured creditor. A copy of the entered Order is attached as **Exhibit “A”** (the “**Receivership Order**”).

Prior to the Receivership Order, the Company operated a business on a landfill site in Nanaimo, British Columbia owned by the Regional District of Nanaimo (“**RDN**”). These lands are legally described as:

PID: 013-239-813
Lot 1, Sections 2 and 3, Nanaimo District
Plan 48020, Except Part in plan VIP 66090

(the “**Lands**”).

The Company’s business involved operating a facility on the Lands to harvest methane gas and convert it into electricity which was ultimately sold to third parties. The Company’s business was interrupted by labour shortages and material and equipment supply chain delays. The Company is no longer operating and the Receiver has taken steps to market and make available for sale the Company’s assets.

For over one year prior to the Receiver’s appointment, the Company’s business had neither operated nor generated any revenue, with only a minor profit reported in 2020. It was noted that the Company’s principal, Mr. Paul Liddy, had been making efforts to offer the business for sale, without any success during that time.

The following is a report on the Receiver’s initial actions and the offers and proposals received by the Receiver of the Company’s assets.

INITIAL ACTIONS

The Receiver attended the Lands on August 8, 2022 and took possession of the Company’s Assets, consisting of the following:

- 1) Agreements between the Company and RDN facilitating and permitting the operation of the Company’s business on the Lands (the “**RDN Agreements**”);
- 2) An electricity supply agreement between the Company (as supplier) and B.C. Hydro (as third party purchaser);
- 3) GE Jenbacher Engines/Generator Set (x2) + 40” HC standard shipping containers for Engine Housing (x2) + Generator Spare Parts

- 4) Interconnect Cabinet;
 - 5) Gas Booster, Gas Conditioner Skid, Dehydration Unit;
 - 6) Double Membrane Gas Holder;
 - 7) Distribution Substations;
 - 8) Spare Parts & 1 Storage Container (HC 40' Sea Can);
 - 9) Office & 1 Storage Container (HC 40' Sea Can);
 - 10) Spare Storage Containers (x3) and p (HC 49' Sea Cans);
- (collectively, the "**Assets**").

Other initial actions of the Receiver in taking possession of the Assets included:

- Taking photographs and videos of the Assets;
- Preparing and filing a Form 87, Notice and Statement of Receiver and Manager;
- Binding insurance coverage with FCA Insurance Brokers;
- Obtaining a draft of the balance (\$2,049.51) in the Company's account at Coastal Community Credit Union;
- Preparing a list of creditors;
- Issuing the Receiver and Manager's Certificate #1 for borrowings in the amount of \$27,552.28;
- Setting up the Receiver's Goods and Services Tax ("**GST**") account with Canada Revenue Agency ("**CRA**").

At the time the Receiver took possession of the Assets, there were no employees and no prospect of attempting to fund reopening the Company's business. Mr. Paul Liddy had expressed the view that the time for burning methane gas from a landfill facility to generate electricity had perhaps come and gone, and alternative gas processing options may now be more viable.

The Receiver identified the option of selling the Assets altogether to a purchaser such that the purchaser could reopen and operate a business similar to one the Company had previously run. The Receiver also identified the option of selling the Assets separately, or in any combination potential purchasers may wish.

The Receiver also considered a share offering to sell the Company's shares to a power generator, for tax loss purposes, however it quickly became apparent that the scale of the debt taken on by the Company would make that idea unworkable for any prospective purchaser.

VALUATION PROCESS FOR THE ASSETS

Given the unique and specialized nature of the Assets, the Receiver was unable to identify a venue to engage a valuator qualified to assess the Company's business or provide a valuation for its Assets.

With this knowledge, and the fact that the nature of this business is very specialized, the Receiver chose to offer the Assets publicly for sale using a sales process to solicit offers for the Assets to be purchased either *en bloc* or in parcels.

INFORMATION PACKAGE

An Information Package offering the Assets of the Company for sale, including both the physical assets and intangible assets (including the RDN Agreements), was prepared and published dated August 29, 2022. (the "Information Package"). The Information Package included an offer deadline of September 27, 2022. The Information Package is attached as **Exhibit "B"**.

The Information Package was provided to a total of 22 parties either identified by Mr. Paul Liddy, by the Receiver (primarily through on-line searches), or to parties that directly contacted the Receiver to request the Information Package. A Confidentiality Agreement was required to review the RDN Agreements and a total of 14 parties signed the Confidentiality Agreement. The list of contacted parties is attached as **Exhibit "C"**.

An advertisement offering the Assets for sale was also placed on the website "Insolvency Insider". Insolvency Insider also publishes a weekly electronic newsletter, distributed to approximately 6,800 professionals in the insolvency industry across Canada. The advertisement was published in the weekly Insolvency Insider electronic newsletter on September 6, 12, 19 and 26, 2022.

The Receiver also posted an advertisement on its website at (www.manning-trustee.com) advertising the Assets of the Company for sale.

IN-PERSON VIEWINGS

In person viewings were scheduled and did so take place at the Lands in Nanaimo between August 28, 2022 and September 27, 2022. The viewings were conducted at the Receiver's request by Mr. Paul Liddy.

OFFERS AND PROPOSALS RECEIVED

The Receiver accepted an offer in respect of the RDN Agreements and the Office & 1 HC 40' Sea Container (the "Offer") on October 5, 2022. While the Offer was accepted by the Receiver, it remains subject to various conditions that require RDN to provide the potential purchaser a series of confirmations and acknowledgements. The Receiver's legal counsel is in the process of discussing the conditions with counsel for RDN and remains in contact with the proposed purchaser to facilitate removal of those conditions.

The Receiver supports the Offer but is unable to seek Court approval at this time as the Offer remains subject to conditions. The Receiver understands RDN is taking steps with a view to removing the conditions. If the conditions in the Offer are lifted, the Receiver intends to make a further Report to the Court and a separate application to have this sale approved.

PROPOSAL - REMAINING ASSETS

TCL Asset Group Inc. (“TCL”)

The Receiver also received a proposal from TCL with respect to the remaining Assets. This proposal offered TCL’s services in conducting a sale on the Receiver’s behalf of the remaining Assets not contained in the Offer by way of auction and a liquidation process (the “Proposal”).

The Receiver conducted discussions with Mr. Terrance Jacobs of TCL and invited him to attend at the Lands on October 17, 2022 in order to inspect the remaining Assets with a view to conducting a sales process. TCL had extensive discussions with Mr. Paul Liddy prior to their attendance on the Lands and the Receiver has provided Mr. Jacobs with documentation that he viewed and requested copies of while on site. TCL provided the Receiver with evidence as to their experience in marketing assets from similar companies and their knowledge/experience with these types of assets.

We also enquired of Mr. Jacobs as to TCL’s interest in selling a Carte International Inc. 3 Phase Transformer, Inc., serial # 23539-0001 (the “Transformer”), that is located off site and which requires payment for outstanding repairs (totalling \$40,296.37 plus costs), if its value exceeds the amount of the unpaid account for repairs. Counsel for Surplec Inc., the creditor holding the Transformer, argues that it holds a Possessory Lien under the laws of Quebec, where the Transformer is located.

The Receiver obtained photographs of the machine (**Exhibit “D”**) from Surplec Inc. and has forwarded them to Mr. Jacobs for his comments and opinion as to sales value. Mr. Jacobs has responded that in his opinion, the Transformer is worth far less than the outstanding repair costs and that there is therefore no equity in the Transformer.

TCL advanced two (2) different options for the Receiver to consider in their Proposal, attached as **Exhibit “E”** to this Report:

- Option 1: Phase 1: Liquidation
 Term: 4-6 months

- Phase 2: Auction
 Term: 1 month

- Option 2: On-Line Auction
 Term: 60 days

The Receiver has summarized its analysis of these two options. It is the Receiver’s opinion that Option 2 has merit, for the reason that there are elaborate security procedures in place at the RDN’s site in Cedar, B.C., which would make bidder access to the site difficult to manage, as

well as the fact that the sales process can be conducted in 60 days rather than a four to six month liquidation followed by a one month auction.

Both Options provide for a similar range of estimated realization. However, Option 2 will be completed within 60 days, with the resulting savings in carrying costs and professional fees.

Vancity has advised that it concurs with the Receiver's recommendation to proceed with Option 2 (On-Line Auction).

The TCL Proposal expired on November 30, 2022, but with an option to extend, which TCL has verbally agreed to.

It is the opinion of the Receiver that selling the remaining Assets at this stage, prior to the conditions in the Offer being lifted, is the optimal course of action. An On-Line Auction will provide any purchaser the options of purchasing items *en bloc*, or bidding on individual items. TCL is familiar with this unique and specialized equipment, and with the marketplace for such equipment.

As of the date of this Report, the Receiver has received no interest from any parties expressing an interest in reopening the business as it was conducted prior to the Receivership Order being granted, with the sole exception of one party from Alberta. The Receiver advised that party to speak to the RDN first and then recontact the Receiver; to date, the Receiver has not heard back from this party.

INTERIM CASH STATEMENT OF RECEIPTS AND DISBURSEMENTS

We attach the Receiver's Interim Statement of Cash Receipts and Disbursements for the period August 4, 2022 to November 18, 2022 as **Exhibit "F"** to this Report, showing a net cash balance of **\$4,317.18** as of November 18, 2022.

RECOMMENDATION FOR ADDITIONAL BORROWINGS

The Receiver recommends increasing the Receiver's borrowing limit from \$100,000 to **\$200,000**, as follows:

Cash in bank account as at November 18, 2022 (excluding deposit funds held in trust)	\$ 4,317.18
Receiver and Manager's fees and disbursements, including GST, for the period ended November 13, 2022	68,606.97
Estimated security costs	1,500.00
Estimated further insurance premiums	6,816.00
Estimated unbilled and further Receiver's fees	25,000.00

Estimated unbilled and anticipated legal costs	40,000.00
Contingency	26,207.57
Receiver and Manager's borrowings to November 18, 2022	<u>27,552.28</u>
Total	<u>200,000.00</u>

Receiver's and Receiver's legal costs are preliminary estimates only, and could change in the event of unforeseen circumstances.

