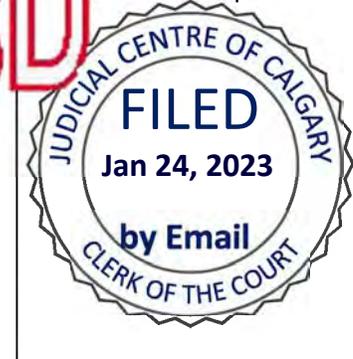


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COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

COM  
Feb 2 2023

IN THE MATTER OF THE RECEIVERSHIP OF ALTER NRG CORP.

DOCUMENT **THIRD REPORT OF MNP LTD., COURT APPOINTED RECEIVER**

DATED JANUARY 23, 2023

ADDRESS FOR  
SERVICE AND  
CONTACT  
INFORMATION OF  
PARTY FILING  
THIS DOCUMENT

COUNSEL  
MLT AIKINS LLP  
2100 Livingston Place  
CALGARY, AB T2P 0B4

ATTN: Ryan Zahara  
TEL: 403.693.5420  
EMAIL: rzahara@mltaikins.com

RECEIVER  
MNP LTD.  
1500, 640 – 5 AVENUE SW  
CALGARY, AB T2P 3G4

ATTN: Victor Kroeger/Seamus Boyle  
TEL: 403.298.8479/778.372.5384  
EMAIL: vic.kroeger@mnp.ca/seamus.boyle@mnp.ca

## **APPENDICES**

Appendix A	Redacted Asset Purchase Agreement
Appendix B	Redacted First Amending Agreement to Extend Closing and Amend Deposit Payments
Appendix C	Redacted Second Amending Agreement to Extend Closing and to Provide for Additional Deposit Payments
Appendix D	Redacted Third Amending Agreement to Extend Closing, to Amend the Deposit Payment Schedule, to Confirm the Release of Deposits and to Confirm Subordination of the Purchaser's Claim.
Appendix E	Redacted Assignment and Subordination Agreement
Appendix F	Claims Register
Appendix G	Summary of Professional Fees

## INTRODUCTION AND BACKGROUND

1. On April 29, 2021 (the “**Filing Date**”), on application by Aleksandr Gorodetsky, Bruce Leonard and Kenneth Willis, (collectively, the “**Applicants**”) the Honourable Madam Justice K.M. Eidsvik made an Order (the “**Receivership Order**”), appointing MNP Ltd. (the “**Receiver**”) as receiver of all the assets, undertakings and property (collectively, the “**Property**”) of Alter NRG Corp. (“**Alter**”, or the “**Company**”) pursuant to the Alberta Civil Enforcement Act and the Alberta Judicature Act.
2. The Company is a body corporate pursuant to the laws of the Province of British Columbia and is extra-provincially registered in Alberta.
3. Alter was headquartered in Calgary, Alberta where it provided alternative energy solutions. The Company sold its Westinghouse Plasma Gasification Technology through a wholly owned subsidiary called Westinghouse Plasma Corp. The proprietary plasma gasification technology was used to convert biowaste into renewable energy solutions including liquid fuels, electrical power, and syngas. On March 27, 2015, the Company was acquired by Harvest International New Energy Co Ltd. (“**Harvest**”) through its wholly owned subsidiary, 1030629 B.C. Ltd. Harvest is the wholly owned subsidiary of a Korean company, Sunshine Kaidi New Energy Group Co. Ltd. (“**Sunshine**”).
4. Prior to the receivership, the operations of Alter were being funded by Harvest and Sunshine.
5. We understand that in 2019 Sunshine was having financial difficulty that resulted in defaults on its bonds resulting in Sunshine’s bondholders imposing restrictions that prevented Sunshine from providing further funding to Harvest and/or to Alter.
6. As a result, the Company ceased operations on or around January 2020 and all employees were terminated at that time.
7. The Applicants commenced legal proceedings to recover amounts due and owing to them and obtained Judgements and Writs of Enforcement against Alter.
8. The Applicants and Harvest/Sunshine agreed that a receivership of Alter would provide the best and most transparent method to realize on the Property.
9. This is the Receiver’s Third report (the “**Third Report**”) to the Court of King’s Bench of Alberta (the “**Court**”).
10. All references to currency are in Canadian dollars unless otherwise stated.
11. A copy of the Third Report and other relevant documents in the Company’s restructuring proceedings will also be available on the Receiver’s website at <https://mnpdebt.ca/en/corporate/corporate-engagements/alter-nrg-corp>.

## REPORT LIMITATIONS

12. In preparing the Third Report and making comments herein, the Receiver has relied upon, certain unaudited, draft or internal financial information, including the Company’s books and records, and information from other third-party sources (collectively, the “**Information**”). The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in

a manner that would wholly or partially comply with generally accepted assurance standards or other standards established by the Chartered Professional Accountants of Canada (the “**Standards**”).

13. Additionally, none of the Receiver’s procedures were intended to disclose defalcations or other irregularities. If the Receiver were to perform additional procedures or to undertake an audit examination of the Information in accordance with the Standards, additional matters may have come to the Receiver’s attention. Accordingly, the Receiver does not express an opinion, nor does it provide any other form of assurance on the financial or other information presented herein. The Receiver may refine or alter its observations as further information is obtained or brought to its attention after the date of the Third Report.
14. The Receiver assumes no responsibility or liability for any loss or damage occasioned by any party as a result of the circulation, publication, reproduction, or use of the Third Report. Any use, made by any party of the Third Report, or any reliance or decision to be made based on the Third Report by any party, is the sole responsibility of such party.

#### **PURPOSE OF THE THIRD REPORT**

15. The purpose of the Third Report is to provide this Honourable Court with information on the activities of the Receiver and to provide information regarding the amendments to the original asset purchase agreement (“**APA**”) since the Second Report of the Receiver dated October 12, 2021 (the “**Second Report**”) and to seek an Order granting the following:
  - a. Approval of the reported actions of the Receiver to date in administering the receivership;
  - b. Approving the interim fees and disbursements of the Receiver;
  - c. Approving the interim fees and disbursements of the Receiver’s legal counsel, MLT Aikins LLP (“**MLTA**”);
  - d. Approving the Receiver’s proposed interim distribution to the proven creditors of Alter; and
  - e. Sealing the Confidential Supplement to the Third Report (the “**Confidential Third Report**”).

#### **ACTIVITIES OF THE RECEIVER**

16. The Receiver’s activities since the Second Report, are summarized below:
  - a. Responded to creditor/stakeholder inquiries;
  - b. Administered a claims process as approved pursuant to a Court Order issued by this Honourable Court;
  - c. Corresponded with the Purchaser’s legal counsel regarding the extension of deposit payments and the various amending agreements;
  - d. Collected various deposits from the Purchaser and held funds in trust;
  - e. Finalized an amended asset purchase agreement with Skyfuel Inc. (the “**Purchaser**”);
  - f. Maintained the Receiver’s website.

- g. Processed a Deposit Return of \$60,000.00 to Harvest and Sky Fuel through its legal counsel, Gardiner Roberts LLP, in consideration for the release and subordination of its claims in accordance with the Assignment and Subordination Agreement; and
- h. Processed repayment of the Receiver's Certificate in the amount of \$50,112.64.

#### AMENDED ASSET PURCHASE AGREEMENTS

- 17. The APA defined the closing date as November 30, 2021, and the APA contemplated that the closing date could be extended to December 31, 2021. The APA also required that the Purchaser pay an additional non-refundable deposit no later than November 2, 2021, to be held in trust by the Receiver and that the remaining cash component of the purchase price be paid to the Receiver at closing.
- 18. The Receiver and the Purchaser agreed to amend the APA, and each party executed the First Amending Agreement which modified the following terms of the APA:
  - a. The closing date would be extended to January 31, 2022;
  - b. The Purchaser would pay a reduced second deposit (the "**Second Deposit**") no later than November 12, 2021;
  - c. The Second Deposit would be non-refundable if the Purchaser failed to complete the transaction as contemplated; and
  - d. All other terms of the APA remained unchanged and in full force and effect.
- 19. The Purchaser's legal counsel reported to the Receiver that the Purchaser intended to source the funds to close the transaction under the APA from another transaction which had not yet closed meaning that it was not in a position to advance the required deposits and funds on closing as agreed in the First Amending Agreement.
- 20. As such, the Purchaser and the Receiver agreed to further amend the APA and each party executed the Second Amending Agreement, which further modified the following terms of the APA:
  - a. The closing date be extended to August 31, 2022;
  - b. The Purchaser would pay an additional deposit (the "**Third Deposit**") to the Receiver no later than March 4, 2022;
  - c. The Purchaser would pay an additional deposit (the "**Fourth Deposit**") to the Receiver no later than April 15, 2022;
  - d. The Purchaser would pay a final deposit (the "**Fifth Deposit**") to the Receiver no later than June 15, 2022;
  - e. All of the deposits would be non-refundable if the Purchaser failed to complete the transaction as contemplated;
  - f. The Purchaser would have the option to close the transaction prior to the closing date outlined in the Second Amending Agreement; and
  - g. All other terms of the APA remained unchanged and in full force and effect.

21. It was reported to the Receiver on January 28, 2022 that Sunshine was in the midst of restructuring proceedings in China and was not in a position to provide the required funds to the Purchaser to complete the transaction on the timelines contemplated by the Second Amending Agreement.
22. The Purchaser's legal counsel notified the Receiver that the original restructuring administrator in the Sunshine Kaidi Group restructuring had been replaced pursuant to a Court Order issued by the Wuhan Intermediate People's Court in Hubei Province. The disbursements for the Fourth Deposit and Fifth Deposits had already been approved by Sunshine's previous restructuring administrator but needed to be approved by Sunshine's new restructuring administrator.
23. The requirement for reapproval from the newly appointed restructuring administrator and other related administrative work related to the Sunshine restructuring proceedings delayed the payment of the Fourth Deposit. Sunshine provided the Receiver with a commitment letter stating that it guaranteed payment of the Fourth Deposit and would be paid to the Receiver by the end of May 2022 and that the Fifth Deposit would be paid to the Receiver by June 15, 2022. The Receiver received the Fourth Deposit on June 1, 2022.
24. The Purchaser's legal counsel informed the Receiver on July 28, 2022 that Sunshine's bank accounts in China had been frozen, and that Sunshine was in the process of opening a new account so that it could pay the Fifth Deposit. The Receiver indicated that it was prepared to not take steps to enforce on the breaches under the APA as amended, provided that the Fifth Deposit was paid no later than July 31, 2022. The Fifth Deposit was not paid by the Purchaser, and it was agreed to be included in the balance of funds due on closing as outlined in the Third Amending Agreement.
25. The Purchaser and the Receiver agreed to further amend the APA and each party executed the Third Amending Agreement and the Assignment and Subordination Agreement, which further modified the following terms of the APA:
  - a. The Purchaser shall have the option to extend the closing date to April 15, 2023, by the payment of an additional nonrefundable deposit of \$1,000,000. The Purchaser has exercised this option by notifying the Receiver and by the payment of the required additional \$1,000,000 deposit;
  - b. The balance of the purchase price as indicated in the APA less any deposits be paid to the Receiver on April 15, 2023.
  - c. The release of the deposits to the vendor for, among other things, distribution to the Company's creditors by way of an interim distribution be confirmed by both parties;
  - d. All of the Purchaser (or Harvest)'s claims against the Company's estate be subordinated to all other creditors; and
  - e. The Receiver will return, from the deposit funds received to date under the APA, the amount of \$60,000 (the "**Deposit Return**") to Harvest and Sky Fuel through its legal counsel, Gardiner Roberts LLP, in consideration for the release and subordination of its claims in accordance with the Assignment and Subordination Agreement. The Purchaser will be liable to repay the Deposit Return to the Receiver upon closing as part of the Purchase Price.

## SEALING OF THE CONFIDENTIAL REPORT

26. The Confidential Third Report contains a copy of the unredacted APA and amending agreements, and a copy of the Assignment and Subordination agreement which discloses commercial terms and includes confidential and commercially sensitive information (collectively, “**Confidential Details**”). The Receiver is seeking to seal the Confidential Third Report in order that the market for the Assets will be preserved such that the Receiver can sell the Property in the event that the APA is not completed as contemplated.

## CLAIM PROCESS

27. The Receiver administered a claims process to determine claims of creditors in accordance with the claims process reported in the Receiver’s Second Report and as approved by a Court Order issued by this Honourable Court.
28. Eight creditor claims were submitted to the Receiver, all of which the Receiver determined to be valid and were accepted. The aggregate value of the proven creditor’s claims is \$3,487,961.66. If the APA closes, all the claims of the proven creditors will be satisfied from the proceeds to be received by the Receiver under the APA, as amended. A copy of the Claims Register is attached hereto as Appendix F.

## DISTRIBUTION

29. The Receiver recommends that it makes an interim distribution of approximately \$1,950,000 (the “**Interim Distribution**”) from the funds held in trust to the Company’s proven creditors on a *pro rata* basis.
30. The Receiver intends to make a final distribution to the Company’s proven creditors after the receipt of the full and final funds to complete the transaction as contemplated in the APA, as amended.
31. The payments to each proven creditor will not exceed the value of their proven claim.

## RECEIPTS AND DISBURSEMENTS

The various deposits received by the Receiver and the Deposit Return total \$2,247,731 currently being held by the Receiver.

32. As of the date of this report, the professional fees charged by the Receiver and MLTA total \$144,058.11 and \$73,009.93, respectively. The Receiver’s and MLTA’s professional fees, charged as of the date of this report are summarized in Appendix G.

