

FORM 35 (RULES 8-4(1), 13-1(3) AND 17-1(2))

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

ORDER MADE AFTER APPLICATION

BEFORE THE HONOURABLE
JUSTICE *S. HARRIS*

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10/JAN/2023

ON THE APPLICATION of D. MANNING & ASSOCIATES INC., in its capacity as court-appointed Receiver and Manager (the “Receiver”) of Cedar Road Bioenergy Inc. (the “Company”), coming on for hearing at Vancouver, British Columbia on 10/JAN/2023 and on hearing Heather A. Frydenlund for the Receiver and no one else appearing, although duly served;

THIS COURT ORDERS that:

Approve Activities

1. The Receiver’s activities as set out in the Receiver’s First Report dated December 6, 2022 and the Addendum to the Receiver’s First Report dated December 19, 2022 (collectively, the “Receiver’s Report”) are hereby approved.

Approval of Sales Agreement

2. The sale and commission agreement entered into by the Receiver and TCL Asset Group Inc. (“TCL”) dated December 14, 2022 is hereby approved (the “Sales Agreement”) and is commercially reasonable.
3. The Receiver is hereby authorized to sign such further documents and take all steps and actions as may be necessary to carry out the Sales Agreement and effect the sale of the assets contemplated by the Sales Agreement without further Order of this Court.
4. All of the Company’s right, title and interest in and to any assets purchased under the Sales Agreement (the “Purchased Asset(s)”) shall, upon completion of the sale, vest absolutely in the purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the “Claims”) including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of this Court made August 4, 2022; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* of British Columbia or any other personal property registry system (all of which are collectively referred to as the “Encumbrances”), and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.
5. For the purposes of determining the nature and priority of Claims, the net proceeds from the sale of a Purchased Asset shall stand in the place and stead of the Purchased Asset, and from and after completion of the sale, all Claims shall attach to the net proceeds from the sale of a Purchased Asset with the same priority as they had with respect to the Purchased Asset immediately prior to the sale, as if the Purchased Asset had not been sold and remained in the possession or control of the person having had possession or control immediately prior to the sale.

6. Notwithstanding:

- a) these proceedings;
- b) any applications for a bankruptcy order in respect of the Company now or hereafter made pursuant to the *Bankruptcy and Insolvency Act* and any bankruptcy order issued pursuant to any such applications; and
- c) any assignment in bankruptcy made by or in respect of the Company,

the vesting of a Purchased Asset in a purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Company and shall not be void or voidable by creditors of the Company, nor shall it constitute or be deemed to be a transfer at undervalue, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

- 7. The timelines contemplated in the Sales Agreement may be extended by agreement between the Receiver and TCL, without further Order of this Court.
- 8. The Receiver shall incur no liability or obligation as a result of it carrying out the Sale's Agreement, save and except in the event of any gross negligence or wilful misconduct on its part.

Release of Interest in Transformer

- 9. The Receiver's interest in a Carte International Inc. 3 phase transformer bearing serial number 23539-001 is hereby released and the Receiver shall have no further liability in respect thereof.

Receiver's Borrowings

- 10. The Receiver is authorized and empowered to borrow by way of 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 \$200,000 (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 the Receivership Order granted in these proceedings on August 4, 2022, including interim expenditures.

General


11. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body, 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 courts, tribunals, regulatory and administrative bodies are hereby 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.

12. The Receiver has liberty to apply for such further or other directions or relief as may be necessary or desirable to give effect to this Order.

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



Signature of lawyer for the Receiver, D. Manning
& Associates Inc.,
Heather A. Frydenlund

By the Court.


Registrar



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OWEN BIRD LAW CORPORATION

P.O. Box 1

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Vancouver, BC V6B 0S6

Attention: Heather A. Frydenlund

File No. 23024-0135