RECEIVER'S RECOMMENDATIONS

The Receiver makes the following recommendations:

- 1) Apply for a Court Order releasing the Receiver's interest in the Transformer to Surplec Inc.;
- 2) Apply for Court approval of the TCL Proposal, Option 2 (On-Line Auction), and enter into a contract with TCL for an On-Line Auction;
- 3) Increase the Receiver's borrowings from \$100,000 to \$200,000;
- 4) Once the conditions are removed in the Offer and a finalized agreement is in place, make a further application to Court to approve the Offer.

Should you have any comments with regard to the above matters, please do not hesitate to bring them forward.

Yours very truly,

D. MANNING & ASSOCIATES INC.
LICENSED INSOLVENCY TRUSTEE
COURT-APPOINTED RECEIVER AND MANAGER
OF THE ASSETS AND PROPERTY OF
CEDAR ROAD BIOENERGY INC.
(not in its personal capacity)


Per: Alex E.H. Ng, LIT, CIRP, President

cc: Heather A. Frydenlund, Owen Bird Law Corporation

EXHIBIT "A"

ORDER APPOINTING RECEIVER
DATED AUGUST 4, 2022



S-226284

No. _____
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

VANCOUVER CITY SAVINGS CREDIT UNION

Petitioner

AND:

CEDAR ROAD BIOENERGY INC.

SUNCURRENT INDUSTRIES INC.

PAUL LIDDY

Respondents

ORDER MADE AFTER APPLICATION

BEFORE THE HONOURABLE)

Mr. JUSTICE Toumoulin)

04/08/2022)

ON THE EX PARTE APPLICATION of the Petitioner, Vancouver City Savings Credit Union, for an Order pursuant to Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and Section 39 of the *Law and Equity Act*, R.S.B.C. 1996 c. 253, as amended (the "LEA") appointing D. Manning & Associates Inc. as Receiver and Manager (in such capacity, the "Receiver") without security, of all of the assets, and property of Cedar Road Bioenergy Inc. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, coming on for hearing this day at Vancouver, British Columbia, by Ms. Teunas.

AND ON READING Affidavit #1 of Frank Seminara sworn August 3, 2022, Affidavit #1 of Gemma Potts sworn August 3, 2022, and the consent of D. Manning & Associates Inc. to act as the Receiver; AND ON HEARING Alan A. Frydenlund QC, counsel for Petitioner, AND ON

HEARING the respondent Paul Liddy on his own behalf and on behalf of the respondent Cedar Road Bioenergy Inc. and Suncurrent Industries Inc., and no one else appearing.

THIS COURT ORDERS AND DECLARES that:

APPOINTMENT

1. Pursuant to Section 243(1) of the BIA and Section 39 of the LEA, D. Manning & Associates Inc. is appointed Receiver, without security, of all of the assets, and property of the Debtor, including all proceeds (the "Property").

RECEIVER'S POWERS

2. The Receiver is empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
 - (a) to take possession of and exercise control over the Property and any and all receipts and disbursements arising out of or from the Property;
 - (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, changing locks and security codes, relocation of Property, engaging independent security personnel, taking physical inventories and placing insurance coverage;
 - (c) to manage, operate and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;
 - (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including, without limitation, those conferred by this Order;
 - (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
 - (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting these amounts, including, without limitation, enforcement of any security held by the Debtor;
 - (g) to settle, extend or compromise any indebtedness owing to the Debtor;
 - (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;

- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtor;
- (j) to initiate, manage and direct all legal proceedings now pending or hereafter pending (including appeals or applications for judicial review) in respect of the Debtor, the Property or the Receiver, including initiating, prosecuting, continuing, defending, settling or compromising the proceedings;
- (k) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver considers appropriate;
- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:
 - (i) without the approval of this Court in respect of a single transaction for consideration up to \$10,000, provided that the aggregate consideration for all such transactions does not exceed \$50,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the individual or aggregate purchase price exceeds the limits set out in subparagraph (i) above,and in each such case notice under Section 59(10) of the *Personal Property Security Act*, R.S.B.C. 1996, c. 359 shall not be required;
- (m) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers, free and clear of any liens or encumbrances;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver considers appropriate on all matters relating to the Property and the receivership, and to share information, subject to confidentiality terms as the Receiver considers appropriate;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if considered necessary or appropriate by the Receiver, in the name of the Debtor;
- (q) to enter into agreements with any licensed insolvency trustee appointed in respect of the Debtor, including, without limitation, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and

- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

3. Each of (i) the Debtor; (ii) all of the Debtor's current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf; and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (collectively, "Persons" and each a "Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Receiver upon the Receiver's request.
4. All Persons, other than governmental authorities, shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (collectively, the "Records") in that Person's possession or control. Upon request, governmental authorities shall advise the Receiver of the existence of any Records in that Person's possession or control.
5. Upon request, all Persons shall provide to the Receiver or permit the Receiver to make, retain and take away copies of the Records and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities, provided however that nothing in paragraphs 4, 5 or 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to solicitor client privilege or statutory provisions prohibiting such disclosure.
6. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by an independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may require including, without limitation, providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

7. No proceeding or enforcement process in any court or tribunal (each, a "Proceeding"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

8. No Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are stayed and suspended pending further Order of this Court; provided, however, that nothing in this Order shall prevent any Person from commencing a Proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such Proceeding is not commenced before the expiration of the stay provided by this paragraph and provided that no further step shall be taken in respect of the Proceeding except for service of the initiating documentation on the Debtor and the Receiver.

NO EXERCISE OF RIGHTS OR REMEDIES

9. All rights and remedies (including, without limitation, set-off rights) against the Debtor, the Receiver, or affecting the Property, are stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that nothing in this Order shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) affect the rights of any regulatory body as set forth in section 69.6(2) of the BIA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien. This stay and suspension shall not apply in respect of any "eligible financial contract" as defined in the BIA.

NO INTERFERENCE WITH THE RECEIVER

10. No Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court. Nothing in this Order shall prohibit any party to an eligible financial contract from closing out and terminating such contract in accordance with its terms.

CONTINUATION OF SERVICES

11. All Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case

that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

12. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever including, without limitation, the sale of all or any of the Property and the collection of any accounts receivable, in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post-Receivership Accounts") and the monies standing to the credit of such Post-Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

EMPLOYEES

13. Subject to the employees' right to terminate their employment, all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities of the Debtor, including any successor employer liabilities as referred to in Section 14.06(1.2) of the BIA, other than amounts the Receiver may specifically agree in writing to pay or in respect of obligations imposed specifically on receivers by applicable legislation, including sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, S.C. 2005, c.47. The Receiver shall be liable for any employee-related liabilities, including wages, severance pay, termination pay, vacation pay, and pension or benefit amounts relating to any employees that the Receiver may hire in accordance with the terms and conditions of such employment by the Receiver.

PERSONAL INFORMATION

14. Pursuant to Section 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5 or Section 18(1)(o) of the *Personal Information Protection Act*, S.B.C. 2003, c. 63, the Receiver may disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor,

and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. Nothing in this Order shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release, or deposit of a substance contrary to any federal, provincial or other law relating to the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination (collectively "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation.
16. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless the Receiver is actually in possession.
17. Notwithstanding anything in federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arises or environmental damage that occurred:
 - (a) before the Receiver's appointment; or,
 - (b) after the Receiver's appointment, unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.
18. Notwithstanding anything in federal or provincial law, but subject to paragraph 17 of this Order, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, if the Receiver complies with the BIA section 14.06(4), the Receiver is not personally liable for the failure to comply with the order and is not personally liable for any costs that are or would be incurred by any Person in carrying out the terms of the order.

LIMITATION ON THE RECEIVER'S LIABILITY

19. The Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except:
 - (a) any gross negligence or wilful misconduct on its part; or
 - (b) amounts in respect of obligations imposed specifically on receivers by applicable legislation.

Nothing in this Order shall derogate from the protections afforded the Receiver by Section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

20. The Receiver and its legal counsel, if any, are granted a charge (the "Receiver's Charge") on the Property as security for the payment of their fees and disbursements, in each case at their standard rates, in respect of these proceedings, whether incurred before or after the making of this Order. The Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to Sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.
21. The Receiver and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are referred to a judge of the Supreme Court of British Columbia and may be heard on a summary basis.
22. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

23. The Receiver is authorized and empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$100,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as the Receiver deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in Sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.
24. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
25. The Receiver is authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.
26. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or

any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

ALLOCATION

27. Any interested party may apply to this Court on notice to any other party likely to be affected for an order allocating the Receiver's Charge and Receiver's Borrowings Charge amongst the Property.

SERVICE AND NOTICE OF MATERIALS

28. The Receiver shall establish and maintain a website in respect of these proceedings at: www.manning-trustee.com (the "Website") and shall post there as soon as practicable:
- (a) all materials prescribed by statute or regulation to be made publicly available, including pursuant to Rule 10-2 of the *Supreme Court Civil Rules*; and,
 - (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.
29. Any Person who is served with a copy of this Order and that wishes to be served with any future application or other materials in these proceedings must provide to counsel for each of the Receiver and the Applicant a demand for notice in the form attached as Schedule B (the "Demand for Notice"). The Receiver and the Applicant need only provide further notice in respect of these proceedings to Persons that have delivered a properly completed Demand for Notice. The failure of any Person to provide a properly completed Demand for Notice releases the Receiver and the Applicant from any requirement to provide further notice in respect of these proceedings until such Person delivers a properly completed Demand for Notice.
30. The Receiver shall maintain a service list identifying all parties that have delivered a properly completed Demand for Notice (the "Service List"). The Receiver shall post and maintain an up-to-date form of the Service List on the Website.
31. Any interested party, including the Receiver, may serve any court materials in these proceedings by facsimile or by emailing a PDF or other electronic copy of such materials to the numbers or addresses, as applicable, set out on the Service List. Any interested party, including the Receiver, may serve any court materials in these proceedings by mail to any party on the Service List that has not provided a facsimile number or email address, and materials delivered by mail shall be deemed received five (5) days after mailing.

32. Notwithstanding paragraph 31 of this Order, service of the Petition and any affidavits filed in support shall be made on the Federal and British Columbia Crowns in accordance with the *Crown Liability and Proceedings Act*, R.S.C. 1985, c.C-50 and its regulations for the Federal Crown and the *Crown Proceedings Act*, R.S.B.C. 1996 c.89 in respect of the British Columbia Crown.
33. The Receiver and its counsel are authorised to serve or distribute this Order, any other orders and any other materials as may be reasonably required in these proceedings, including any notices or other correspondence, by forwarding copies by facsimile or by email to the Debtor's creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of any legal or juridical obligation and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*.