## CONCLUSIONS AND RECOMMENDATIONS

33. Based on the foregoing, the Receiver respectfully recommends that this Honourable Court grant an Order:
  - a. Approving the reported actions and steps of the Receiver in administering these receivership proceedings as set out in the Third Report and Confidential Third Report;
  - b. Approving the fees and disbursements of the Receiver as set out in the Third Report and Confidential Third Report and in Appendix G;

- c. Approving the fees and disbursements of MLTA as set out in the Third Report and Confidential Third Report and in Appendix G;
- d. Approving the proposed Interim Distribution outlined in paragraph 29 above; and
- e. Sealing the Confidential Third Report.

All of which is respectfully submitted this 23<sup>rd</sup> day of January 2023.

**MNP Ltd.** in its capacity as Receiver of Alter NRG Corp. and not in its personal capacity

Per:   
\_\_\_\_\_  
Victor P. Kroeger CPA, CA, LIT, CIRP, CFE  
Senior Vice President

# APPENDIX A

**MNP LTD., in its capacity as Court-appointed receiver of all the current and future assets,  
undertakings and properties of ALTER NRG CORP., and not in its personal capacity and  
without personal or corporate liability**

**- and -**

**SKYFUEL INC.**

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**ASSET PURCHASE AGREEMENT**

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**DATED AS OF OCTOBER 22, 2021**

## ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT is made effective as of the \_\_\_\_\_ day of October, 2021,

BETWEEN:

**MNP LTD.**, solely in its capacity as Court-appointed receiver of the current and future assets, undertakings and properties of Alter NRG Corp., and not in its personal capacity and without personal or corporate liability

(hereinafter referred to as the “**Vendor**”)

AND:

**SKYFUEL INC.** a company incorporated pursuant to the laws of the State of Delaware, USA, having its registered office at 2711 Centerville Road, Suite 400 in the City of Wilmington, County of New Castle, Delaware USA

(hereinafter referred to as the “**Purchaser**”)

### RECITALS

- A. On April 29, 2021, the Court of Queen’s Bench of Alberta (the “**Court**”) granted an order appointing MNP Ltd. as the receiver (“**Receiver**”) of Alter NRG Corp. (“**Debtor**”) in Court of Queen’s Bench of Alberta Action No. 2101-02279 (the “**Receivership Proceedings**”);
- B. Pursuant to the Order (as defined below) of the Court dated July 16, 2021, the Court approved the sales solicitation process in the Receivership Proceedings and authorized the Receiver to market and sell the assets, undertakings and properties of the Debtor;
- C. The Vendor wishes to sell and the Purchaser wishes to purchase all of the right, title and interest of the Debtor in and to the Purchased Assets (as defined below), pursuant to the terms and conditions of this Agreement (as defined below);
- D. The Purchaser represents and warrants that: (i) it is an affiliate of Sunshine Kaidi New Energy Group Co., Ltd. (“**Sunshine Kaidi**”), a privately owned Chinese holding company; (ii) Sunshine Kaidi has committed to the Purchaser to advance sufficient funds to the Purchaser on or before the Closing Date to fully finance the cash component of the Purchaser’s offer; (iii) the Debtor is an affiliate of the Purchaser; and (iv) the Debtor is indebted to Harvest International New Energy Co. Ltd (“**Harvest**”) for the Alter Debt, and at Closing the Purchaser will be the assignee of the Alter Debt;
- E. Harvest has previously advanced the sums of CAD\$250,000 and USD\$30,000 in respect of the receivership of the Debtor (the “**Harvest Receivership Payments**”);

**NOW THEREFORE**, in consideration of the promises and mutual covenants and agreements contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties, the Purchaser hereby offers and agrees to purchase from the Vendor the Purchased Assets (as defined below), and, upon its acceptance hereof, the Vendor agrees to sell to the Purchaser the Purchased Assets (as defined below), on the terms and conditions as follows:

## **ARTICLE 1 INTERPRETATION**

### **1.1 Definitions.**

In this Agreement, the following terms shall have the meanings set out below unless the context requires otherwise:

**“Agreement”** means this Agreement, including the Schedules to this Agreement, as it or they may be amended or supplemented from time to time, and the expressions “hereof”, “herein”, “hereto”, “hereunder”, “hereby” and similar expressions refer to this Agreement and not to any particular Section or other portion of this Agreement.

**“Alter Debt”** means a certain debt owing from Debtor to Harvest having a principal sum of in excess of \$ [REDACTED] as of the Effective Date.

**“Applicable Law”** or **“Applicable Laws”** means all applicable federal, provincial and municipal statutes, laws, regulations, orders, by-laws, standards, directions, policies, interpretations, rules, codes, orders, guidelines, permits or other requirements of any Governmental Authority, having jurisdiction and in force, and in each case, only to the extent that it has the force of law.

**“Approval and Vesting Order”** means an order of the Court substantially in the form attached hereto as Schedule “C”, made by the Court approving the Transaction and this Agreement and vesting in the Purchaser, upon delivery of the Receiver’s Certificate by the Vendor to the Purchaser, all the right, title and interest of the Debtor in the Purchased Assets free and clear of all Encumbrances, other than the Permitted Encumbrances, in form and substance satisfactory to the Parties.

**“Assumed Liabilities”** has the meaning ascribed thereto in Section 2.2.

**“Books and Records”** means all of the books and records relating to the Patent Rights in the possession of the Vendor, including, without limitation, operating manuals, and all other documents, drawings, files, records, correspondence, and other data and information in the possession of the Debtor and related to the Purchased Assets.

**“Business Day”** means any day except Saturday, Sunday or statutory holidays in the Province of Alberta.

**“Canadian Dollars”** means the lawful currency of Canada.

“**Closing**” means the completion of the purchase and sale of the Purchased Assets in accordance with the provisions of this Agreement.

“**Closing Date**” means the later of: (a) November 30, 2021, as may be extended pursuant to Section 5.2; or (b) the date that is the next Business Day following ten (10) days after the issuance of the Approval and Vesting Order.

“**Closing Time**” has the meaning given in Section 5.1.

“**Contracts**” means any written or oral agreements, contracts, personal property leases, real property leases, licences from any Person, service contracts, the Permits and Licences and any other similar written or oral agreements between the Debtor and any Person, relating in any way to the Purchased Assets and “**Contract**” means any one of them.

“**Court**” has the meaning ascribed thereto in the recitals hereto.

“**Debtor**” has the meaning given in Recital A hereto.

“**Deposits**” has the meaning given in 3.1(d).

“**Effective Date**” has the meaning given in the preamble hereto.

“**Encumbrance**” means all claims, Liabilities, obligations, prior claims, right of retention, liens, security interests, floating charges, mortgages, pledges, assignments, conditional sales, warrants, adverse claims, restrictions, charges, hypothecs, trusts, deemed trusts (statutory or otherwise), judgments, writs of seizure or execution, notices of sale, contractual rights (including purchase options, rights of first refusal, rights of first offer or any other pre-emptive contractual rights), encumbrances, whether or not they have been registered, published or filed and whether secured, unsecured or otherwise.

“**ETA**” means the *Excise Tax Act*, RSA 1985, c E-15 and the regulations thereunder.

“**Final Order**” means, at the relevant time or date, an Order of the Court that has not been vacated, stayed, amended, reversed or modified, as to which no appeal or application for leave to appeal therefrom has been filed, or if any appeal(s) or application(s) for leave to appeal therefrom have been filed, any (and all) such appeal(s) or application(s) have been dismissed, quashed, determined, withdrawn or disposed of.

“**First Deposit**” has the meaning given in Section 3.1(c).

“**General Conveyance**” means a general conveyance of the Purchased Assets, in form and substance satisfactory to the Parties, acting reasonably, evidencing the conveyance to the Purchaser of the Vendor’s right, title and interest in and to the Purchased Assets.

“**Governmental Authority**” means:

- (a) any domestic or foreign government, whether national, federal, provincial, state, territorial, municipal or local (whether administrative, legislative, executive or otherwise);
- (b) any agency, authority, ministry, department, regulatory body, court, central bank, bureau, board or other instrumentality having legislative, judicial, taxing, regulatory, prosecutorial or administrative powers or functions of, or pertaining to, government;
- (c) any court, tribunal, commission, individual, arbitrator, arbitration panel or other body having adjudicative, regulatory, judicial, quasi-judicial, administrative or similar functions; and
- (d) any other body or entity created under the authority of or otherwise subject to the jurisdiction of any of the foregoing, including any stock or other securities exchange, securities commission or professional association.

“**GST**” means all goods and services tax and harmonized sales tax imposed under Part IX of the ETA.

“**Harvest**” has the meaning given in Recital D hereto.

“**Harvest Receivership Payments**” has the meaning set out in the recitals above.

“**ICA**” means the *Investment Canada Act*, RSC 1985, c 28 (1<sup>st</sup> Supp).

“**ITA**” means the *Income Tax Act*, RSC, 1985, c. 1 (5<sup>th</sup> Supp.) and the regulations thereto.

“**Legal Proceeding**” means any claim, action, cause of action, demand, lawsuit, arbitration, inquiry, hearing, complaint, audit, notice of violation, proceeding, litigation, citation, summons, Order, subpoena or investigation of any nature, civil, criminal, administrative, regulatory or otherwise, whether at law or in equity and by or before any Governmental Authority and includes any appeal or review thereof and any application for leave for appeal or review.

“**Liability**” means any debt, loss, damage, adverse claim, fines, penalties, liability or obligation (whether direct or indirect, known or unknown, asserted or unasserted, absolute or contingent, accrued or unaccrued, matured or unmatured, determined or determinable, disputed or undisputed, liquidated or unliquidated, or due or to become due, and whether in or under statute, contract, tort, strict liability or otherwise), and includes all costs and expenses relating thereto (including all fees, disbursements and expenses of legal counsel, experts, engineers and consultants and costs of investigation) and “**Liabilities**” means the plural thereof.

“**Order**” means any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority.

“**Parties**” means the Vendor and the Purchaser and “**Party**” means any one of them.

**“Patent Rights”** means all of the Vendor’s right, title and interest whatsoever in and to the patent rights, patent registrations, patent continuations and patents, whether domestic or foreign and whether registered or unregistered, and all applications for registrations in respect thereof, as identified in the attached Schedule “A”.

**“Permits and Licences”** means any and all licences, permits, approvals, authorizations, certificates, directives, Orders, variances, registrations, rights, privileges, concessions, granted, conferred or otherwise created by any Governmental Authority and held by or on behalf of the Vendor or other evidence of authority related to the Purchased Assets issued to, granted to, conferred upon, or otherwise created for the Debtor which relate to the ownership, maintenance, operation of the Debtor’s business or the Purchased Assets.

**“Permitted Encumbrances”** means those Encumbrances set forth in Schedule “B” hereto.

**“Person”** is to be broadly interpreted and includes an individual, a corporation, a partnership, a trust, an unincorporated organization, a Governmental Authority (including the government of a country or any political subdivision thereof), or any agency or department of any such government, and the executors, administrators or other legal representatives of an individual in such capacity.

**“Personal Information”** means information about an identifiable individual as defined in applicable Privacy Law.

**“Privacy Law”** means the *Personal Information Protection and Electronic Documents Act*, SC 2000, c 5 and the *Personal Information Protection Act*, SA 2003, c P-6.5, if and to the extent applicable, and any other Applicable Law of any other Province or territory of Canada.

**“Purchased Assets”** means: (a) the Patent Rights; (b) the Books and Records; (c) the Permits and Licences; and (d) all other assets rights and privileges of any nature whatsoever of the Debtor which are subject to the Receivership Proceedings.

**“Purchase Price”** has the meaning given in Section 3.1(a).

**“Receiver”** has the meaning given in Recital A hereto.

**“Receiver’s Certificate”** means the certificate attached to the Approval and Vesting Order substantially in the form attached as Schedule “C” and which is to be delivered by the Vendor to the Purchaser at the Closing Time in order to effect the transfer of the Purchased Assets to the Purchaser free and clear of all Encumbrance, other than the Permitted Encumbrances, in form and substance satisfactory to the Parties.

**“Receivership Proceedings”** has the meaning given in Recital A.

**“Representative”** when used with respect to a Person means each director, officer, employee, consultant, subcontractor, financial adviser, legal counsel, accountant and other agent, adviser or representative of that Person.

**“Second Deposit”** has the meaning given in Section 3.1(d).

“**Sunshine Kaidi**” has the meaning given in Recital D hereto.

“**Tax Returns**” means all returns, reports, declarations, elections, notices, filings, information returns, statements and forms in respect of Taxes that are filed or required to be filed with any applicable Governmental Authority, including all amendments, schedules, attachments or supplements thereto and whether in tangible or electronic form.

“**Taxes**” means all taxes, charges, fees, levies, imposts and other assessments, including all income, sales, use, goods and services, harmonized, value added, capital, capital gains, alternative, net worth, transfer, profits, withholding, payroll, employer health, excise, real property and personal property taxes, and any other taxes, customs duties, fees, assessments or similar charges in the nature of a tax, including, Canada Pension Plan and provincial pension plan contributions, employment insurance payments and workers compensation premiums, together with any instalments with respect thereto, and any interest, fines and penalties, imposed by any Governmental Authority, whether disputed or not.

“**Transaction**” means the sale and purchase of the Purchased Assets and all matters and transactions ancillary thereto as contemplated by this Agreement.

“**Transaction Personal Information**” means any Personal Information: (a) in the possession, custody or control of the Vendor at the Closing Time, including Personal Information about employees, suppliers, customers, directors, officers or shareholders that is disclosed to the Purchaser or any Representative of the Purchaser prior to the Closing Time by the Receiver or its Representatives; or (b) collected by the Purchaser or any Representative of the Purchaser prior to the Closing Time from the Receiver or their Representatives, in either case in connection with the Transaction.

“**Transfer Taxes**” has the meaning given in Section 3.4(a).

“**Vendor**” has the meaning given in the preamble hereto.

“**Vendor’s Solicitors**” means MLT Aikins LLP.

## **1.2 Headings and Table of Contents.**

The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

## **1.3 No Strict Construction.**

The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party.

**1.4 Number and Gender.**

Unless the context requires otherwise, words importing the singular include the plural and vice versa and words importing gender include all genders. Where the word “including” or “includes” is used in this Agreement, it means “including (or includes) without limitation”.

**1.5 Business Days.**

If any payment is required to be made or other action is required to be taken pursuant to this Agreement on a day which is not a Business Day, then such payment or action shall be made or taken on the next Business Day.

**1.6 Currency and Payment Obligations.**

Except as otherwise expressly provided in this Agreement:

- (a) All dollar amounts referred to in this Agreement are stated in Canadian Dollars; and
- (b) any payment contemplated by this Agreement shall be made by cash, certified cheque, wire transfer or any other method that provides immediately available funds.

**1.7 Calculation of Time.**

In this Agreement, a period of days shall be deemed to begin on the first day after the event which began the period and to end at 5:00 p.m. (Calgary time) on the last day of the period. If any period of time is to expire hereunder on any day that is not a Business Day, the period shall be deemed to expire at 5:00 p.m. (Calgary time) on the next succeeding Business Day.

**1.8 Statute References.**

Any reference in this Agreement to any statute or any section thereof shall, unless otherwise expressly stated, be deemed to be a reference to such statute or section as amended, restated or re-enacted from time to time.

**1.9 Section and Schedule References.**

Unless the context requires otherwise, references in this Agreement to Sections or Schedules are to Sections or Schedules of this Agreement. The Schedules to this Agreement, listed as follows, are an integral part of this Agreement:

Schedule A	Patent Rights
Schedule B	Permitted Encumbrances
Schedule C	Form of Approval and Vesting Order

## ARTICLE 2 PURCHASED ASSETS

### 2.1 Purchase and Sale of Purchased Assets.

At the Closing Time, subject to the terms and conditions of this Agreement and the Approval and Vesting Order, the Vendor shall sell and the Purchaser shall purchase all of the Debtor's right, title and interest in and to the Purchased Assets, which shall be free and clear of all Encumbrances other than Permitted Encumbrances, to the extent and as provided for in the Approval and Vesting Order.

### 2.2 Assumption of Assumed Liabilities

At the Closing Time, on and subject to the terms and conditions of this Agreement, the Purchaser shall assume and agree to pay when due and perform and discharge in accordance with their terms, any Liabilities in respect of the Purchased Assets incurred or arising as a direct result of events occurring subsequent to Closing (collectively, the "**Assumed Liabilities**"). Notwithstanding any other provision of this Agreement, the Purchaser shall not assume any Liabilities hereunder other than the Assumed Liabilities.

### 2.3 Delivery of Purchased Assets.

Delivery of the Purchased Assets shall be deemed to occur at the Closing Time.

## ARTICLE 3 PURCHASE PRICE

### 3.1 Purchase Price.

The Purchase Price will be satisfied by the Purchaser as follows:

- (a) The purchase price for the Purchased Assets is and shall be the sum of [REDACTED] inclusive of any applicable Canadian taxes, including any Transfer Taxes payable pursuant to Section 3.4 (the "**Purchase Price**"), payable as follows:
  - (i) The Purchaser shall pay the cash sum of [REDACTED] which shall be inclusive of any applicable Canadian taxes, including any Transfer Taxes payable pursuant to Section 3.4 (the "**Cash Component**"), provided that if the Purchaser elects and the Receiver permits (in its sole discretion), a portion of such cash component may be satisfied by the assumption by the Purchaser of trade and employee liabilities of the Debtor (up to a maximum of [REDACTED]); and
  - (ii) The Purchaser shall pay an amount equal to the Alter Debt, up to a maximum of [REDACTED], by way of a credit bid of [REDACTED] of the Alter Debt (the "**Credit Bid**"), on the following terms:

- (A) the Credit Bid portion of the Purchase Price is and will be deemed to be set off on Closing against the nominal amount of the Alter Debt up to a maximum of [REDACTED], in full satisfaction of the Credit Bid component of the Purchase Price;
  - (B) if the Alter Debt is determined to be lower than [REDACTED], or not owing at all, the Purchase Price will be reduced accordingly, by reducing the Credit Bid component of the Purchase Price to the actual amount of the Alter Debt;
  - (C) if the Alter Debt is determined to have an actual value less than the nominal amount of the Alter Debt for any reason, there shall be no obligation on the Purchaser to top up the price in any way; and
  - (D) under no circumstances will the Purchaser or any of its affiliates have any liability under this agreement to pay any cash amount beyond the Cash Component of the Purchase Price, and any amounts paid to date (including the Harvest Receivership Payments). The Credit Bid portion of the Purchase Price is and will be at all times non-recourse to the Purchaser and its affiliates in all respects, and there shall be no recourse of any nature for any reason against the Purchaser or its affiliates by the Receiver or any other party in respect of the Credit Bid component of the Purchase Price.
- (b) The Purchaser may, at any time prior to, on, or after Closing and in its sole discretion, elect to subordinate or arrange for the subordination of the Alter Debt (or any portion thereof) to such other debts of the Debtor owing to other creditors of the Debtor as the Purchaser may specify.
  - (c) Contemporaneously with the execution and delivery of this Agreement by the Purchaser, the Purchaser has paid a deposit to the Receiver in the amount of CAD [REDACTED] (the “**First Deposit**”), which the Vendor acknowledges it has received from the Purchaser on account of the Cash Component of the Purchase Price and holds in trust pending the Closing of this transaction and subject to the terms hereof.
  - (d) The Purchaser will, no later than November 2, 2021, pay an additional deposit to the Receiver in the amount of CAD [REDACTED] (the “**Second Deposit**”, and together with the First Deposit, the “**Deposits**”), which the Vendor acknowledges it will hold in trust on account of the Cash Component of the Purchase Price pending the Closing of this transaction and subject to the terms hereof.

- (e) The Deposits shall be held in trust by the Receiver and dealt with as follows:
- (i) If the Vendor fails to complete the transactions contemplated by this Agreement for any reason except due to a default by the Purchaser, the Deposits shall be promptly returned to the Purchaser, and the Parties shall have no further obligations or liabilities to one another hereunder.
  - (ii) If the Purchaser:
    - (A) fails to pay the Second Deposit by the date specified in Section 3.1(d); or
    - (B) fails to complete the transactions contemplated by this Agreement for any reason except due to a default by the Vendor,then the entirety of the First Deposit shall be forfeited and paid to the Vendor as a genuine pre-estimate of the damages suffered by the Vendor on account of the Purchaser so failing to complete the transactions contemplated by this Agreement.
  - (iii) In addition to and notwithstanding Section 3.1(e)(ii) above, if the Purchaser:
    - (A) has paid the Second Deposit;
    - (B) has extended the Closing Date pursuant to Section 5.2; and
    - (C) fails to complete the transactions contemplated by this Agreement for any reason except due to a default by the Vendor,then the sum of CAD [REDACTED] from the Second Deposit shall be additionally forfeited and paid to the Vendor as a genuine pre-estimate of the damages suffered by the Vendor on account of the Purchaser so failing to complete the transactions contemplated by this Agreement, with the balance of the Second Deposit to be promptly returned to the Purchaser. For greater certainty, the foregoing forfeiture of such portion of the Second Deposit, if applicable, is intended to be in addition to the forfeiture of the First Deposit.
  - (iv) Subject to the foregoing paragraphs, the Deposits shall be applied to the Purchase Price on Closing.

### **3.2 Satisfaction of Purchase Price**

The Purchaser shall satisfy the Purchase Price (less any Deposits paid) at the Closing Time by payment to the Receiver by way of bank draft or certified cheque drawn on a Canadian chartered bank made payable to the Receiver or by wire transfer to an account designated by the Receiver.

### **3.3 Allocation of Purchase Price.**

The Purchase Price shall be allocated among the Purchased Assets in the manner agreed to by the Purchaser and Vendor prior to Closing (acting reasonably). The Parties further agree to execute and file all Tax Returns and prepare all financial statements, returns and other instruments on the basis of such allocations, provided that each Party shall be responsible for filing their own tax returns and paying all taxes due thereunder of any kind whatsoever.

### **3.4 Taxes**

- (a) The Purchaser shall be liable for and shall pay all federal and provincial sales taxes and all other similar Taxes or other like charges, including land transfer fees and any transfer fees, properly payable by the Purchaser in connection with the transfer of the Purchased Assets by the Vendor to the Purchaser (“**Transfer Taxes**”), but specifically excluding any and all taxes based on the income, capital or corporation taxes payable by the Vendor.
- (b) If available, the Purchaser and the Vendor shall jointly elect under subsection 167(1) of the ETA that no GST be payable in respect of the sale and transfer of the Purchased Assets and the Purchaser shall file such election in compliance with the requirements of the ETA with the applicable tax authorities within the time and in the manner required by the relevant Applicable Law.
- (c) If available, the Purchaser and the Vendor shall, if applicable, and at the sole election of the Purchaser, jointly execute and file an election under Section 20(24) of the ITA in the manner required by Section 20(25) of the ITA and under the equivalent or corresponding provisions of any other applicable provincial or territorial statute, in the prescribed forms and within the time period permitted under the ITA and under any other applicable provincial or territorial statute, as to such amount paid by the Vendor to the Purchaser for assuming future obligations. In this regard, the Purchaser and the Vendor acknowledge that a portion of the Purchased Assets transferred by the Vendor pursuant to this Agreement, having a value equal to the amount elected under Section 20(24) of the ITA and the equivalent provisions of any applicable provincial or territorial statute, is being transferred by the Vendor as payment for the assumption of such future obligations by the Purchaser.
- (d) If any payment made by any of the Vendor or the Purchaser as a result of a breach, modification or termination of this Agreement, or of any other agreement or document delivered pursuant to this Agreement, is deemed by the ETA to include

GST, or is deemed by any other applicable legislation to include a similar value added or multi-staged tax, the amount of such payment or forfeiture shall be increased accordingly. For greater certainty, if the Purchaser is required by Applicable Law to deduct or withhold any amount from any payment made by it, then such payment shall be increased by an additional amount such that the amount received by the Vendor after such deduction or withholding (including deduction or withholding from such additional amount) is equal to the amount that the Vendor would have received absent any such deduction or withholding.

- (e) The Purchaser represents and warrants that it is not registered to collect and remit GST pursuant to the ETA. Accordingly, to the extent that any GST is payable by the Purchaser in respect of its purchase of the Purchased Assets hereunder, the Purchaser shall pay all such GST to the Vendor, and the Vendor shall collect and remit all such GST to the Receiver General of Canada, provided that the Cash Component of the Purchase Price shall be deemed to be inclusive of any applicable GST and any other applicable Canadian (federal and provincial) taxes such that no further amount shall need to be paid by the Purchaser to the Vendor on account of any Canadian (federal and provincial) taxes of any nature whatsoever, and the Vendor shall satisfy any applicable GST from the Cash Component of the Purchase Price. The Purchaser shall indemnify and save harmless the Vendor from and against all claims and demands for the payment or remittance of GST payable by Purchaser in connection with the purchase of the Purchased Assets, including penalties and interest thereon and any liability or costs incurred as a result of the Purchaser's failure to pay such GST to the Vendor, provided that the Vendor shall indemnify and save harmless the Purchaser from and against all claims and demands, including penalties and interest thereon, resulting from the Vendor's failure to remit any such GST (after receipt thereof from the Purchaser) to the Receiver General of Canada in a timely manner.
- (f) Subject to the provisions of subsection (e) above, the Purchaser agrees to indemnify and save the Vendor harmless from and against all claims and demands for payment of all Taxes payable by Purchaser in connection with the purchase of the Purchased Assets, including penalties and interest thereon and any liability or costs incurred as a result of any failure to pay such taxes when due.

#### **ARTICLE 4 PRE-CLOSING MATTERS AND COVENANTS**

##### **4.1 Pre-Closing Risk and Post-Damage Entitlements.**

The Purchased Assets are and shall remain at the Vendor's risk until Closing. From and after Closing, the Purchased Assets shall be at the risk of the Purchaser. Notwithstanding the foregoing, to the extent that legal ownership of any Purchased Assets are not registered in name of the Purchaser as of the Closing Time, the Vendor shall hold legal title thereto as bare trustee for the benefit of the Purchaser until such time as legal ownership thereof is registered in the name of the Purchaser.

#### **4.2 Motion for Approval and Vesting Order.**

This Agreement is subject to Court approval, and Closing is subject to the granting of the Approval and Vesting Order. The Vendor shall file with the Court, as soon as reasonably practicable following execution and delivery of this Agreement, a motion seeking the Court's granting of the Approval and Vesting Order. The Purchaser shall cooperate with the Vendor in their efforts to obtain the Approval and Vesting Order. The Purchaser, at its own expense, will promptly provide to the Vendor all such information within its possession or under its control as the Vendor may reasonably request to obtain the Approval and Vesting Order.