GENERAL

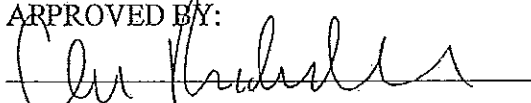
34. Any interested party may apply to this Court to vary or amend this Order on not less than seven (7) clear business days' notice to the Service List and to any other party who may be affected by the variation or amendment, or upon such other notice, if any, as this Court may order.
35. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
36. Nothing in this Order shall prevent the Receiver from acting as licensed insolvency trustee of the Debtor.
37. This Court requests the aid, recognition and assistance of any court, tribunal, regulatory or administrative body having jurisdiction, wherever located, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All such courts, tribunals and regulatory and administrative bodies are respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
38. The Receiver is authorized and empowered to apply to any court, tribunal or regulatory or administrative body, wherever located, for recognition of this Order and for assistance in carrying out the terms of this Order and the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
39. The Petitioner shall have its costs of this motion, up to and including entry and service of this Order, as provided for by the terms of the Petitioner's security or, if not so provided by the [Plaintiff/Applicant]'s security, then on a substantial indemnity basis to be paid by

the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

40. Endorsement of this Order by parties appearing on this application other than the Petitioner is dispensed with.

THE FOLLOWING PARTIES APPROVE OF THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

APPROVED BY:



Signature of Alan A. Frydenlund QC

lawyer for Petitioner

BY THE COURT



DISTRICT REGISTRAR



SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT

\$ _____

1. THIS IS TO CERTIFY that D. Manning & Associates Inc. the Receiver and Manager (the "Receiver") of all of the assets, and properties of Cedar Road Bioenergy Inc. acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Supreme Court of British Columbia (the "Court") dated the ____ day of _____, 2022 (the "Order") made in SCBC Action No. _____ has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily] [monthly] not in advance on the _____ day of each month after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of _____ from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of the Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at _____.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum under this Certificate in respect of which it may issue certificates under the terms of the Order.

DATED the [REDACTED] day of [REDACTED], 2022.

D. Manning & Associates Inc., solely in its capacity as Receiver of the Property, and not in its personal capacity

Per:
Name:
Title:

Schedule "B"

Demand for Notice

TO: Vancouver City Savings Credit Union
c/o Owen Bird Law Corporation
Attention: Alan A. Frydenlund QC
Email:afrydenlund@owenbird.com

AND TO: D. Manning & Associates Inc.
Attention: William Choo
Email: wc@manning-trustee.com

Re: In the matter of the Receivership of CEDAR ROAD BIOENERGY INC.

I hereby request that notice of all further proceedings in the above Receivership be sent to me in the following manner:

- 1. By email, at the following address (or addresses):

OR

- 2. By facsimile, at the following facsimile number (or numbers):

OR

- 3. By mail, at the following address:

Name of Creditor: _____

Name of Counsel (if any): _____

Creditor's Contact Address: _____

Creditor's Contact Phone Number: _____

Action No. [REDACTED]

IN THE SUPREME COURT OF BRITISH
COLUMBIA

BETWEEN:

VANCOUVER CITY SAVINGS CREDIT UNION
Petitioner

- and -

CEDAR ROAD
BIOENERGY INC.

SUNCURRENT
INDUSTRIES INC.

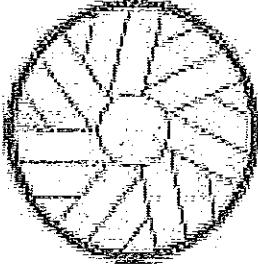
PAUL LIDDY

[REDACTED] Respondents

RECEIVERSHIP ORDER

EXHIBIT "B"

INFORMATION PACKAGE
DATED AUGUST 29, 2022



Cedar Road Bioenergy Inc.

Nanaimo Bioenergy Centre

Ecology

CEDAR ROAD BIOENERGY INC.

NANAIMO, B.C.

INFORMATION PACKAGE

AUGUST 29, 2022

D. MANNING & ASSOCIATES INC.

**COURT-APPOINTED RECEIVER AND MANAGER OF ALL OF THE
ASSETS AND PROPERTY OF CEDAR ROAD BIOENERGY INC.**

SUITE 520 – 625 HOWE STREET
VANCOUVER, B.C., CANADA V6C 2T6

Tel: (604) 683-8030, Fax: (604) 683-8327

www.manning-trustee.com

1. Background

D. Manning & Associates Inc. in its capacity as Court-Appointed Receiver and Manager (“**the Receiver and Manager**”) of all of the Assets and Property of Cedar Road Bioenergy Inc. (“**the Company**”), is inviting offers or listing proposals to purchase its right, title, and interest in certain of the Assets of the Company.

The Company is a clean energy company based in Nanaimo, British Columbia, that is permitted to utilize bioenergy as a feed stock for conversion into electricity and renewable natural gas.

D. Manning & Associates Inc. is soliciting offers or listing proposals for the purchase of certain of the Assets of the Company. Offers or listing proposals should be submitted to the Receiver and Manager on or before **4:00 p.m. Pacific Time, on Tuesday, September 27, 2022**, using the Offer to Purchase form attached as **Appendix C**.

Parties interested in restarting operations at the current location may be subject to certain requirements of Regional District of Nanaimo, 6300 Hammond Bay Road, Nanaimo, B.C. V9T 6N2, Attention: Mr. Ben Routledge, Manager Solid Waste Services, as well as B.C. Hydro & Power Authority, details available on request.

A Confidentiality Agreement has been prepared for the purposes of this offering, interested parties, including any third parties or nominees, are required to execute and provide a copy or copies, as applicable, to The Receiver and Manager, Attention Don Manning, CIRP, in order to receive particulars of this offering prior to receiving this offering document as well as any available documents that The Receiver and Manager may be in a position to provide for review.

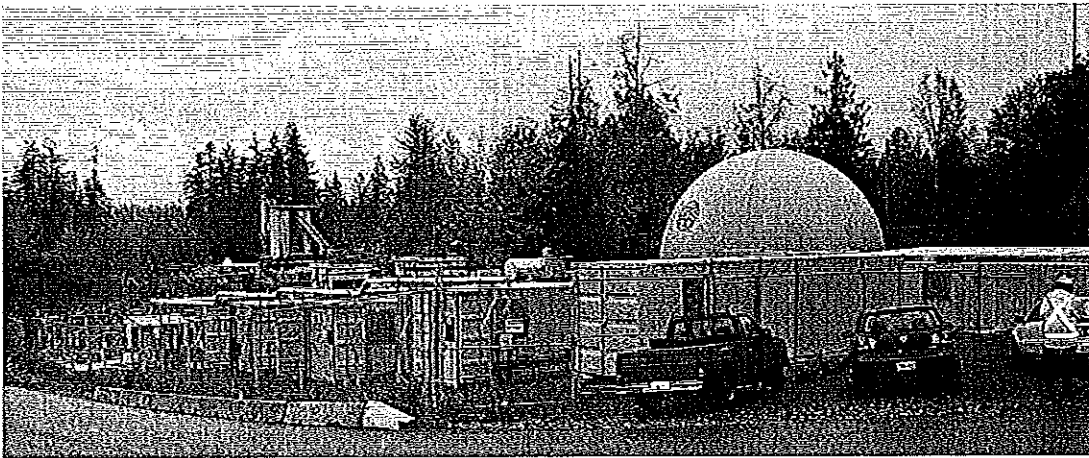
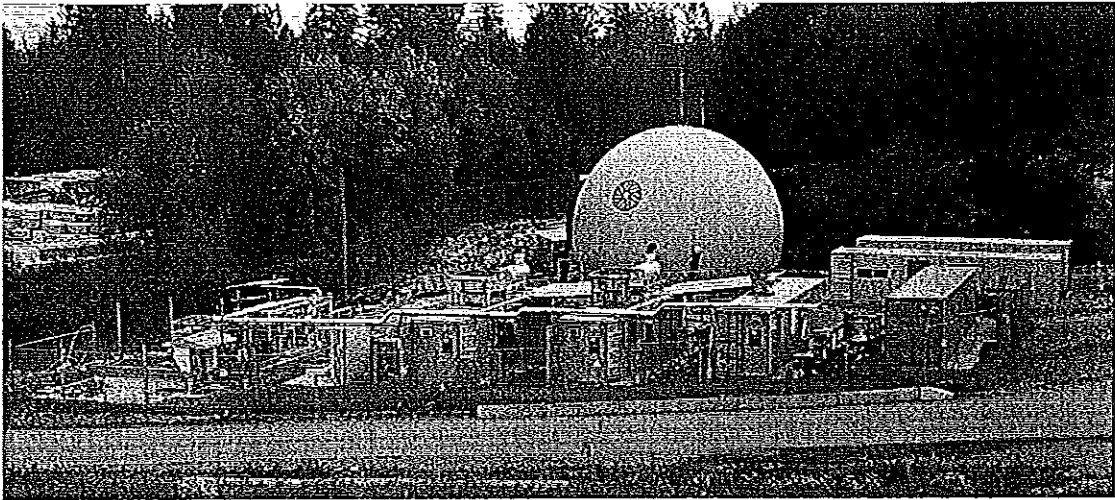
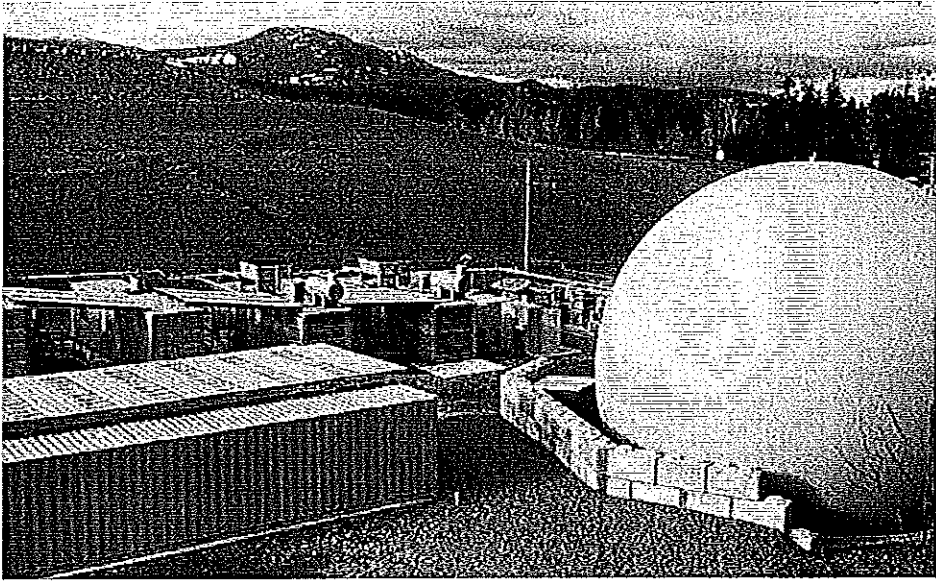
All offers or listing proposals are subject to the approval of the Supreme Court of British Columbia (“**the Court**”). The highest, or any offer or listing proposal, will not necessarily be accepted. The Receiver and Manager reserves the right to enter into a sales agreement with a prospective purchaser subsequent to the deadline for submission of offers as outlined above.

Attached are the following appendices:

Appendix A List of Assets for Sale

Appendix B List of Excluded Assets

Appendix C Offer to Purchase



2. Terms and Conditions of Sale

Interested parties are welcomed to submit offers or listing proposals to purchase the right, title and interest in certain Assets using the Offer to Purchase included as **Appendix C**. Offers for the Receiver and Manager's right, title and interest in and to the Assets should be submitted to the office of D. Manning & Associates Inc., marked to the attention of William Choo, to be physically received at the Receiver and Manager's office on or before **4:00 p.m. Pacific Time, on Tuesday, September 27, 2022**, together with a deposit of no less than **15% of the Offer to Purchase** by way of certified cheque, money order or other guaranteed funds made payable to "D. Manning & Associates Inc., in trust". Only offers submitted using the Offer to Purchase form attached as **Appendix C** will be accepted.

The highest, or any offer or listing proposal, will not necessarily be accepted. The Receiver and Manager reserves the right to enter into a sales agreement with a prospective purchaser subsequent to the deadline for submission of offers as outlined above.

If an offer or listing proposal is accepted, the deposit will be applied against the purchase price, and all other deposits will be returned to the unsuccessful offerors.

Where applicable, Goods and Services Tax ("**GST**"), B.C. Provincial Sales Tax, and any other applicable taxes or transfer fees will be borne by the purchaser. The Assets are being sold on an "as is, where is" basis with no representations or warranties provided by the Receiver and Manager whatsoever.

D. Manning & Associates Inc. has prepared this information package solely for parties expressing an interest in certain of the Assets. The information contained in the package is subject to change and may not have been verified by D. Manning & Associates Inc., which does not accept responsibility for the information package's completeness or accuracy, or for any loss arising from its use. Further, D. Manning & Associates Inc. makes no warranty, condition or representation, expressed or implied, as to description, classification, quality, quantity, condition or value of the Assets. Interested parties acknowledge that they are relying on their own inspection, decision and interpretation of data.

The successful offeror must complete the purchase by way of payment for the balance of the purchase price, including applicable taxes, in the form of a certified cheque or bank draft within **10 business days following court approval**, or if a listing proposal is approved by the court, the successful offeror must enter into an agreement to sell with the Receiver and Manager as agent, within **10 business days following court approval**, or such other date as agreed between the Receiver and Manager and the Purchaser.

If an offer or proposal is accepted and is subsequently withdrawn or the offeror fails to

complete the purchase, including payment by certified cheque or bank draft for the balance of the purchase price including all applicable taxes, the deposit will be forfeited as liquidated damages and D. Manning & Associates Inc. will be at liberty to sell the Assets to the next highest offeror, or any other party.

3. Viewing of Assets

Most of the offered assets are located at the street address of 1105 Cedar Road, Nanaimo, B.C., namely the Waste Facility operated by Nanaimo Regional District, located along Cedar Road, Nanaimo B.C.

Any party wishing to view the Assets should advise the Receiver and Manager in advance of their intentions. Attendance unannounced should not be attempted as the facility is behind secured gates. Arrangements to view the Assets must be made through Mr. Don Manning, Mobile: (604) 230-6365 (e-mail dnm@manning-trustee.com).

CEDAR ROAD BIOENERGY INC.

APPENDIX A

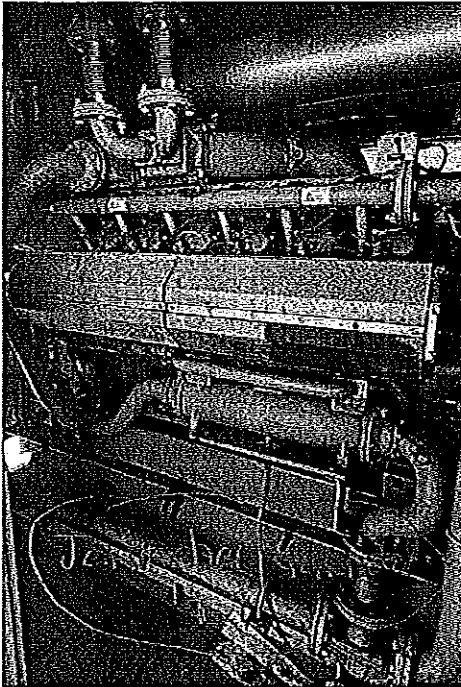
LIST OF ASSETS FOR SALE

APPENDIX A LIST OF ASSETS FOR SALE

Certain of the Company's assets that was or can be shown to be or have been in its possession as of August 8, 2022.

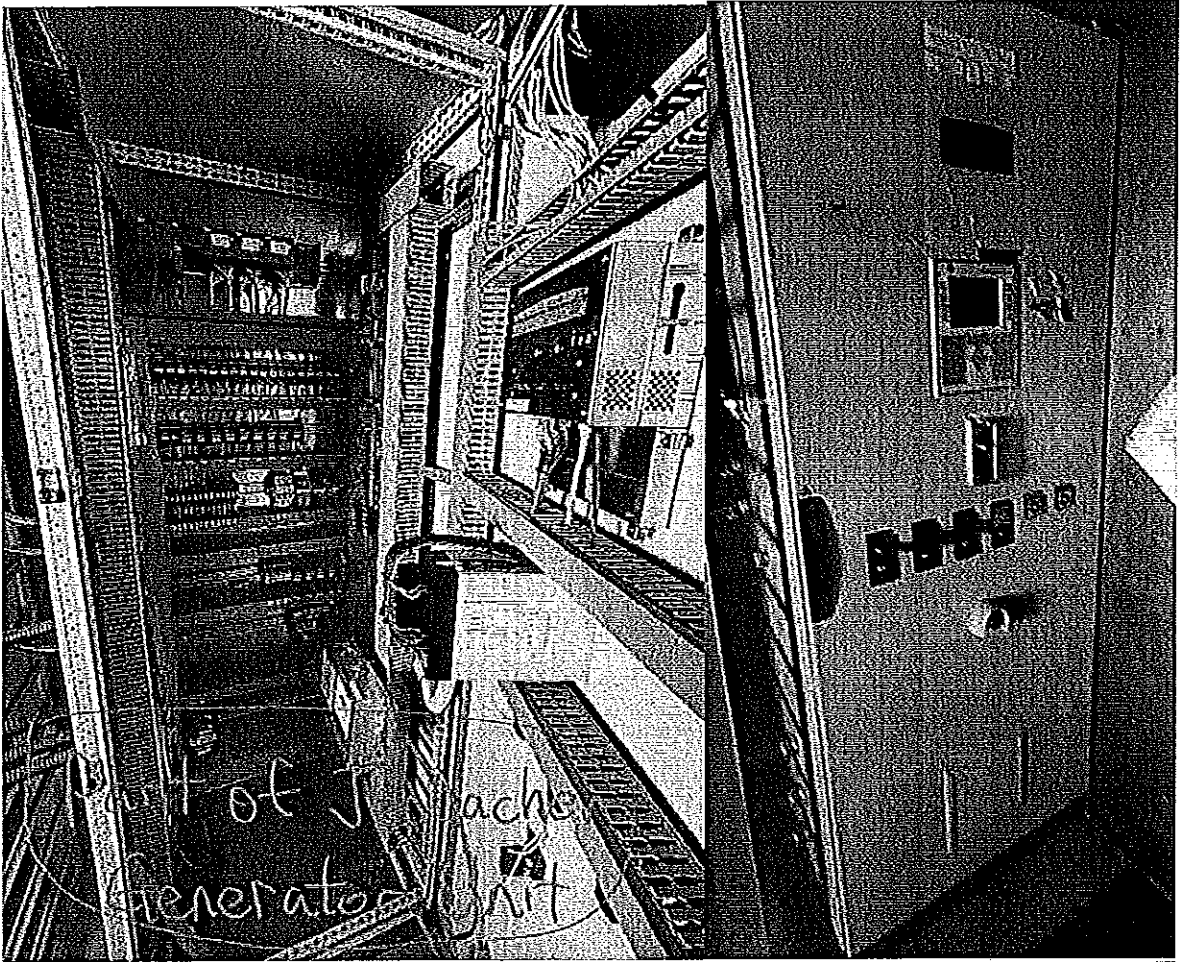
The above includes without limitation the following:

1. GE Jenbacher Engines/Generator Set (x2) + 40" HC standard shipping containers for Engine Housing (x2) + Generator Spare Parts

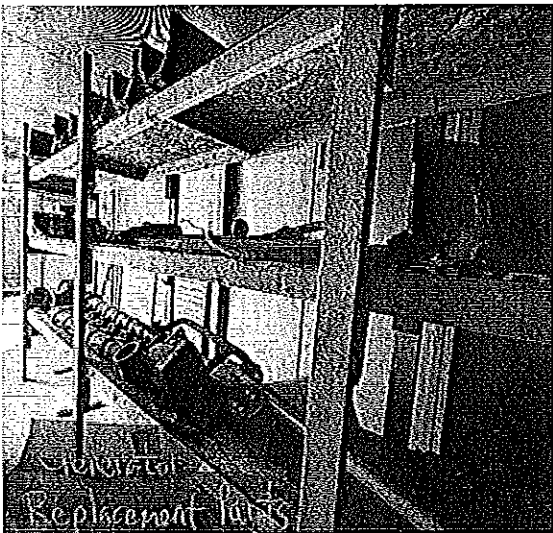


Generating Set		CE	
ISO 8528			
Jenbacher gas engines		GE Jenbacher GmbH & Co OHG A-6200 Jenbach Austria	
Type	105340555		
Serial No.	0000001		
Year of manufacture	2008		
Rated power	1000	kW	
Rated power factor	1		
Maximum site altitude of installation	500	m	
Max. ambient temperature (intake air)	40	°C	
Rated frequency	50	Hz	
Rated voltage	400/440	V	
Rated current	1414	A	
Mass	5000	kg	
Performance class	G2		