#### **4.3 Books and Records.**

The Purchaser shall preserve and keep the Books and Records acquired by it pursuant to this Agreement for a period of six (6) years after Closing, or for any longer periods as may be required by any Applicable Laws applying to such Books and Records. The Purchaser shall make such Books and Records, as well as electronic copies of such Books and Records (to the extent reasonably feasible), available to the Vendor, and their respective Representatives and successors, and any trustee in bankruptcy of the Debtor, and shall permit any of the foregoing Persons to take copies of such Books and Records as they may require.

#### **4.4 Cooperation and Consultation with Governmental Authorities**

All meetings, submissions, filings, and proposals made by or on behalf of either Party before any Governmental Authority or the staff or regulators of any Governmental Authority, in connection with the consummation of the Transaction (but, for the avoidance of doubt, not including any interactions between the Vendor or the Purchaser with Governmental Authorities in the ordinary course of business, any disclosure which is not permitted by Applicable Law or any disclosure containing confidential information) shall be disclosed to the other Party hereunder in advance of any filing, submission or attendance, it being the intent that the Parties will consult and cooperate with one another, and consider in good faith the views of one another, in connection with any such filings, meetings, submissions and proposals. Each Party shall give notice to the other Party with respect to any meeting, submission, discussion, appearance or contact with any Governmental Authority or the staff or regulators of any Governmental Authority, with such notice being sufficient to provide the other Party with the opportunity to attend and participate in such meeting, discussion, appearance or contact (except where such Governmental Authority expressly requests that such Party not attend or participate in such meeting, discussion, appearance or contact). Notwithstanding any requirement under this Section 4.4, a Party shall not be required to provide the other Party with any information required to be provided under this Section 4.4 where the information is confidential and competitively sensitive, in which case the supplying Party shall provide a redacted version to the requesting Party and shall provide the information on a non-redacted basis to the receiving Party's external counsel, and the receiving Party agrees that it shall neither request nor receive such non-redacted information from its external counsel.

#### **4.5 Transactional Personal Information**

Purchaser shall comply with Privacy Law in the course of collecting, using and disclosing Transaction Personal Information. The Purchaser shall cause its Representatives to observe the terms of this Section 4.5 and to protect and safeguard Transaction Personal Information in their possession in accordance with Privacy Law. The Purchaser shall collect Transaction Personal Information prior to Closing only for purposes related to the Transaction. The Purchaser shall not, without the consent of the individuals to whom such Personal Information relates or as permitted or required by Applicable Law, use or disclose Transaction Personal Information: (a) for purposes other than those for which such Transaction Personal Information was collected by the Vendor prior to the Closing; and (b) for a purpose which does not relate directly to the carrying out the Transaction.

#### **4.6 Regulatory Approval, Permits and Licences**

- (a) The Vendor shall take commercially reasonable steps to keep all Permits and Licences held by it in full force and effect and, to the extent that such Permits and Licences are transferrable, they shall have been assigned to the Purchaser prior to Closing, or by such other date that the Vendor and Purchaser mutually agree.
- (b) The Purchaser and Vendor shall promptly following the execution of this Agreement use commercially reasonable steps, including making or causing to be made all filings, submissions and applications required under any Applicable Law and take all such other steps required to transfer any Permits and Licences held by the Vendor to the Purchaser or to permit the re-issuance in favour of the Purchaser of any such Permits and Licences and to obtain all consents, authorizations, Orders and approvals from all Governmental Authorities necessary in connection with this Agreement and the Transaction.
- (c) The Parties shall not unreasonably take any action that will have the effect of delaying, impairing or impeding the receipt of any required consents, authorizations, Orders and approvals.

#### **4.7 Indemnity**

The Purchaser agrees to indemnify the Vendor, and save them harmless against, and will reimburse or compensate them for, any damages arising from, in connection with or related in any manner whatsoever to:

- (a) any Transfer Taxes (including penalties and interest) which may be assessed against any of the Vendor, including, notwithstanding anything to the contrary in this Agreement, any Transfer Taxes which may be assessed against any of the Vendor in the event that any election made pursuant to Section 3.4 is challenged by the relevant tax authority as being inapplicable to the Transaction, or as a result of the Purchaser's failure to file such elections within the prescribed time;
- (b) the collection, use or disclosure of Transaction Personal Information by the Purchaser and its Representatives; and

- (c) the Purchaser's failure to pay when due and perform and discharge the Assumed Liabilities in accordance with their terms.

#### **4.8 Satisfaction of Conditions**

The Purchaser and the Vendor shall cooperate with each other and shall use commercially reasonable efforts and take such steps as are reasonably necessary to satisfy, by the applicable time for each:

- (a) the conditions under Section 6.1 (in the case of the Purchaser);
- (b) the conditions under Section 6.2 (in the case of the Vendor); and
- (c) the conditions under Section 6.4 (in the case of both the Vendor and the Purchaser).

### **ARTICLE 5 CLOSING ARRANGEMENTS**

#### **5.1 Closing.**

The Closing shall take place at 1:00 p.m. (Calgary time) (the "**Closing Time**") on the Closing Date at the offices of the Vendor's Solicitors, or at such other time on the Closing Date or such other place as may be agreed orally or in writing by the Vendor and the Purchaser.

#### **5.2 Extension of Closing Date.**

The Purchaser may, in its sole discretion and upon written notice to the Receiver delivered no later than November 26, 2021, extend the Closing Date to December 30, 2021. For greater certainty, upon such extension, references to the "Closing Date" hereunder shall be read and understood to mean December 30, 2021.

#### **5.3 Vendor's Closing Deliveries.**

At the Closing, the Vendor shall deliver or cause to be delivered to the Purchaser the following documents:

- (a) the tax elections as contemplated by Section 3.4(b) and (c), executed by the Vendor, if applicable;
- (b) the Approval and Vesting Order as issued by the Court;
- (c) the General Conveyance, duly executed by the Vendor;
- (d) any specific conveyances, assignments, transfers, novations and other documents or instruments that are reasonably required or desirable to convey, assign and transfer the interest of the Vendor in and to the Purchased Assets to the Purchaser and (if applicable) to novate the Purchaser in the place and stead of the Vendor with

respect to the Purchased Assets (including, without limitation, any patent assignments required by any Governmental Authority), each as executed by the Vendor;

- (e) the Books and Records; and
- (f) such further and other documentation as is referred to in this Agreement or as the Purchaser may reasonably require to give effect to this Agreement all of which shall be in a form satisfactory to the Parties, acting reasonably.

#### **5.4 Purchaser's Closing Deliveries.**

At the Closing, the Purchaser shall deliver or cause to be delivered to the Vendor the following documents and payments:

- (a) the Purchase Price less the Deposits;
- (b) subject to Section 3.4(a), the Transfer Taxes;
- (c) the tax election as contemplated by Section 3.4(b) and (c), executed by the Purchaser, if applicable;
- (d) the General Conveyance, duly executed by the Purchaser;
- (e) any specific conveyances, assignments, transfers, novations and other documents or instruments that are reasonably required or desirable to convey, assign and transfer the interest of the Vendor in and to the Purchased Assets to the Purchaser and (if applicable) to novate the Purchaser in the place and stead of the Vendor with respect to the Purchased Assets (including, without limitation, any patent assignments required by any Governmental Authority), each as executed by the Purchaser;
- (f) a bring-down certificate executed by a senior officer of the Purchaser dated as of the Closing Date, certifying that (i) all of the representations and warranties of the Purchaser contained in this Agreement are true as of the Closing Date, with the same effect as though made on and as of the Closing Date and (ii) that each of the terms and conditions set out in this Agreement to be complied with or performed by the Purchaser at or prior to Closing have been complied with or performed by the Purchaser in all material respects;
- (g) a certificate of status for the Purchaser and/or any other similar evidence of incorporation or registration in any jurisdiction where an applicable Governmental Authority requires the Purchaser to be incorporated or registered in order to take assignment of and hold title to any Purchased Assets; and

- (h) such further and other documentation as is referred to in this Agreement or as the Receiver may reasonably require to give effect to this Agreement, in such form as is satisfactory to the Parties acting reasonably.

### **5.5 Confidentiality.**

Both prior to the Closing Date and, if the sale and purchase of the Purchased Assets hereunder fails to occur for whatever reason thereafter, the Purchaser will not disclose to anyone or use for its own or for any purpose other than the purpose contemplated by this Agreement any confidential information concerning the Debtor or the operations obtained by the Purchaser pursuant hereto, and will hold all such information in the strictest confidence and, if the sale and purchase of the Purchased Assets hereunder fails to occur for whatever reason, will return all documents, records and all other information or data relating to Debtor or to the operations which the Purchaser obtained pursuant to this Agreement. The Purchaser acknowledges that until and subject to Closing, such confidential information is the sole property of the Debtor and, except for the use of such confidential information by the Purchaser to evaluate the within transaction during its due diligence therefor, the Debtor is the sole Person entitled to use, exploit and benefit from such confidential information.

## **ARTICLE 6 CONDITIONS OF CLOSING**

### **6.1 Purchaser's Conditions.**

The Purchaser shall not be obligated to complete the purchase and sale of the Purchased Assets pursuant to this Agreement unless, at or before the Closing Time, each of the following conditions has been satisfied, it being understood that the following conditions are included for the exclusive benefit of the Purchaser and may be waived, in whole or in part, in writing by the Purchaser at any time; and the Vendor agrees with the Purchaser to take all such actions, steps and proceedings within its reasonable control as may be necessary to ensure that the following conditions are fulfilled at or before the Closing Time:

- (a) this Agreement shall be executed by a duly authorized representative of the Vendor;
- (b) all representations and warranties of the Vendor contained in this Agreement shall be true as of the Closing Time with the same effect as though made as of that time; and
- (c) the Vendor shall have performed and complied with all of the terms and conditions in this Agreement on its part to be performed or complied with at or before Closing Time and shall have executed and delivered or caused to have been executed and delivered to the Purchaser at the Closing Time all the documents contemplated in Section 5.3 or elsewhere in this Agreement.
- (d) there shall be no action, litigation or proceedings pending or threatened or order issued by a court against either of the parties, or involving any of the Purchased

Assets, for the purpose of enjoining, preventing or restraining the completion of the Transaction.

## **6.2 Vendor's Conditions.**

The Vendor shall not be obligated to complete the transactions contemplated by this Agreement unless, at or before the Closing Time, each of the following conditions has been satisfied, it being understood that the following conditions are included for the exclusive benefit of the Vendor, and may be waived, in whole or in part, in writing by the Vendor at any time; and the Purchaser agrees with the Vendor to take all such actions, steps and proceedings within the Purchaser's reasonable control as may be necessary to ensure that the following conditions are fulfilled at or before the Closing Time:

- (a) this Agreement shall be executed by a duly authorized representative of the Purchaser;
- (b) all representation and warranties of the Purchaser contained in this Agreement shall be true as of the Closing Time with the same effect as though made as of that time;
- (c) the Purchaser shall have performed and complied with all of the terms and conditions in this Agreement on its part to be to be performed by or complied with at or before the Closing Time and shall have executed and delivered or caused to have been executed and delivered to the Vendor at the Closing Time all the documents contemplated in Section 5.4 or elsewhere in this Agreement; and
- (d) there shall be no action, litigation or proceedings pending or threatened or order issued by a court against either of the parties, or involving any of the Purchased Assets, for the purpose of enjoining, preventing or restraining the completion of the Transaction.

## **6.3 Condition Not Fulfilled.**

If any condition in Section 6.1 or 6.2 shall not have been fulfilled at or before the Closing Time, then the Vendor or the Purchaser, as applicable depending on the circumstance, in its sole discretion may, without limiting any rights or remedies available to such party at law or in equity, either:

- (a) Terminate this Agreement by notice to the other Party in which event the first Party shall be released from all obligations under this Agreement; or
- (b) waive compliance with any such condition without prejudice to its right of termination in the event of non-fulfillment of any other condition.

## **6.4 Mutual Conditions**

The obligations of the Vendor and the Purchaser hereunder are subject to the mutual conditions that:

- (a) the Approval and Vesting Order shall have been made by the Court approving this Agreement and the Transaction and vesting in the Purchaser all the right, title and interest of the Debtor in and to the Purchased Assets free and clear of all Encumbrances, other than the Permitted Encumbrances;
- (b) the Approval and Vesting Order will not have been stayed, varied or vacated and no order will have been issued and no action or proceeding will be pending to restrain or prohibit the completion of the transactions herein contemplated; and
- (c) from the Effective Date, no Governmental Authority shall have enacted, issued, or promulgated any Final Order or Applicable Law which has the effect of: (a) making any of the Transaction illegal; or (b) otherwise prohibiting, preventing or restraining the consummation of any of the Transactions contemplated by this Agreement.

The Parties hereto acknowledge that the foregoing conditions are for the mutual benefit of the Vendor and the Purchaser and cannot be waived by either Party.