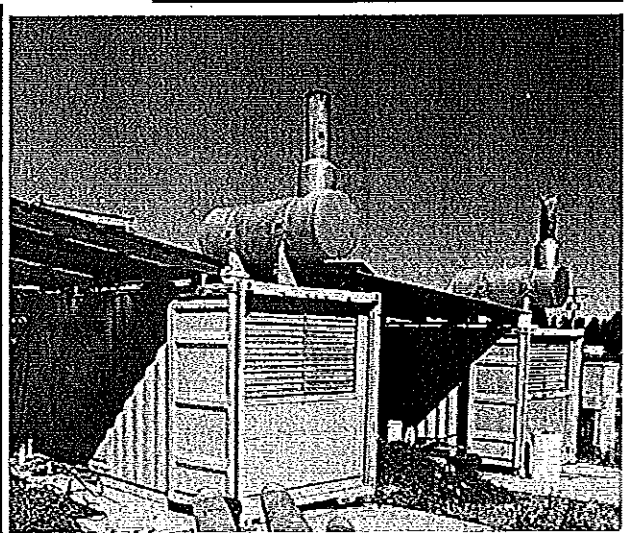
Generating Set		CE	
ISO 8528			
GE Jenbacher		GE Jenbacher GmbH & Co OHG A-6200 Jenbach Austria	
Type	105340555		
Serial No.	0000001		
Year of manufacture	2008		
Rated power	1000	kW	
Rated power factor	1		
Maximum site altitude of installation	500	m	
Max. ambient temperature (intake air)	40	°C	
Rated frequency	50	Hz	
Rated voltage	400/440	V	
Rated current	1414	A	
Mass	5000	kg	
Performance class	G2		



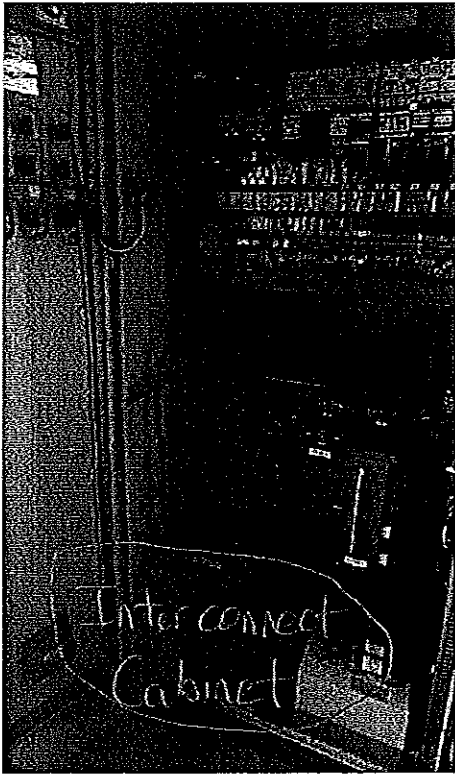
part of J. Maché
generator



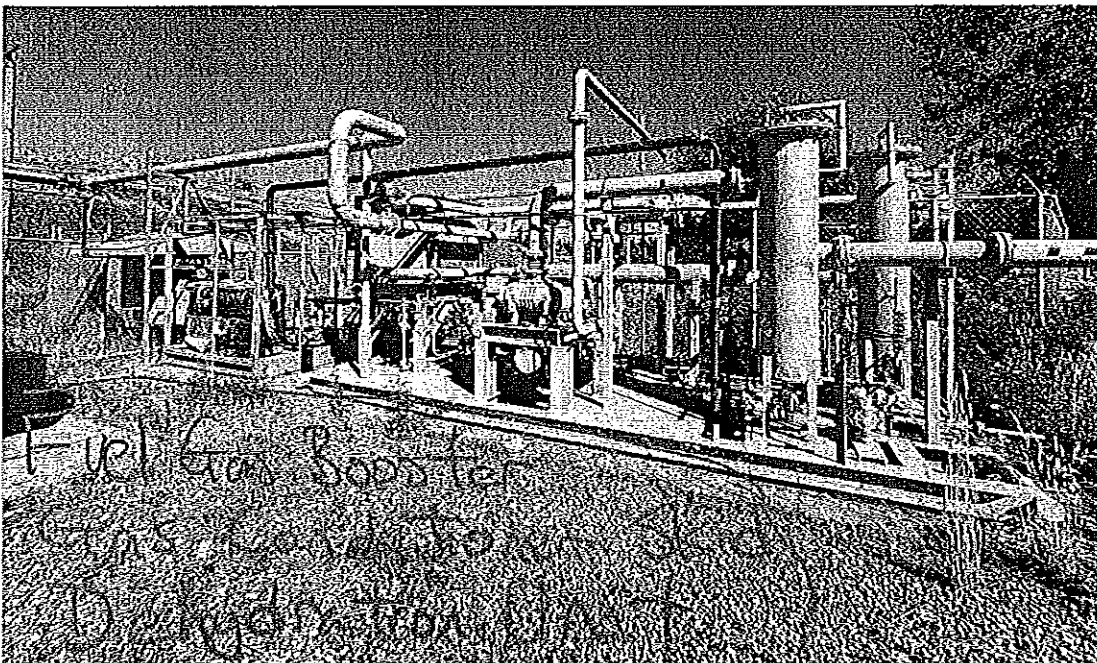
Generator
Replacement tubes



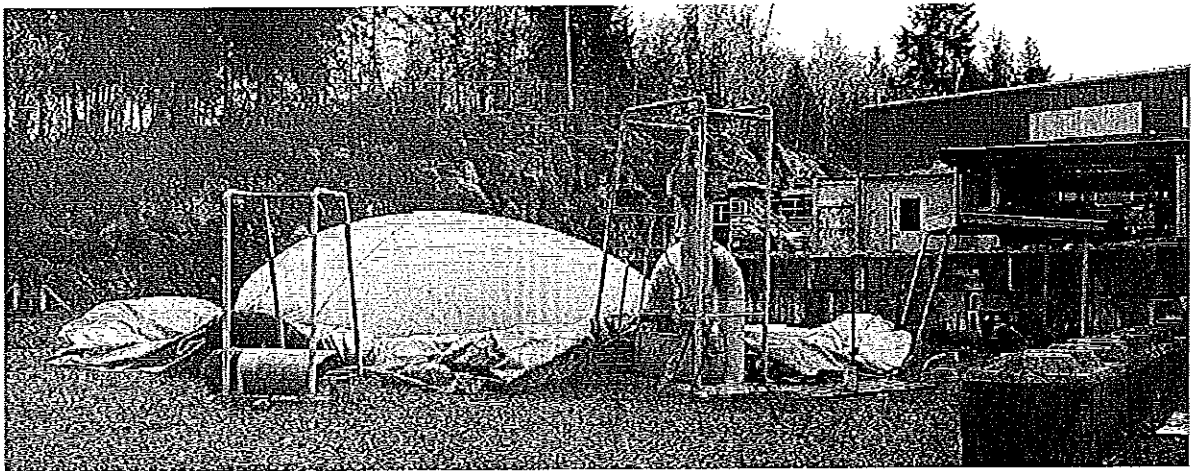
2. Interconnect Cabinet



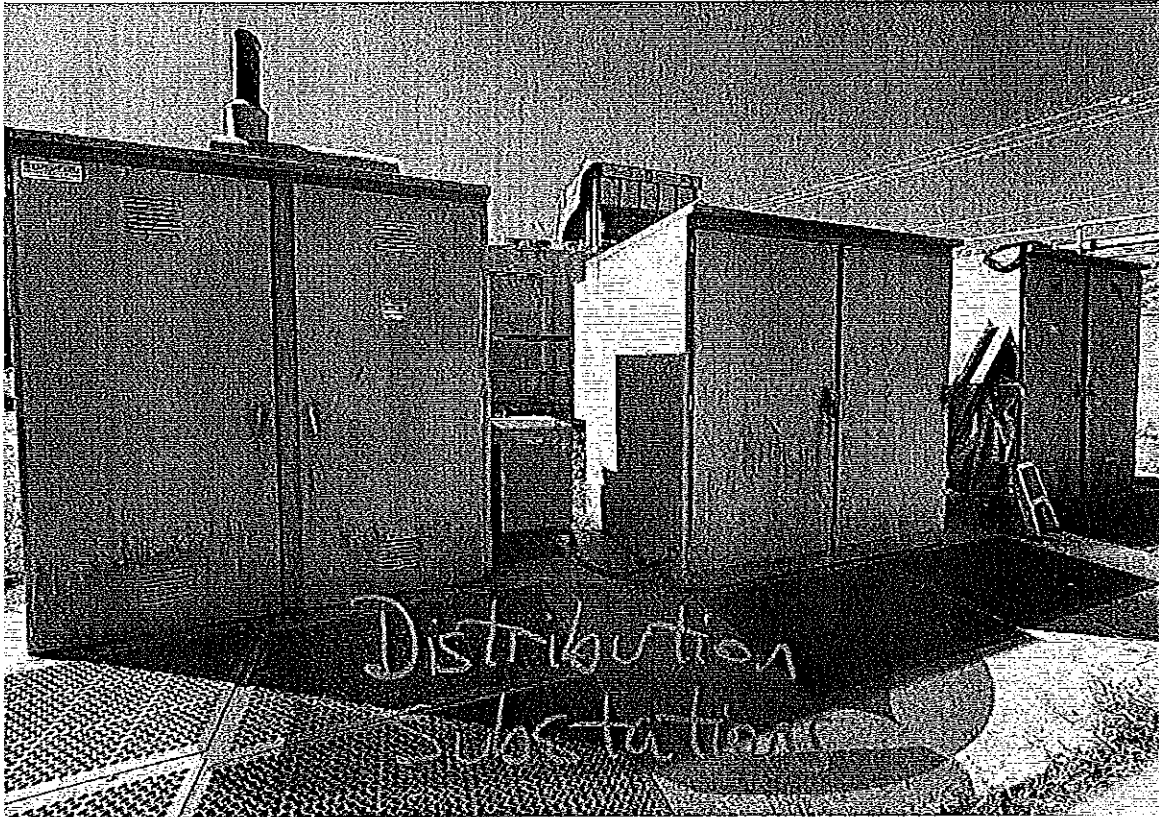
3. Gas Booster, Gas Conditioner Skid, Dehydration Unit