#### **6.5 Receiver's Certificate.**

When the conditions to Closing set out in Sections 6.1, 6.2, and 6.4, have been satisfied and/or waived by the Vendor and/or the Purchaser, as applicable, the Vendor and the Purchaser will each deliver to the Receiver written confirmation that such conditions of Closing, as applicable, have been satisfied and/or waived and upon the payment in full of the Purchase Price on the Closing Date, and the payment in full of any Transfer Taxes payable by the Purchaser on Closing, the Receiver shall: (a) issue forthwith its Receiver's Certificate concurrently to the Debtor and the Purchaser, at which time the Closing will be deemed to have occurred; and (b) file as soon as practicable a copy of the Receiver's Certificate with the Court (and shall provide confirmation of such filing to the Vendor and the Purchaser). In regard to the foregoing, the Receiver will be relying exclusively on the basis of the certificates to be provided as per this Section 6.5 and without any obligation whatsoever to verify the satisfaction or waiver of the applicable conditions.

### **ARTICLE 7 REPRESENTATIONS AND WARRANTIES**

#### **7.1 Representations and Warranties of the Purchaser.**

The Purchaser represents and warrants as follows to the Vendor at the date of this Agreement and at the Closing Date and acknowledges and confirms that the Vendor is relying on such representations and warranties in connection with the sale by the Vendor of the Purchased Assets:

- (a) *Incorporation and Power.* The Purchaser is a corporation duly incorporated under the Applicable Laws of the jurisdiction of its incorporation and is duly organized, validly subsisting and in good standing under such Applicable Laws. The Purchaser is, as applicable, duly incorporated or registered in any jurisdiction where an applicable Governmental Authority requires the Purchaser to be incorporated or

registered in order to take assignment of and hold title to any Purchased Assets, and is in good standing with such Governmental Authority.

- (b) *Due Authorization.* The Purchaser has all necessary corporate power, authority and capacity to enter into this Agreement and all other agreements and instruments to be executed by it as contemplated by this Agreement and to carry out its obligations under this Agreement and such other agreements and instruments. The execution and delivery of this Agreement and such other agreements and instruments and the completion of the transactions contemplated by this Agreement and such other agreements and instruments have been duly authorized by all necessary corporate action on the part of the Purchaser.
- (c) *Enforceability of Obligations.* This Agreement constitutes a valid and binding obligation of the Purchaser enforceable against the Purchaser in accordance with its terms subject, however, to limitations on enforcement imposed by bankruptcy, insolvency, reorganization or other Applicable Laws affecting the enforcement of the rights of creditors or others and to the extent that equitable remedies such as specific performance and injunctions are only available in the discretion of the court from which they are sought.
- (d) *Financial Ability.* The Purchaser has the financial ability through its own resources or through financing that has been arranged with a recognized financial lending institution, to close the Transaction contemplated herein and pay the balance of the Purchase Price, the Transfer Taxes on the Closing Date. The Purchaser confirms that it has delivered to the Vendor evidence of such financial ability by way of a copy of a binding commitment letter or letter from its banking institution confirming the foregoing, and which is satisfactory to the Vendor.
- (e) *Brokers and Finders.* There are no claims for brokerage commissions, finders' fees or similar compensation in connection with the transactions contemplated by this Agreement based on any arrangement or agreement made by or on behalf of the Purchaser.
- (f) *Approvals.* No consent, waiver, authorization or approval of any Person and no notice or declaration to or filing or registration with any Governmental Authority is required in connection with the execution and delivery by the Purchaser of this Agreement or all other agreements and instruments to be executed by the Purchaser or the performance of its obligations hereunder or thereunder.
- (g) *ETA.* The Purchaser is not registered under Part IX of the *ETA*.
- (h) *ICA.* The Purchaser is not a "non-Canadian" within the meaning of the *ICA*, or, if the Purchaser is a "non-Canadian", the Purchaser is a "WTO investor" within the meaning of the *ICA*.

## **7.2 Representations and Warranties of the Vendor.**

The Vendor represents and warrants as follows to the Purchaser at the date of this Agreement and at the Closing Date and acknowledges and confirms that the Purchaser is relying upon such representation and warranties in connection with the purchase of the Purchased Assets:

- (a) *Authority to Sell*: Subject to obtaining the Approval and Vesting Order prior to Closing, on Closing the Vendor shall have the power and authority to sell the Purchased Assets, in accordance with the terms and conditions of this Agreement and the Approval and Vesting Order.
- (b) *Enforceability of Obligations*. Subject to the entry of the Approval and Vesting Order and any other orders required by the Court in connection with the transactions contemplated herein, this Agreement constitutes a valid and legally binding obligation of the Receiver, enforceable against the Receiver in accordance with its terms.
- (c) *Brokers and Finders*. There are no claims for brokerage commissions, finders' fees or similar compensation in connection with the transactions contemplated by this Agreement based on any arrangement or agreement made by or on behalf of the Vendor.
- (d) *ITA*. The Vendor is not a non-resident of Canada for purposes of the *ITA*.
- (e) *ETA*. The Vendor is registered for GST purposes under Part IX of the *ETA*.

## **7.3 Survival of Representations and Warranties.**

The representations and warranties of the Purchaser and Vendor contained in Sections 8.1 and 8.2, respectively, or any other agreement, certificate or instrument delivered pursuant to this Agreement shall survive the Closing for three (3) months.

## **7.4 "As is, Where is".**

The Purchaser acknowledges that the Vendor is selling the Purchased Assets on an "as is, where is" basis as they shall exist on the Closing Date. The Purchaser further acknowledges that it has entered into this Agreement on the basis that the Purchaser has conducted such inspections of the condition of and title to the Purchased Assets as it deemed appropriate and has satisfied itself with regard to these matters. No representation, warranty or condition is expressed or can be implied as to title, encumbrances, description, fitness for purpose, merchantability, condition, quantity or quality or in respect of any other matter or thing whatsoever concerning the Purchased Assets or the right of the Vendor to sell or assign same, save and except as expressly represented or warranted herein. The Purchaser further acknowledges that all written and oral information (including, without limitation, analyses, financial information and projections, compilations and studies) obtained by the Purchaser from the Vendor with respect to the Purchased Assets or otherwise relating to the Transactions has been obtained for the convenience of the Purchaser only and is not warranted to be accurate or complete. Without limiting the generality of the foregoing:

- (a) the Vendor has made no representation or warranty as to any regulatory approvals, licences, permits, consents or authorizations, including the Permits and Licences, that may be needed to complete the Transactions or to operate or carry on the business of the Debtor or any portion thereof, and the Purchaser is relying entirely on its own investigation, due diligence and inquiries in connection with such matters;
- (b) all written and oral information or data obtained from the Receiver and the Vendor, including in any teaser letter, asset listing, confidential information memorandum or other document made available to the Purchaser (including in certain “data rooms”, management presentations, site visits and diligence meetings or telephone calls), with respect to the Purchased Assets, and the business of the Debtor has been obtained for the convenience of the Purchaser only, and the Receiver and the Vendor have made no representation or warranty, express or implied, statutory or otherwise as to the accuracy or completeness of any such information;
- (c) any information or data regarding or describing the Purchased Assets or the business of the Debtor or in any other agreement or instrument contemplated hereby, is for identification purposes only, is not relied upon by the Purchaser, and no representation, warranty or condition, express or implied, has or will be given by the Receiver, the Vendor or any other Person concerning the completeness or accuracy of such information or descriptions;
- (d) except as otherwise expressly provided in this Agreement, the Purchaser hereby unconditionally and irrevocably waives any and all actual or potential rights or claims the Purchaser might have against the Receiver or any employee of the Receiver of any of the Receiver’s pursuant to any warranty, express or implied, legal or conventional, of any kind or type, other than those representations and warranties of the Vendor expressly set forth in Section (g). Such waiver is absolute, unlimited, and includes, but is not limited to, waiver of express warranties, implied warranties, warranties of fitness for a particular use, warranties of merchantability, warranties of occupancy, strict liability and claims of every kind and type, including claims regarding defects, whether or not discoverable or latent, product liability claims, or similar claims, and all other claims that may be later created or conceived in strict liability or as strict liability type claims and rights; and
- (e) this Section 7.4 shall not merge on Closing and is deemed incorporated by reference in all Closing documents and deliveries.

## **ARTICLE 8 TERMINATION**

### **8.1 Termination by the Parties**

This Agreement may be terminated by such Parties listed below provided that the Party terminating the Agreement is not in breach of its obligations hereunder:

- (a) upon the mutual written agreement of the Vendor and the Purchaser, provided however that if this Agreement has been approved by the Court, any such termination shall require either the consent of the Receiver or approval of the Court;
- (b) pursuant to Section 6.1 by the Purchaser;
- (c) pursuant to Section 6.2 by the Vendor; and
- (d) pursuant to Section 6.3 and/or 6.4 by either Party.

## **8.2 Effect of Termination**

- (a) If this Agreement is terminated pursuant to Section 8.1(a) or Section 8.1(d), all the obligations of both the Vendor and the Purchaser pursuant to this Agreement shall be at an end and the Purchaser shall be entitled to have the Deposits returned without interest and without deduction;
- (b) if this Agreement is terminated pursuant to Section 8.1(b), the Vendor shall return the Deposits to the Purchaser forthwith, without interest and without deduction, and the Purchaser acknowledges and agrees that it shall have no further rights or remedies against the Vendor arising out of the termination of this Agreement;
- (c) if this Agreement is terminated pursuant to Section 8.1(c), the Deposits shall be forfeited to the Vendor as liquidated damages and the Vendor shall have the right to pursue any other rights and remedies against the Purchaser available at law or in equity; and
- (d) if this Agreement is terminated pursuant to Section 8.1, all further obligations of the Parties, other than those outlined in Section 8.2(a) through (c), will terminate and no Party will have any Liability or further obligations hereunder, except as contemplated in Section 4.5 (Transaction Personal Information), Section 4.7 (Indemnity), Section 8.2 (Effect of Termination), Section 9.2 (Expenses), Section 9.3 (Announcements), Section 9.4 (Notices), Section 9.8 (Entire Agreement), Section 9.10 (Severability), Section 9.13 (Receiver's Capacity), Section 9.14 (Governing Law), Section 9.15 (Dispute Resolution), Section 9.16 (Attornment), 9.17 (Successors and Assigns), 9.18 (Assignment), and 9.19 (Third Party Beneficiaries), which shall survive such termination.

## **ARTICLE 9 GENERAL**

### **9.1 Further Assurances.**

Each Party shall promptly do, execute, deliver or cause to be done, executed and delivered all further acts, documents and things in connection with this Agreement that the other Party may reasonably require, for the purposes of giving effect to this Agreement. Without limiting the generality of the foregoing, the Receiver will: (a) take reasonable steps once the Court issues the

Approval and Vesting Order to forthwith conduct a claims process to determine and bar certain claims against the Debtor, including seeking such Orders from the Court as may be necessary to give effect to same; and (b) upon completion of same, take such further steps as may be reasonably necessary to effect its discharge in a timely manner, and to terminate the applicability of the receivership to Debtor's ability to conduct its future business and affairs so as to return control of the company to its shareholders, board and management.

## **9.2 Expenses.**

Except as otherwise provided herein, each Party shall be responsible for its own legal and other expenses (including any Taxes imposed on such expenses) incurred in connection with the negotiation, preparation, execution, delivery and performance of this Agreement and the Transaction contemplated by this Agreement and for the payment of any broker's commission, finder's fee, legal fees, bankers, investment bankers or like payment payable by it in respect of the Transaction.

## **9.3 Announcements.**

While the Vendor may in its sole discretion seek a sealing order with respect to the Purchase Price for a limited period of time subsequent to Closing, the Vendor shall be entitled to disclose this Agreement and all information provided by the Purchaser in connection herewith may be disclosed to the Court and to parties of interest in the Receivership Proceedings and a copy of this Agreement may be posted on the Receiver's website maintained in connection with the Receivership Proceedings, but all such posted or provided information, including this Agreement, shall only be so posted or provided on a redacted basis unless otherwise agreed by the Purchaser, with such redacted versions to be approved by the Purchaser prior to any such disclosure, posting or provision. Notwithstanding anything to the contrary in this Agreement, unless such information is otherwise publicly disclosed or, upon the advice of counsel, required by Applicable Law or by any Governmental Authority to be disclosed (including in any Tax Returns), neither the Vendor, the Purchaser nor the Receiver shall disclose the quantum of the Purchase Price without the prior written consent of the Vendor and the Purchaser.

## **9.4 Notices.**

- (a) Any notice, certificate, consent or other communication required or permitted to be given or made under this Agreement shall be in writing and shall be effectively given and made if (i) delivered personally, (ii) sent by prepaid courier service or mail, or (iii) sent by fax, e-mail or other similar means of electronic communication, in each case to the applicable address set out below:

- (i) if to the Vendor, to:

MNP Ltd.  
1500, 640 5<sup>th</sup> Ave SW  
Calgary, Alberta T2P 3G4-  
Attention: Victor Kroeger

Email: vic.kroeger@mnp.ca

with a copy to:

MLT Aikins LLP  
2100 Livingston Place  
222, 3<sup>rd</sup> Avenue Calgary, Alberta T2P 0B4  
Attention: Ryan Zahara  
Email: rzahara@maitaikins.com

(ii) if to the Purchaser, to:

SkyFuel Inc.  
c/o Kaidi Mansion, T1 Jiangxia Avenue  
Eastlake Newtech Development Zone  
Wuhan, 430223, Hubei, China  
Attention: Li (Miki) Huijun  
Fax: +86-27-67869031  
Email: kdlihuijun@126.com

With a copy to:

Gardiner Roberts LLP  
Bay Adelaide Centre - East Tower,  
22 Adelaide St W, Ste. 3600,  
Toronto, ON M5H 4E3 Canada  
Attention: Chris Besant  
Fax +1 416.865.6636

Email cbesant@grllp.com

- (b) Any such communication so given or made shall be deemed to have been given or made and to have been received on the day of delivery if delivered, or on the day of faxing or sending by other means of recorded electronic communication, provided that such day in either event is a Business Day and the communication is so delivered, faxed or sent before 4:30 p.m. on such day. Otherwise, such communication shall be deemed to have been given and made and to have been received on the next following Business Day. Any such communication sent by mail shall be deemed to have been given and made and to have been received on the fifth (5<sup>th</sup>) Business Day following the mailing thereof; provided however that no such communication shall be mailed during any actual or apprehended

disruption of postal services. Any such communication given or made in any other manner shall be deemed to have been given or made and to have been received only upon actual receipt.