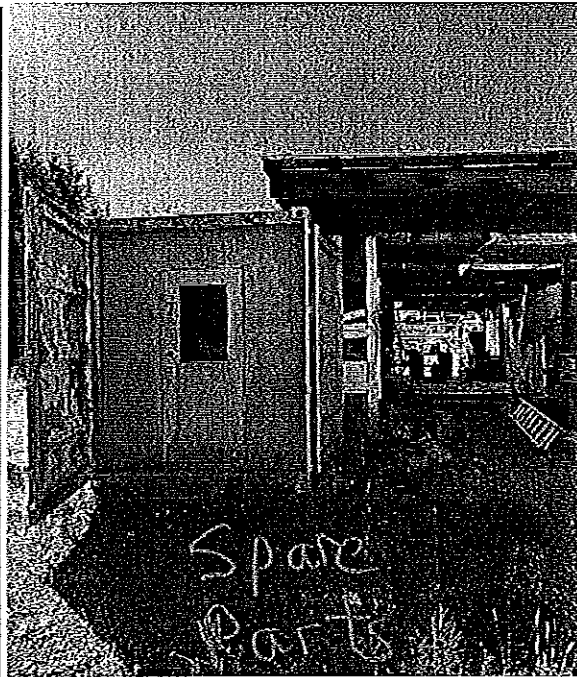
4. Double Membrane Gas Holder (Tecon 1266 Cu / M biogas holder)



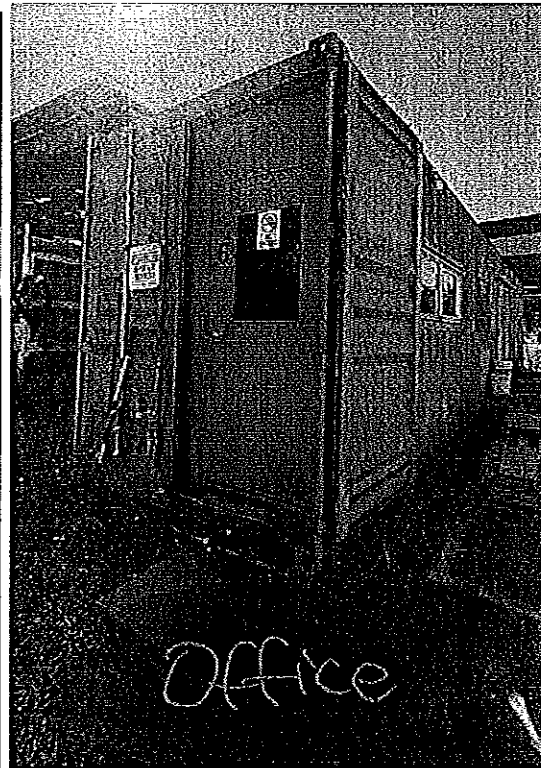
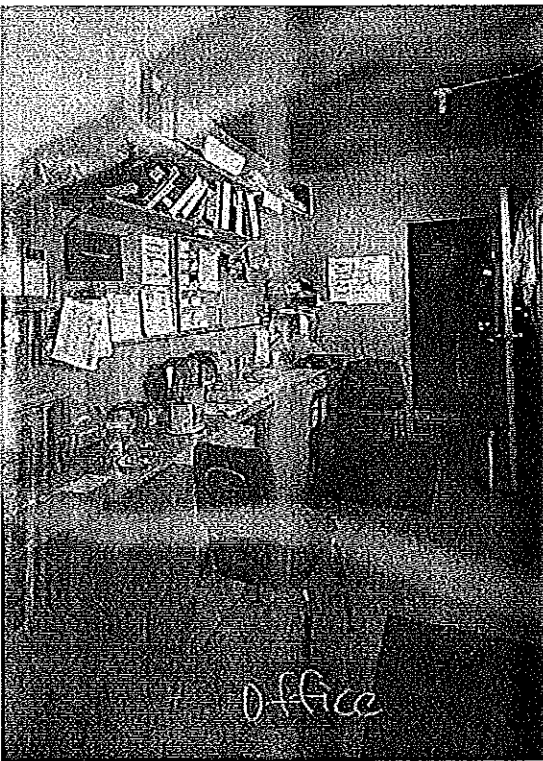
5. Distribution Substations (25 KVA High voltage cabinet with 1 MW transformer stepped down to low voltage genset breaker cabinet)
- a. Does not include Transformer (not shown in the photo). The Transformer is repaired and in the possession of the repair company with a balance outstanding of approximately \$80,000.



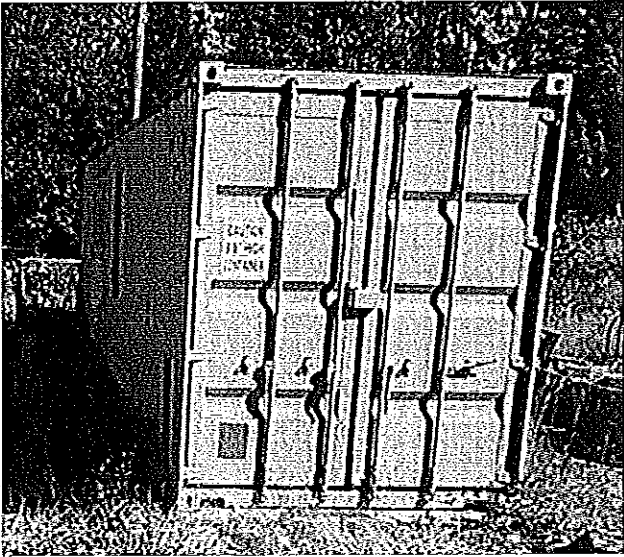
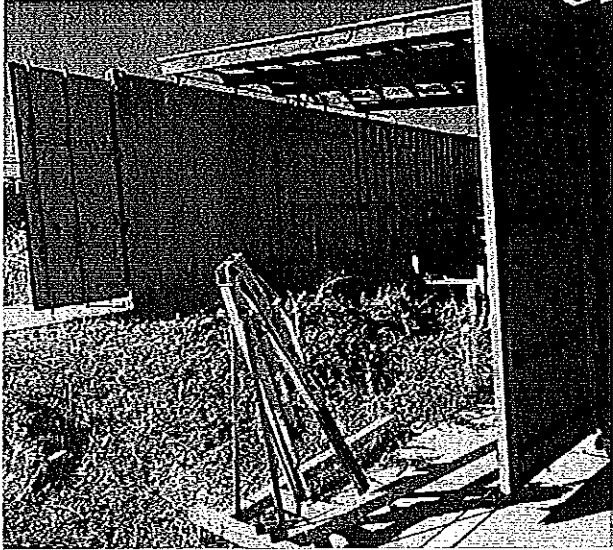
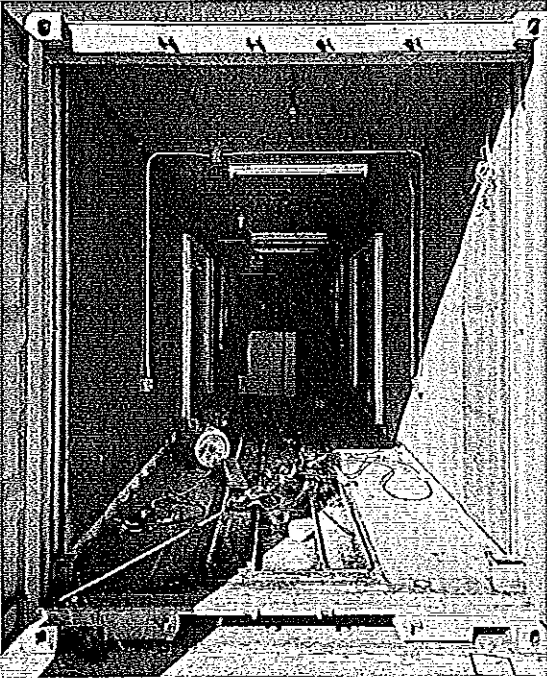
6. Spare Parts & 1 Storage Container (HC 40' Sea Can)



7. Office & 1 Storage Container (HC 40' Sea Can)



8. Spare Storage Containers (x3) (HC 40' Sea Cans)



Agreements Available for Assignment

The following Agreements may be required to continue to operate the business at the site if desired. Parties interested in obtaining the Receiver and Manager's right, title and interest in these matters are invited to contact Don Manning for particulars of these agreements.

1. Land Use Agreement – Property set aside for use by the current facility.

A land use agreement is in place with Nanaimo Regional District to enable access to a supply of unrefined methane gas and to contain and operate the facility, a copy is available on request.

2. Supply Agreement – B.C. Hydro & Power Authority

A Electricity Supply Agreement is in place with B.C. Hydro & Power Authority to deliver electrical energy to the power grid for purchase by B.C. Hydro & Power Authority, under agreed rates already approved by B.C. Utilities Commission. A copy is available on request.

3. Agreements with Nanaimo Regional District

A series of agreements is in place with Nanaimo Regional District setting out the relationship between the Company, its predecessors, and the Regional District for the purpose of accessing and utilizing gas emission emitting from the adjoining Waste Facility, also located at 1105 Cedar Road Facility, on request.

Tax Losses available

The Company has indicated its willingness to offer accumulated tax losses to an interested purchaser by way of a sale of the shares of the Company.

The Receiver and Manager would entertain offers for the purchase of the shares of the Company, on an "as is where is" basis as well.

For further information on this topic, please contact Don Manning, CIRP

CEDAR ROAD BIOENERGY INC.

APPENDIX B

LIST OF EXCLUDED ASSETS

APPENDIX B
LIST OF EXCLUDED ASSETS

- 1) Contracts
- 2) Cash in bank account
- 3) Accounts Receivable
- 4) Tax refunds
- 5) Any other assets not included in this Information Package
- 6) A transformer and are offsite for required repairs. The transformer requires payment for balances owing, the Receiver and Manager has elected not to pay the balances owing at this time, arrangements can be made with the repairers for payment directly by a purchaser of the assets listed in this offering. (Note: The transformer is required to operate the facility.)

CEDAR ROAD BIOENERGY INC.

APPENDIX C

OFFER TO PURCHASE

**CEDAR ROAD BIOENERGY INC.
IN RECEIVERSHIP**

FORM OF OFFER AND TERMS AND CONDITIONS OF SALE

1. Certain Assets are being sold on an "as is, where is, no warranties or representations" basis. Listings and descriptions of the Assets contained in this information package have been prepared solely for the convenience of potential purchasers, are not warranted by D. Manning & Associates Inc. to be complete or accurate, and shall not form part of the Conditions of Sale.
2. Where applicable, Goods and Services Tax (GST), B.C. Provincial Sales Tax (PST), and any other applicable taxes will be borne by the purchaser.
3. Each prospective purchaser will bear all its costs, including those relating to any applicable taxes, the retention of external advisors, the investigation and due diligence in preparing its offer to purchase or listing proposal, costs to complete the purchase of the Assets, as well as any legal, administrative, transfer or other costs relating to the transfer of the Assets.
4. All offers and listing proposals must be submitted to the offices of D. Manning & Associates Inc., Suite 520 – 625 Howe Street, Vancouver, British Columbia V6C 2T6, marked for the attention of Mr. William Choo, by **4:00 PM Pacific Time on Monday, September 27, 2022**, together with a deposit of no less than **15% of the Offer to Purchase** in Canadian funds.
5. All offers must be for a sum certain and not dependent on the value of any other offer.
6. All offers must be unconditional and payment is to be made by certified cheque or bank draft in Canadian funds.
7. All offers or listing proposals submitted will be considered firm offers that cannot be revoked. If an offer is accepted, the deposit will be applied against the purchase price. The successful Offeror must complete the purchase within ten (10) business days following the Court approval of the offer or such other date as agreed between the Receiver and Manager and the Purchaser. If an offer is accepted and is subsequently withdrawn or the Offeror fails to complete the purchase, including payment by certified cheque or bank draft of the balance of the purchase price including all applicable taxes, the deposit will be forfeited as liquidated damages and D. Manning & Associates Inc. will be at liberty to sell the assets to the next highest Offeror or any other party.
8. The highest or any offer or listing proposal will not necessarily be accepted.

9. All offers and listing proposals are subject to court approval.

10. All offers or listing proposals must be in writing in the following form:

TO: D. Manning & Associates Inc.
Court-Appointed Receiver and Manager of the Assets and Property
of Cedar Road Bioenergy Inc.
Suite 520 – 625 Howe Street
Vancouver, B.C. V6C 2T6

Attention: William Choo, CPA, CGA

On the basis of the terms and conditions described herein, we,
_____ (herein referred to as "the Offeror"), hereby
offer to purchase from the Receiver and Manager of the Assets described in Appendix
"A".

Herewith is our **Certified Cheque or Bank Draft** for _____ (15% of the Offer
to Purchase), to the order of "D. Manning & Associates Inc., in trust", being the deposit
on account of the offered purchase price.

Dated at _____ this _____ day of _____, 2022.

Offeror's Name

Signature of Offeror

Printed Name of Offeror

Address, Telephone Number and E-mail address of Offeror:

**OFFER FOR CERTAIN PROPERTY OF
CEDAR ROAD BIOENERGY INC.**

<u>ASSET DESCRIPTION</u>	<u>AMOUNT OFFERED</u>
1. GE Jenbacher Engines/Generator Set (x2) + 40" HC standard shipping containers (x2) + Generator Spare Parts	\$ _____
2. Interconnect Cabinet	\$ _____
3. Gas Booster, Gas Conditioner Skid, Dehydration Unit	\$ _____
4. Double Membrane Gas Holder	\$ _____
5. Distribution Substations	\$ _____
6. Spare Parts & 1 HC 40' Sea Can	\$ _____
7. Office & 1 HC 40' Sea Can	\$ _____
8. Spare Storage Containers (x3) (HC 40' Sea Can)	\$ _____
9. Agreements with Regional District of Nanaimo, and B.C. Hydro & Power Authority inclusive of Categories 1 – 8	\$ _____
10. Agreements with Regional District of Nanaimo, alone.	\$ _____
11. Supply Agreement with B.C. Hydro & Power Authority alone	\$ _____
	Total: \$ _____
All 11 items listed above as one offer	\$ _____

EXHIBIT "C"

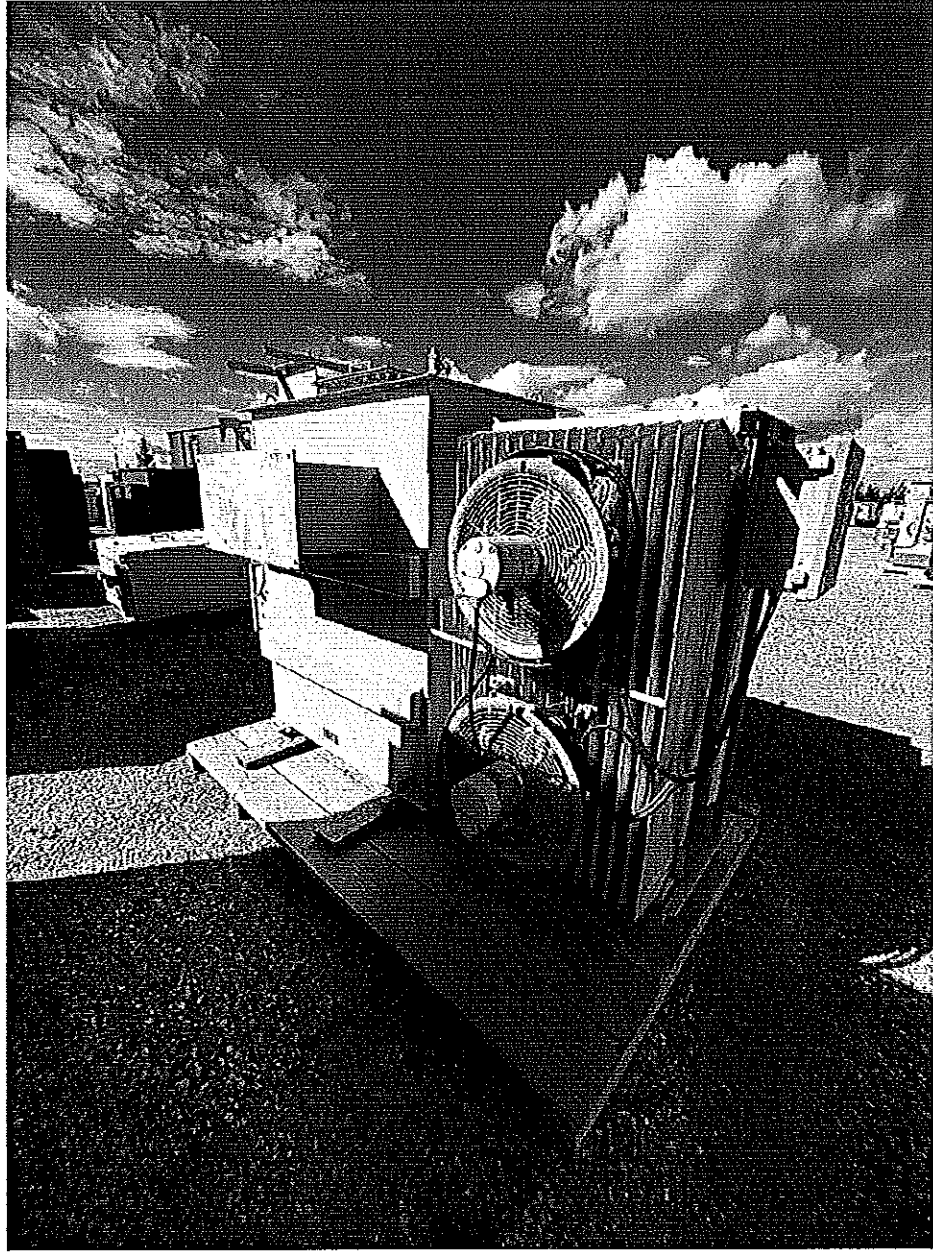
LIST OF CONTACTED PARTIES

**List of Parties Contacted for Offering of Assets
Cedar Road Bioenergy Inc.**

Company	Contact Name	Confidentiality Agreement/ Information Package
Joiner Sales Corp.	Kevin Joiner	CA signed
Perfection Industrial Sales	Vaughan Barber	Sent/no response
McDougall Auctioneers Inc.	Chad Guay	CA signed
Groupe Forum	Gideon Pollack	CA signed
Ritchie Bros. Auctioneers	Devin Norris	CA signed
Greenlane Biogas	Paul Taschereau	Sent/no response
WAGA Energy (Canada) Inc.	Talissa Matthieu	CA signed
Revolution Oil & Gas	Peter Cheung, CPA	CA signed
Century All Stars Realty Ltd.	Tim Hennigar	CA signed
Infinity Assets	B.J. Winning	CA signed
Russell Industries	Daniel Russell	CA signed
Synex Renewable Energy Corporation	Daniel Russell	CA signed
Aaron Equipment	Pam Real	CA signed
Montauk Renewables	Scott Hill	Sent/no response
Century Services		CA signed
BC Bioenergy	Scott Stanners	CA signed
Lenmark	Amanda Thiessen	CA signed
Revolution Oil & Gas	Peter Cheung	Sent/no response
Ammolite Investment Partners	Elliott Choquette	Sent/no response
Aaron Industrial Solutions	Michael Cohen	Sent/no response
Investcorp	Jason Morello	Sent/no response
Colliers	Alan L. Johnson	Sent/no response
TCL Asset Group Inc. (Proposal Received Jointly with Aaron Industrial Solutions)	Terrance Jacobs	Sent/no response

EXHIBIT "D"

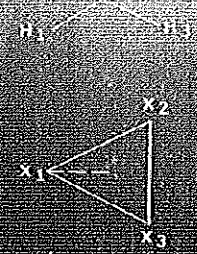
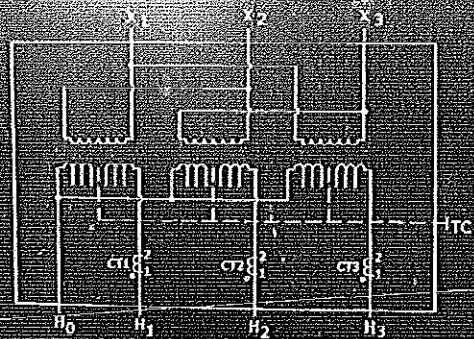
PHOTOGRAPHS OF CARTE INTERNATIONAL INC.
TRANSFORMER



3 PHASE TRANSFORMER

KVA: 1000/333
 INSULATION CLASS: 2MV
 HV: 24940Y/12400
 LV: 480 DELTA
 SERIAL NUMBER: 115AEH3A01
 P.O. NUMBER: 23-01000-000
 SPECIFICATION: IEEE C57.12.00
 SEALED UNIT: NO
 THIS TRANSFORMER IS DESIGNED FOR USE IN AN ONAN TANK DESIGN.