- (c) Any Party may from time to time change its address under this Section 9.4(c) by notice to the other Party given in the manner provided by this Section.

#### **9.5 Time of Essence.**

Time shall be of the essence of this Agreement in all respects.

#### **9.6 Post-Closing Wind-Up of Receivership Proceedings**

Notwithstanding any other provision of this Agreement, nothing in this Agreement shall operate to restrict in any way the rights of the Receiver to distribute any of the assets of the Vendor, or otherwise wind up the Receivership Proceedings as it may determine in its sole discretion after the Closing, even if doing so may impair the Vendor's ability to provide or perform any further cooperation, assistance or further assurances as may otherwise be provided under this Agreement.

#### **9.7 Time Periods.**

Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of the period is not a Business Day.

#### **9.8 Entire Agreement.**

This Agreement and the agreements and other documents required to be delivered pursuant to this Agreement, constitute the entire agreement between the Parties and set out all the covenants, promises, warranties, representations, conditions, understandings and agreements between the Parties pertaining to the subject matter of this Agreement and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written. There are no covenants, promises, warranties, representations, conditions, understandings or other agreements, oral or written, express, implied or collateral between the Parties in connection with the subject matter of this Agreement except as specifically set forth in this Agreement and any document required to be delivered pursuant to this Agreement.

#### **9.9 Amendments and Waiver.**

No amendment of any provision of this Agreement shall be valid unless the same shall be in writing and signed by the Purchaser and the Vendor. The Vendor and the Purchaser may consent to any such amendment at any time prior to the Closing with the requisite corporate authorization. No waiver by either Party of any default, misrepresentation, or breach of warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

**9.10 Severability.**

Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such prohibition or unenforceability and shall be severed from the balance of this Agreement, all without affecting the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

**9.11 Remedies Cumulative**

The rights, remedies, powers and privileges herein provided to a Party are cumulative and in addition to and not exclusive of or in substitution for any rights, remedies, powers and privileges otherwise available to that Party.

**9.12 Language.**

The Parties have required that this Agreement and all deeds, documents and notices relating to this Agreement be drawn up in the English language.

**9.13 Receiver's Capacity.**

The Purchaser acknowledges and agrees that the Receiver acting in its capacity as Court-appointment receiver of all the assets, undertakings, and properties of the Debtor, will have no liability in connection with this Agreement whatsoever in its capacity as Receiver, in its personal or corporate capacity or otherwise.

**9.14 Governing Law.**

This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein.

**9.15 Dispute Resolution**

If any dispute arises with respect to the interpretation or enforcement of this Agreement, including as to what constitutes a breach or material breach of this Agreement for the purposes of this Section 9.15, such dispute shall be determined by the Court within the Receivership Proceedings, or by such other Person or in such other manner as the Court may direct. Without prejudice to the ability of any of the Vendor or the Purchaser to enforce this Agreement in any other proper jurisdiction, the Purchaser and the Vendor irrevocably submit and attorn to the non-exclusive jurisdiction of the Court.

**9.16 Attornment**

Each Party agrees: (a) that any Legal Proceeding relating to this Agreement must be brought in the Court, and for that purpose now irrevocably and unconditionally attorns and submits to the jurisdiction of the Court; (b) that it irrevocably waives any right to, and shall not, oppose any such Legal Proceeding in the Province of Alberta on any jurisdictional basis, including forum non convenience; and (c) not to oppose the enforcement against it in any other jurisdiction of any Order

duly obtained from the Court as contemplated by this Section 9.16. Each Party agrees that service of process on such Party as provided in Section 9.4 shall be deemed effective service of process on such Party.

**9.17 Successors and Assigns.**

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

**9.18 Assignment.**

This Agreement may not be assigned by the Purchaser except with the prior written consent of the Vendor, which consent shall not be unreasonably withheld or delayed.

**9.19 No Third Party Beneficiaries.**

This Agreement shall not confer any rights or remedies upon any Person other than the Parties and their respective successors and permitted assigns or as specifically referred to herein.

**9.20 Counterparts.**

This Agreement may be executed in counterparts including by way of stamp signature or DocuSign signature duly authorized by the signatory Parties, and such counterparts together shall constitute a single instrument. Delivery of an executed counterpart of this Agreement by electronic means, including, without limitation, by facsimile or email transmission or by electronic delivery in portable document format (“**.pdf**”) or tagged image file format (“**.tif**”), shall be equally effective as delivery of a manually executed counterpart hereof.

*[Remainder of page left intentionally blank; signature page to follow.]*

IN WITNESS WHEREOF the Purchaser has executed this Agreement.

SKYFUEL INC.

By: \_\_\_\_\_

Name: Chen Yilong

Title: Chairman

**ACCEPTANCE**

The Vendor hereby accepts the above and agrees to and with the Purchaser to duly complete the sale of the Purchased Assets on the terms and conditions above mentioned and to observe and perform the covenants and undertakings therein set out.

DATED as of this 22 day of October 2021.

MNP LTD., solely in its capacity as Court-appointed receiver of the current and future assets, undertakings and properties of Alter NRG Corp., and not in its personal capacity and without personal or corporate liability

By: \_\_\_\_\_

Name: Victor Kroeger

Title: Senior Vice President

## SCHEDULE "A" PATENT RIGHTS

Appendix A - Assets Included in Sale  
Altair NRG Corp. Patent List

Title	Patent No.	Country	Application No.	Filing Date	Publication No.	Publication Date	Patent Date	Expiration Date	Status
PROCESS AND APPARATUS FOR TREATMENT OF INCINERATOR BOTTOM ASH AND FLY ASH (2011WP2NP)	8,314,682 B2	United States of America	13,445,255	12-Apr-2012	US-2012-0254695-A1	18-Oct-2012	10-Apr-2018	18-Oct-2032	Revivable
PROCESS AND APPARATUS FOR TREATMENT OF INCINERATOR ASH (2011WP2NP/CT/CA)	HK1180281	Hong Kong	14108701.7	25-Aug-2014	1192381A	07-Nov-2014	21-Sep-2018	12-Apr-2032	Granted
PROCESS AND APPARATUS FOR TREATMENT OF INCINERATOR BOTTOM ASH AND FLY ASH (2011WP2NP/DV) (CLAMS 15-30)	2,463,787 B2	United States of America	14,558,277	30-Dec-2014	US-2015-0112114-A1	23-Apr-2015	18-Oct-2018	12-Apr-2032	Granted
PROCESS AND APPARATUS FOR TREATMENT OF INCINERATOR ASH (2011WP2NP/CT/CA)	ZL201250019300.2	China (People's Republic)	CH201250019300.2	12-Apr-2012	CN103091156A	26-Feb-2014	31-Oct-2017	12-Apr-2032	Granted
PROCESS AND APPARATUS FOR TREATMENT OF INCINERATOR BOTTOM ASH AND FLY ASH (2011WP2NP/CON)	2,669,248 B2	United States of America	14,538,458	30-Dec-2014	US-2015-0112116-A1	23-Apr-2015	05-Jun-2017	28-May-2032	Granted
SYSTEM AND PROCESS FOR UPGRADING HEAVY HYDROCARBONS (2007WP1)	7,832,924 B2	United States of America	11,807,435	29-May-2007	US-2008-0209010-A1	04-Dec-2008	15-Dec-2009	05-Feb-2028	Granted
SYSTEM AND PROCESS FOR UPGRADING HEAVY HYDROCARBONS (2007WP1D)	5,052,940 B2	United States of America	12,550,627	27-Oct-2009	US-2010-0216664-A1	26-Aug-2010	08-Nov-2011	12-Feb-2028	Granted
PLASMA GASIFICATION REACTOR (2008WPS/WP3/WP4 PCT/AU)	2012213682	Australia	2010-213582	04-Feb-2010			14-May-2018	04-Feb-2030	Granted
PLASMA GASIFICATION REACTOR (2008WPS/WP3/WP4 PCT/CA)	2,751,859	Canada	2,751,859	08-Aug-2011	2751859	15-Aug-2010	31-Jul-2018	04-Feb-2030	Granted
PLASMA GASIFICATION REACTOR (2008WPS/WP3/WP4 PCT/CN)	ZL201060007559.7	China (People's Republic)	CH201060007559.7	04-Feb-2010	CN102315074A	11-Jan-2012	26-Jul-2018	04-Feb-2030	Granted
PLASMA GASIFICATION REACTOR (2008WP4)	9,222,038 B2	United States of America	12,378,154	11-Feb-2009	US-2010-0199940-A1	12-Aug-2010	29-Dec-2015	28-Mar-2033	Granted
PLASMA GASIFICATION REACTOR (2008WPS/WP3/WP4 PCT/CA DV)		Canada	2,008,823	10-Jun-2018					Renstate
PLASMA GASIFICATION REACTOR (2008WPS/WP3/WP4 HK)	HK1164775	Hong Kong	12106975.8	07-Jun-2012	1164778A	28-Sep-2012	24-Jun-2016	04-Feb-2030	Granted
PLASMA GASIFICATION REACTOR (2008WPS/WP3/WP4 PCT/AU DN)	2015202017	Australia	2015-202017	21-Apr-2015		25-Aug-2018	08-Dec-2018	04-Feb-2030	Granted
PLASMA GASIFICATION REACTORS WITH MODIFIED CARBON BEDS AND REDUCED COKE REQUIREMENTS (2010WP1DVI)	9,222,038 B2	United States of America	13,821,107	14-Mar-2013	US-2013-0192970-A1	01-Aug-2013	29-Dec-2018	30-Sep-2031	Granted
PLASMA GASIFICATION REACTORS WITH MODIFIED CARBON BEDS AND REDUCED COKE REQUIREMENTS (2010WP1DV2)	9,050,916 B2	United States of America	14,520,804	07-Aug-2015	US-2015-0344793-A1	03-Dec-2015	23-May-2017	05-Jan-2032	Granted
PLASMA GASIFICATION REACTORS WITH MODIFIED CARBON BEDS AND REDUCED COKE REQUIREMENTS (2010WP1NP/PT/S/D DV)		Singapore	5615201802851X	14-Apr-2016		26-Jun-2016			Revivable
ENHANCED PLASMA GASIFIERS FOR PRODUCING SYNGAS (2011WP1NP/CT/EP)	EP2670923	European Patent Convention	12701402.5	12-Jan-2012	EP2670923	11-Dec-2013	04-Jul-2018	12-Jan-2032	Granted
PROCESS FOR PRODUCING SYNGAS USING PLASMA GASIFIERS (2011WP1NP/DV) (CLAMS 19-24)	2,540,579 B2	United States of America	14,931,214	25-Feb-2015	US-2015-0160914-A1	18-Jun-2016	10-Jan-2017	19-Mar-2032	Granted
ENHANCED PLASMA GASIFIERS FOR PRODUCING SYNGAS (2011WP1NP/CT/S/D DV)		Singapore	5013201600882Y	03-Feb-2016		30-Mar-2016			Published
SYNGAS PRODUCED BY PLASMA GASIFICATION (0710E2P/CT/RU)	EP2038130	European Patent Convention	11782292.0	10-Nov-2011	EP2038130	18-Sep-2013	08-Jun-2018	10-Nov-2031	Granted
SYNGAS PRODUCED BY PLASMA GASIFICATION (0710E2P/CT/RU)	2572998	Russian Federation	20131295.21	10-Nov-2011	2013124E21	20-Dec-2014	10-Dec-2016	10-Nov-2031	Granted
START-UP TORCH	9,574,770 B2	United States of America	13,860,662	11-Apr-2015	US-2013-0273480-A1	17-Oct-2013	21-Feb-2017	24-Nov-2033	Granted
START-UP TORCH	ZL201380024591.X	China (People's Republic)	CH201380024591.X	16-Apr-2013	CN104302997A	21-Jan-2016	03-May-2017	15-Apr-2033	Granted
START-UP TORCH		India	2183KOLNP/2014	16-Apr-2013					Pending
START-UP TORCH	HK1205243	Hong Kong	16109567.1	12-Jun-2016	1205243A	11-Dec-2016	04-May-2018	18-Apr-2033	Granted
METHOD AND APPARATUS FOR FEEDING MUNICIPAL SOLID WASTE TO A PLASMA GASIFIER REACTOR (0767Z)	9,668,693	United States of America	13,721,845	20-Dec-2012	US-2014-0176335-A1	28-Jun-2014	23-May-2017	20-Dec-2032	Granted

**SCHEDULE "B"**  
**PERMITTED ENCUMBRANCES**

N/A

**SCHEDULE "C"**  
**FORM OF APPROVAL AND VESTING ORDER**

The Parties shall use the Alberta Template Approval and Vesting Order (Jan 2019 version) as the form of vesting order for this transaction, *mutatis mutandis*,