WEIGHT: 125 Kg
 WEIGHT: 146 Kg



LV VOLTS	AMPS	AMPS
480	1202.8	1603.3
	ONAN	ONAN

CURRENT TRANSFORMER			
CT#	ACCURACY	RATIO	CONN.
CT1	C50	100-5A	1-2
		50-5A	1-2
		50-5A	1-2

POS.	CONN.	HV TAP VOLTS	AMPS	AMPS
1	A-B	26187	22.0	29.4
2	B-C	25564	22.6	30.1
3	C-D	24940	23.1	30.9
4	D-E	24317	23.1	30.9
5	E-F	23693	23.1	30.9

CARTE
 International Int.

WITH
 BUILT TO ORDER

115AEH3A01
 REV.#1

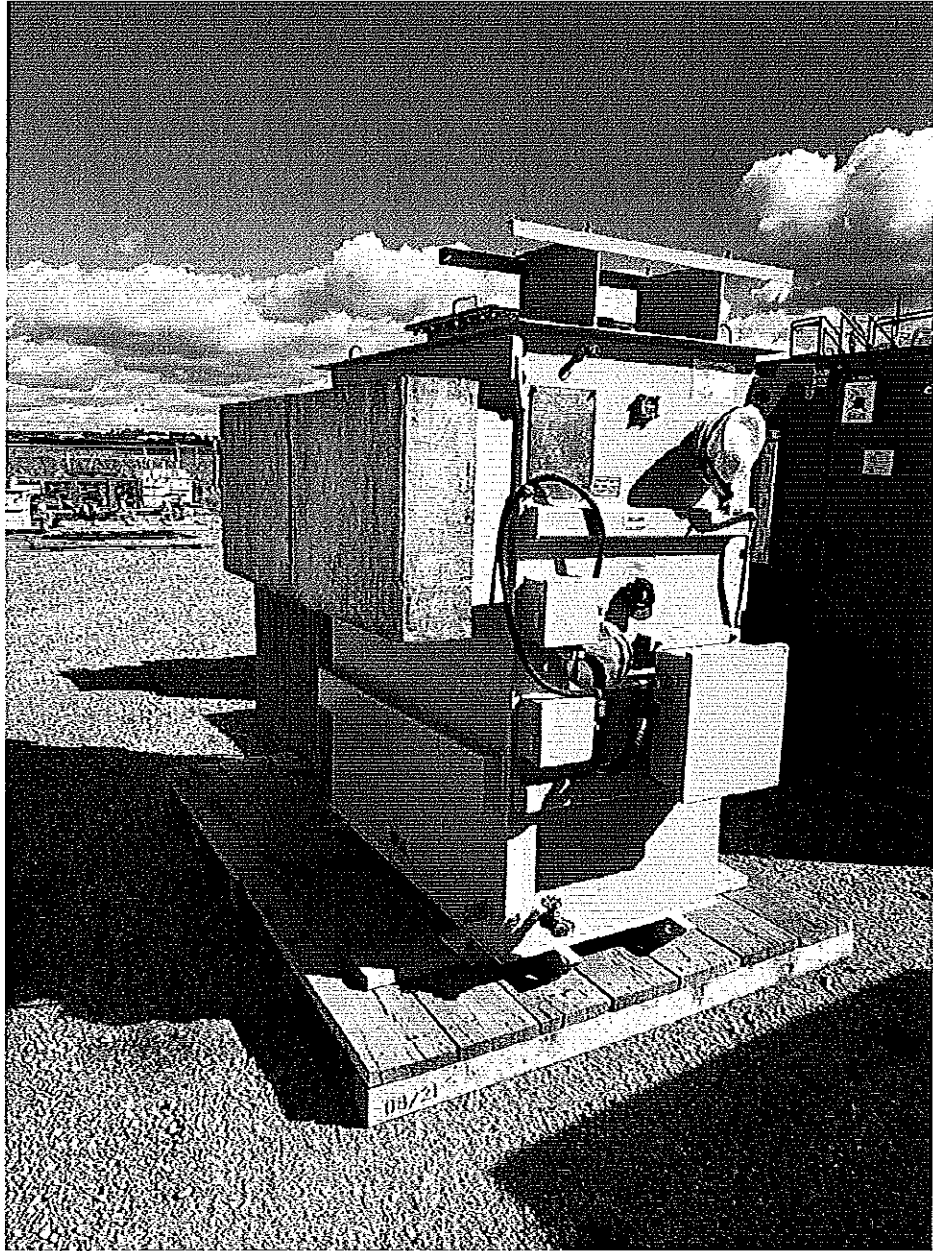
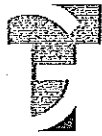


EXHIBIT "E"

TCL ASSET GROUP INC. PROPOSAL
(REDACTED)



TCL Asset Group Inc.

November 1, 2022

Don Manning
Court-Appointed Receiver and Manager of All Assets/Property of
Cedar Road Bioenergy Inc.
D. Manning & Associates, Inc.,
625 Howe Street, Suite 520
Vancouver, B.C., Canada V6C 2T6

Dear Mr. Manning,

RE: Asset Management Proposal
Cedar Road Bioenergy

Don, it was a pleasure meeting you on October 17, 2022, at the Cedar Road Bioenergy facility. Please find below an update to the proposal submitted including a breakdown of value for each item.

It seems that time may be of the essence in removing these assets from the site. If this is the case, you may want to consider Option 2, which was not in the original proposal dated September 27, 2022.

Option 1: 2 – PHASE PROJECT (Original Proposal)

Phase 1: Liquidation

Timeframe: 4 to 6 months (timeframe to max out return)

Expenses for marketing and advertising \$7,500 (\$15,000 total for all phases)

TCL/AIS will advance all fees and deduct them from the proceeds.

Commission: 10%

Buyer Premium: 18%

Receiver: will cover all cost, including rent, utilities, etc.

Phase 2: Auction

Timeframe: 1 month

Expenses for marketing and advertising \$7,500.00 (\$15,000 total for all phases)

TCL/AIS will advance all fees and deduct them from the proceeds.

Commission: 15%

Buyer Premium: 18%

Receiver: will cover all cost, including rent, utilities, etc.

Realizable Value:

The following is a breakdown of what we feel the major assets should bring (this is not an appraisal):

1. 1 - GE Jenbacher Engines/Generator including related assets, containers, and spare parts
- \$ [REDACTED] Each
2. 2 -Interconnect Cabinets
- Include with item #1 above
3. 3 - Gas Booster, Gas Conditioner Skid, Dehydration Unit
- \$ [REDACTED]
4. 4 - Double Membrane Gas Holder
- \$ [REDACTED]
5. 5 - Distribution Substations
- \$ [REDACTED]
6. 6 - Spare Parts & 1 40' Sea Container
- \$ [REDACTED]
7. 7 - OUT
8. 8 - (3) 40' storage containers
- \$ [REDACTED] for all 3 units
9. 9-11 Agreements
- Outside our scope

Option 2: Auction Sale (New Additional Option)

Timeframe: 2 months

Expenses for marketing and advertising \$15,000.00

TCL/AIS will advance all fees and deduct them from the proceeds.

Commission: 15%

Buyer Premium: 18%

Receiver: will cover all cost, including rent, utilities, etc.

Realizable Value:

Same as above, however, less time in the market means there is less of an opportunity to max out on the returns or find a buyer to purchase the assets as a system.

General Comments:

1. Items 1 and 2 should be sold together and listed as one lot.
2. It would be in our best interest if we were to sell all assets together and not break them up.
3. The above is based on a mutual agreement
4. Please consider that the holiday season is quickly approaching which could affect the timeframe of the project.
5. We need to further discuss the transformer that is off-site at a rebuilder.



This proposal is open for acceptance until 3:00 p.m. ET on Wednesday, November 30, 2022, unless extended by our mutual consent.

Thank you for your time and consideration. Please feel free to contact me at 905-660-1367 ext. 225 should you have any questions or concerns.

We look forward to working with on this project.

Yours truly,
TCL Asset Group Inc.



Terrance Jacobs, CEO

Cc. **Michael Jay Cohen**
Vice President / Manager of Equipment Acquisition Group | Aaron Equipment Company



EXHIBIT "F"

RECEIVER'S INTERIM STATEMENT OF
CASH RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD AUGUST 4, 2022 TO NOVEMBER 18, 2022

CEDAR ROAD BIOENERGY INC.

**RECEIVER AND MANAGER'S
INTERIM STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD AUGUST 4, 2022 TO NOVEMBER 18, 2022**

	<u>\$</u>	<u>\$</u>
RECEIPTS		
Cash in Bank	2,049.51	
Deposit re: Sale of Assets	75,750.00	
Receiver and Manager's Borrowings	27,552.28	
TOTAL RECEIPTS	<hr/>	105,351.79
DISBURSEMENTS		
Bank Charges	16.08	
Contracted Services	10,000.00	
Filing Fees	72.82	
GST Paid	837.29	
Insurance	6,816.00	
Legal Fees and Disbursements	7,214.99	
Travel	277.43	
Utilities: Telephone	50.00	
TOTAL DISBURSEMENTS	<hr/>	25,284.61
EXCESS OF RECEIPTS OVER DISBURSEMENTS		80,067.18
Less: Deposit held in trust		(75,750.00)
NET CASH BALANCE AS AT NOVEMBER 18, 2022		<hr/> <hr/> 4,317.18