# APPENDIX B

## AMENDING AGREEMENT

THIS AMENDING AGREEMENT is made effective as of the 11 day of November, 2021,

BETWEEN:

**MNP LTD.**, solely in its capacity as Court-appointed receiver of the current and future assets, undertakings and properties of Alter NRG Corp., and not in its personal capacity and without personal or corporate liability

(hereinafter referred to as the “**Vendor**”)

AND:

**SKYFUEL INC.**, a company incorporated pursuant to the laws of the State of Delaware, USA, having its registered office at 2711 Centerville Road, Suite 400 in the City of Wilmington, County of New Castle, Delaware USA

(hereinafter referred to as the “**Purchaser**”)

(each a “**Party**”, and collectively, the “**Parties**”)

### RECITALS

- A. On April 29, 2021, the Court of Queen’s Bench of Alberta (the “**Court**”) granted an order appointing MNP Ltd. as the receiver (“**Receiver**”) of Alter NRG Corp. (“**Debtor**”) in Court of Queen’s Bench of Alberta Action No. 2101-02279 (the “**Receivership Proceedings**”);
- B. Pursuant to an Order of the Court dated July 16, 2021, the Court approved the sales solicitation process in the Receivership Proceedings and authorized the Receiver to market and sell the assets, undertakings and properties of the Debtor;
- C. Further to the Receivership Proceedings, the Vendor and the Purchaser entered into an Asset Purchase Agreement made effective as of October 22, 2021 (the “**Asset Purchase Agreement**”) in respect of the purchase and sale of the Purchased Assets, which Asset Purchase Agreement originally contemplated a Closing Date to be the later of: (i) November 30, 2021, as may be extended pursuant to Section 5.2 of the Asset Purchase Agreement; or (ii) the date that is the next Business Day following ten (10) days after the issuance of the Approval and Vesting Order;
- D. On October 22, 2021, the Court issued the Approval and Vesting Order, approving the Asset Purchase Agreement and the transactions contemplated therein, such that the Closing Date under the Asset Purchase Agreement was to be November 30, 2021; and
- E. The Parties wish to amend the Asset Purchase Agreement to, *inter alia*: (i) extend the Closing Date from November 30, 2021 to January 31, 2022; and (ii) adjust the Deposits to be paid by the Purchaser thereunder; all on and subject to the terms and conditions set out herein;

**NOW THEREFORE**, in consideration of the sum of TEN DOLLARS (\$10.00) paid by each Party to the other Party, and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by the Parties), the Parties hereby agree as follows:

1. The Parties hereby acknowledge, confirm and agree that the foregoing recitals are true.
2. Capitalized terms not otherwise defined herein shall have the respective meanings ascribed to those terms in the Asset Purchase Agreement.
3. The Parties agree that the Asset Purchase Agreement is hereby amended as of the effective date of this Amending Agreement as follows:

- (a) The definition of "Closing Date" as set out in Section 1.1 of the Asset Purchase Agreement is hereby deleted in its entirety and replaced with the following:

**"Closing Date"** means January 31, 2022.

- (b) Section 3.1(d) of the Asset Purchase Agreement is hereby deleted in its entirety and replaced with the following:

(d) The Purchaser will, no later than November 12, 2021, pay an additional deposit to the Receiver in the amount of CAD [REDACTED] (the "**Second Deposit**"), and together with the First Deposit, the "**Deposits**"), which the Vendor acknowledges it will hold in trust on account of the Cash Component of the Purchase Price pending the Closing of this transaction and subject to the terms hereof.

- (c) Section 3.1(e)(iii) of the Asset Purchase Agreement is hereby deleted in its entirety and replaced with the following:

(iii) In addition to and notwithstanding Section 3.1(e)(ii) above, if the Purchaser has paid the Second Deposit and fails to complete the transactions contemplated by this Agreement for any reason except due to a default by the Vendor, then the Second Deposit shall be additionally forfeited in its entirety and paid to the Vendor as a genuine pre-estimate of the damages suffered by the Vendor on account of the Purchaser so failing to complete the transactions contemplated by this Agreement. For greater certainty, the foregoing forfeiture of the Second Deposit, if applicable, is intended to be in addition to the forfeiture of the First Deposit.

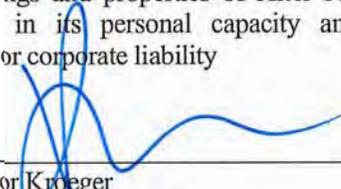
4. Except as otherwise expressly provided herein, all of the terms and conditions of the Asset Purchase Agreement remain unchanged and in full force and effect. The Asset Purchase Agreement and this Amending Agreement shall be read together and shall have effect as though all the provisions of the Asset Purchase Agreement and this Amending Agreement were contained in one instrument. Each of the Parties hereby affirms that the Asset Purchase Agreement is in full force and effect as of the date hereof, subject to the terms and conditions thereof and the amendments contained herein, and affirm that it is subject to its respective covenants, obligations and agreements set out in the Asset Purchase Agreement, as amended by this Amending Agreement.
5. The provisions of this Amending Agreement shall enure to and be binding upon the successors and permitted assigns of each Party.
6. This Amending Agreement shall be construed, governed and enforced in accordance with the laws of the Province of Alberta and of Canada applicable therein. The Parties hereto hereby

irrevocably attorn to the exclusive jurisdiction of the Courts of the Province of Alberta in respect of any disputes arising herefrom.

7. This Amending Agreement may be signed and delivered in counterparts, each of which will be considered to be an original, and all of which together will constitute one and the same instrument. This Amending Agreement may be transmitted by facsimile or e-mail attachment and the reproduction of signatures in such manner will be binding as if originals.

**IN WITNESS WHEREOF** the Parties hereto have executed this Amending Agreement to be effective as of the date first written above.

**MNP LTD.**, solely in its capacity as Court-appointed receiver of the current and future assets, undertakings and properties of Alter NRG Corp., and not in its personal capacity and without personal or corporate liability

Per:   
\_\_\_\_\_  
Victor Kroeger  
Senior Vice President

**SKYFUEL INC.**

Per:   
\_\_\_\_\_  
Chen Yilong  
Chairman

# APPENDIX C

## SECOND AMENDING AGREEMENT

THIS SECOND AMENDING AGREEMENT is made effective as of January 31, 2022,

BETWEEN:

**MNP LTD.**, solely in its capacity as Court-appointed receiver of the current and future assets, undertakings and properties of Alter NRG Corp., and not in its personal capacity and without personal or corporate liability

(hereinafter referred to as the “**Vendor**”)

AND:

**SKYFUEL INC.**, a company incorporated pursuant to the laws of the State of Delaware, USA, having its registered office at 2711 Centerville Road, Suite 400 in the City of Wilmington, County of New Castle, Delaware USA

(hereinafter referred to as the “**Purchaser**”)

(each a “**Party**”, and collectively, the “**Parties**”)

### RECITALS

- A. On April 29, 2021, the Court of Queen’s Bench of Alberta (the “**Court**”) granted an order appointing MNP Ltd. as the receiver (“**Receiver**”) of Alter NRG Corp. (“**Debtor**”) in Court of Queen’s Bench of Alberta Action No. 2101-02279 (the “**Receivership Proceedings**”);
- B. Pursuant to an Order of the Court dated July 16, 2021, the Court approved the sales solicitation process in the Receivership Proceedings and authorized the Receiver to market and sell the assets, undertakings and properties of the Debtor;
- C. Further to the Receivership Proceedings, the Vendor and the Purchaser entered into an Asset Purchase Agreement made effective as of October 22, 2021, as amended by the Amending Agreement made effective as of November 11, 2021 (collectively, the “**Asset Purchase Agreement**”) in respect of the purchase and sale of the Purchased Assets;
- D. The Parties wish to amend the Asset Purchase Agreement to, *inter alia*: (i) further extend the Closing Date from January 31, 2022 to August 31, 2022; and (ii) further adjust the Deposits to be paid by the Purchaser thereunder, all on and subject to the terms and conditions set out herein;

**NOW THEREFORE**, in consideration of the sum of TEN DOLLARS (\$10.00) paid by each Party to the other Party, and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by the Parties), the Parties hereby agree as follows:

1. The Parties hereby acknowledge, confirm and agree that the foregoing recitals are true.
2. Capitalized terms not otherwise defined herein shall have the respective meanings ascribed to those terms in the Asset Purchase Agreement.

3. The Parties agree that the Asset Purchase Agreement is hereby further amended as of the effective date of this Second Amending Agreement as follows:

(a) The definition of "Closing Date" as set out in Section 1.1 of the Asset Purchase Agreement is hereby deleted in its entirety and replaced with the following:

**"Closing Date"** means August 31, 2022, or such earlier date as contemplated pursuant to Section 5.2.

(b) The definition of "Deposits" as set out in Section 1.1 of the Asset Purchase Agreement is hereby deleted in its entirety and replaced with the following:

**"Deposits"** has the meaning given in Section 3.1(d.3).

(c) Section 3.1(d) of the Asset Purchase Agreement is hereby deleted in its entirety and replaced with the following:

(d) The Purchaser will, no later than November 12, 2021, pay an additional deposit to the Receiver in the amount of CAD [REDACTED] (the **"Second Deposit"**) which the Vendor acknowledges it will hold in trust on account of the Cash Component of the Purchase Price pending the Closing of this transaction and which is refundable only in accordance with the terms hereof.

(d) The following is hereby added as Section 3.1(d.1) of the Asset Purchase Agreement:

(d.1) The Purchaser will, no later than March 4, 2022, pay an additional deposit to the Receiver in the amount of CAD [REDACTED] (the **"Third Deposit"**) which the Vendor acknowledges it will hold in trust on account of the Cash Component of the Purchase Price pending the Closing of this transaction and which is refundable only in accordance with the terms hereof.

(e) The following is hereby added as Section 3.1(d.2) of the Asset Purchase Agreement:

(d.2) The Purchaser will, no later than April 15, 2022, pay an additional deposit to the Receiver in the amount of CAD [REDACTED] (the **"Fourth Deposit"**) which the Vendor acknowledges it will hold in trust on account of the Cash Component of the Purchase Price pending the Closing of this transaction and which is refundable only in accordance with the terms hereof.

(f) The following is hereby added as Section 3.1(d.3) of the Asset Purchase Agreement:

(d.3) The Purchaser will, no later than June 15, 2022, pay an additional deposit to the Receiver in the amount of CAD [REDACTED] (the **"Fifth Deposit"**), and together with the First Deposit, the Second Deposit, the Third Deposit and the Fourth Deposit, the **"Deposits"**) which the Vendor acknowledges it will hold in trust on account of the Cash Component of the Purchase Price pending the Closing of this transaction and which is refundable only in accordance with the terms hereof.

(g) Section 3.1(e) of the Asset Purchase Agreement is hereby deleted in its entirety and replaced with the following:

(e) The Deposits shall be held in trust by the Receiver and dealt with as follows:

(i) If the Vendor fails to complete the transactions contemplated by this Agreement for any reason except due to a default by the Purchaser, the Deposits (to the extent paid by the Purchaser as at such time) shall be promptly returned to the Purchaser, and the Parties shall have no further obligations or liabilities to one another hereunder.

(ii) If the Purchaser fails to pay any of the Deposits, as and when the same becomes due and owing, or fails to close the Transaction on August 31, 2022, then the entirety of the Deposits (to the extent paid by the Purchaser as at such time) shall be forfeited and paid to the Vendor as a genuine pre-estimate of the damages suffered by the Vendor on account of the Purchaser so failing to complete the transactions contemplated by this Agreement.

(iii) To the extent that any Patent Rights (including any patent applications, registrations or continuations) and/or Permits and Licenses are set to expire, terminate or lapse, or otherwise require any other maintenance to remain in full force and effect in each applicable jurisdiction, in any case prior to the Closing Date, the Receiver will take all such action required to renew, extend, replace and/or maintain such Patent Rights and/or Permits and Licenses, provided that the Receiver may use the Deposits (to the extent paid by the Purchaser as at such time) to pay any and all fees, costs, charges, expenses and other amounts payable to any Governmental Authority or to the Receiver's professional advisors (including legal and accounting fees) in respect of such renewals, extensions, replacements and/or maintenance (the "**Renewal Costs**"). Any such Renewal Costs paid out of the Deposits shall not be refundable to the Purchaser in any event or for any reason, including if the Vendor fails to close the transaction, and shall be deemed to be fully released by the Purchaser as of the date of payment by the Receiver.

(iv) Subject to the foregoing paragraphs, the Deposits shall be applied to the Purchase Price on Closing. For greater certainty, any Renewal Costs paid by the Receiver shall be credited against the Purchase Price at Closing and be deemed to be paid as part of the Purchase Price.

(h) Section 5.2 of the Asset Purchase Agreement is hereby deleted in its entirety and replaced with the following:

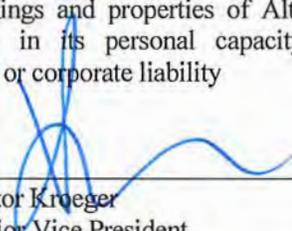
**5.2 Acceleration of Closing Date.**

The Purchaser shall have the option, exercisable in its sole discretion by providing the Receiver with at least ten (10) days' written notice thereof, to amend the Closing Date to occur earlier than August 31, 2022. For greater certainty: (a) if the Purchaser so amends the Closing Date such that the Closing Date will occur prior to the Fourth Deposit and/or the Fifth Deposit becoming due and owing pursuant to Section 3.1, then the Purchaser shall have no obligation to so pay the Fourth Deposit and/or the Fifth Deposit (as the case may be), and the amount(s) thereof shall instead be paid by the Purchaser on Closing on account of the Purchase Price; and (b) such option will expire on and may not be exercised later than August 19, 2022.

4. Except as otherwise expressly provided herein, all of the terms and conditions of the Asset Purchase Agreement remain unchanged and in full force and effect. The Asset Purchase Agreement and this Second Amending Agreement shall be read together and shall have effect as though all the provisions of the Asset Purchase Agreement and this Second Amending Agreement were contained in one instrument. Each of the Parties hereby affirms that the Asset Purchase Agreement is in full force and effect as of the date hereof, subject to the terms and conditions thereof and the amendments contained herein, and affirm that it is subject to its respective covenants, obligations and agreements set out in the Asset Purchase Agreement, as amended by this Second Amending Agreement.
5. The provisions of this Second Amending Agreement shall enure to and be binding upon the successors and permitted assigns of each Party.
6. This Second Amending Agreement shall be construed, governed and enforced in accordance with the laws of the Province of Alberta and of Canada applicable therein. The Parties hereto hereby irrevocably attorn to the exclusive jurisdiction of the Courts of the Province of Alberta in respect of any disputes arising herefrom.
7. This Second Amending Agreement may be signed and delivered in counterparts, each of which will be considered to be an original, and all of which together will constitute one and the same instrument. This Second Amending Agreement may be transmitted by facsimile or e-mail attachment and the reproduction of signatures in such manner will be binding as if originals.

**IN WITNESS WHEREOF** the Parties hereto have executed this Second Amending Agreement to be effective as of the date first written above.

**MNP LTD.**, solely in its capacity as Court-appointed receiver of the current and future assets, undertakings and properties of Alter NRG Corp., and not in its personal capacity and without personal or corporate liability

Per:   
Victor Krueger  
Senior Vice President

**SKYFUEL INC.**

Per: \_\_\_\_\_

Chen Yilong  
Chairman

A handwritten signature in blue ink, appearing to be 'Chen Yilong', is written over a horizontal line. The signature is stylized and cursive.

# APPENDIX D

### THIRD AMENDING AGREEMENT

THIS THIRD AMENDING AGREEMENT is made effective as of August 31, 2022 (the "**Agreement**"):

BETWEEN:

**MNP LTD.**, solely in its capacity as Court-appointed receiver of the current and future assets, undertakings and properties of Alter NRG Corp., and not in its personal or corporate capacity and without personal or corporate liability

(hereinafter referred to as the "**Vendor**")

AND:

**SKYFUEL INC.**, a company incorporated pursuant to the laws of the State of Delaware, USA, having its registered office at 2711 Centerville Road, Suite 400 in the City of Wilmington, County of New Castle, Delaware USA

(hereinafter referred to as the "**Purchaser**")

(each a "**Party**", and collectively, the "**Parties**")

#### RECITALS

- A. On April 29, 2021, the Court of King's Bench of Alberta (the "**Court**") granted an order appointing MNP Ltd. as the receiver ("**Receiver**") of Alter NRG Corp. ("**Debtor**") in Court of King's Bench of Alberta Action No. 2101-02279 (the "**Receivership Proceedings**").
- B. Pursuant to an Order of the Court dated July 16, 2021, the Court approved the sales solicitation process in the Receivership Proceedings and authorized the Receiver to market and sell the assets, undertakings and properties of the Debtor.
- C. Further to the Receivership Proceedings, the Vendor and the Purchaser entered into an Asset Purchase Agreement made effective as of October 22, 2021, as amended by the Amending Agreement made effective as of November 11, 2021 and as further amended by a second amending agreement effective as of January 31, 2022 (collectively, the "**Asset Purchase Agreement**") in respect of the purchase and sale of the Purchased Assets.
- D. The Purchaser failed to make the Fifth Deposit under the Asset Purchase Agreement and is otherwise in material breach of its obligations thereunder.
- E. The Parties wish to further amend the Asset Purchase Agreement to, *inter alia*: (i) further extend the Closing Date to December 15, 2022; (ii) confirm the release of the Deposits to the Vendor for, among other things, distribution to the Debtor's creditors, repayment of a receiver's certificate and the subordination of all of the Purchaser's claims against the Debtor's estate; (iii) have the Purchaser surrender certain rights in respect of the Deposits; and (iv) allow the Purchaser the option to further extend the Closing Date upon payment of an additional Deposit, all on and subject to the terms and conditions set out herein.

**NOW THEREFORE**, in consideration of the sum of TEN DOLLARS (\$10.00) paid by each Party to the other Party, and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by the Parties), the Parties hereby agree as follows:

1. The Parties hereby acknowledge, confirm and agree that the foregoing recitals are true.
2. Capitalized terms not otherwise defined herein shall have the respective meanings ascribed to those terms in the Asset Purchase Agreement.
3. The Parties agree that the Asset Purchase Agreement is hereby further amended as of the effective date of this Agreement as follows:

- (a) The definition of "Closing Date" as set out in Section 1.1 of the Asset Purchase Agreement is hereby deleted in its entirety and replaced with the following:

**"Closing Date"** means December 15, 2022, or such other earlier or later date as contemplated pursuant to Section 5.2.

- (b) Section 3.1(d) of the Asset Purchase Agreement is hereby deleted in its entirety and replaced with the following:

- (d) The Purchaser will, no later than November 12, 2021, pay an additional deposit to the Receiver in the amount of CAD [REDACTED] (the "**Second Deposit**") which the Purchaser acknowledges shall be immediately releasable to the Vendor upon receipt without further restriction and is not refundable in any circumstance.

- (c) Section 3.1(d.1) of the Asset Purchase Agreement is hereby deleted in its entirety and replaced with the following:

- (d.1) The Purchaser will, no later than March 4, 2022, pay an additional deposit to the Receiver in the amount of CAD [REDACTED] (the "**Third Deposit**") which the Purchaser acknowledges shall be immediately releasable to the Vendor upon receipt without further restriction and is not refundable in any circumstance.

- (d) Section 3.1(d.2) of the Asset Purchase Agreement is hereby deleted in its entirety and replaced with the following:

- (d.2) The Purchaser will, no later than April 15, 2022, pay an additional deposit to the Receiver in the amount of CAD [REDACTED] (the "**Fourth Deposit**") and, if the Fifth Deposit is paid, the Fourth Deposit together with the First Deposit, the Second Deposit and the Third Deposit are the "**Initial Deposits**" and, if the Fifth Deposit is not paid, are the "**Deposits**") which the Purchaser acknowledges shall be immediately releasable to the Vendor upon receipt without further restriction and is not refundable in any circumstance, other than as contemplated in Section 3.1(d.2.1)(1) in respect of the Deposit Return Payment.

- (d.2.1) The Receiver acknowledges the Initial Deposits have all been paid to and received by the Receiver. The Purchaser irrevocably consents to the release of all Initial Deposits from trust to the Vendor to do with as it wishes, subject to the foregoing:
- (1) the total aggregate amount of CDN\$60,000 (the "**Deposit Return Payment**") shall first be returned to the Purchaser, and paid to Gardiner Roberts LLP in trust, for the benefit of the Purchaser and Harvest International New Energy Co. Ltd. ("**Harvest**") pursuant to an assignment and subordination agreement effective August 31, 2022 (the "**Subordination Agreement**"). For certainty, this Deposit Return Payment shall reduce the Fourth Deposit from [REDACTED] to [REDACTED] resulting in an additional \$60,000.00 cash payment being payable by the Purchaser on Closing to meet the Cash Component; and
  - (2) the amounts outstanding under Receiver Certificate #1 dated July 19, 2021 (which Receiver's certificate bears interest at the rate of 15% per annum from that date compounded monthly on the last day of each month) shall be paid to Gardiner Roberts LLP in trust, for the benefit of Harvest.
- (e) Section 3.1(d.3) of the Asset Purchase Agreement is hereby deleted in its entirety and replaced with the following:
- (d.3) The Purchaser may, prior to December 15, 2022, choose to extend the Closing Date to up to April 15, 2023, in accordance with Section 5.2 by paying on or before December 15, 2022 an additional deposit of CAD [REDACTED] to the Vendor (the "**Fifth Deposit**" and, if paid, the Fifth Deposit together with the Initial Deposits are the "**Deposits**"). The Purchaser acknowledges the Fifth Deposit shall be immediately releasable to the Vendor upon receipt without further restriction and is not refundable in any circumstance.
- (f) Section 3.1(e) of the Asset Purchase Agreement is hereby deleted in its entirety and replaced with the following:
- (e) All Deposits are non-refundable and shall be immediately releasable to the Vendor upon receipt (including, without limitation, for distribution to creditors of the Debtor by the Receiver) subject to Section 3.2(d.2.1). Subject to the foregoing, the Deposits shall be applied to the Purchase Price on Closing in accordance with Section 3.2.
- (g) Section 5.2 of the Asset Purchase Agreement is hereby deleted in its entirety and replaced with the following:
- 5.2 Acceleration or Extension of Closing Date.**
- (a) The Purchaser shall have the option, exercisable in its sole discretion, to extend the Closing Date to up to April 15, 2023 by: (i) providing the

Receiver with prior written notice thereof on or before December 15, 2022; and (ii) paying the Fifth Deposit to the Vendor on or before December 15, 2022. For greater certainty, such option will expire on and may not be exercised later than December 15, 2022.

- (b) The Purchaser shall have the option, exercisable in its sole discretion by providing the Receiver with at least ten (10) days' written notice thereof, to amend the Closing Date to occur earlier than December 15, 2022.
- (h) Section 8.2 of the Asset Purchase Agreement is hereby deleted in its entirety and replaced with the following:

**8.2 Effect of Termination.**

- (a) If this Agreement is terminated for any reason, (i) subject to this Section 8.2, all the obligations of the Vendor and the Purchaser pursuant to this Agreement shall be at an end and, (ii) without limiting the Purchaser's forfeiture of the Deposits contemplated herein (which Deposits for certainty are not refundable to Purchaser in any circumstances), the Deposits shall constitute a genuine pre-estimation of the Vendor's liquidated damages; (iii) the Vendor (including, for certainty, both the Debtor and Receiver) shall not have the right to pursue any other rights and remedies against the Purchaser or its subsidiaries associates affiliates or parent company (including without limitation Harvest and Sunshine Kaidi) available at law or in equity connected with or otherwise related directly or indirectly, in any manner whatsoever, to the Asset Purchase Agreement (other than for fraud, willful misconduct or gross negligence); and (iv) the Vendor shall have the right to remarket and sell the Purchased Assets to any other Person free and clear of any claims by Purchaser. For certainty, nothing herein shall prevent the enforcement of any matters relating to the Subordination Agreement by the Vendor.
- (b) If this Agreement is terminated for any reason, the Purchaser shall be deemed to, for itself and its heirs, executors, and administrators (collectively, or any one or more of them, as the context permits, the "**Releasor**"), hereby release and forever discharge Vendor (including, for certainty, both the Debtor and Receiver) and all of its current, past and future officers, directors, employees, agents, insurers, affiliates, successors, predecessors, subsidiaries, consultants, receivers, receiver managers, trustees and assigns and all persons acting by, through, or in concert with any of the foregoing (collectively, or any one or more of them, as the context requires, the "**Releasees**") of and from all manner of actions, causes of action, grievances, claims, complaints, suits, demands, damages, costs, liabilities, dues and sums of money of any nature or kind whatsoever and whether in law, equity, contract, tort or otherwise which Releasors ever had, now has, or shall or may have against the Releasees by reason of any matter, cause or thing whatsoever existing up to and inclusive of the applicable date of termination arising out of, accruing under or pursuant to, connected with or otherwise related directly or indirectly, in any manner whatsoever, to the Asset Purchase Agreement and the Purchased Assets. For greater certainty, this Section 8.2(b) shall

not release any claims which the Purchaser or its affiliates (including without limitation Sunshine Kaidi and Harvest) may have against the Debtor independent of the Asset Purchase Agreement, including without limitation the Alter Debt and the Harvest Receivership Payments (subject in each case to the Subordination Agreement) and any and all rights of the Purchaser and Harvest in any shares of Alter.

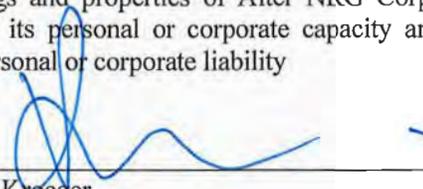
- (c) If this Agreement is terminated for any reason, all further obligations of the Parties, other than those outlined in Section 8.2(a) through (c), will terminate and no Party will have any Liability or further obligations hereunder, except as contemplated in Section 4.5 (Transaction Personal Information), Section 4.7 (Indemnity), Section 8.2 (Effect of Termination), Section 9.2 (Expenses), Section 9.3 (Announcements), Section 9.4 (Notices), Section 9.8 (Entire Agreement), Section 9.10 (Severability), Section 9.13 (Receiver's Capacity), Section 9.14 (Governing Law), Section 9.15 (Dispute Resolution), Section 9.16 (Attornment), 9.17 (Successors and Assigns), 9.18 (Assignment), and 9.19 (Third Party Beneficiaries), which shall survive such termination.
- 4. Except as otherwise expressly provided herein, or necessary to give effect to the terms hereof, all of the terms and conditions of the Asset Purchase Agreement remain unchanged and in full force and effect. The Asset Purchase Agreement and this Agreement shall be read together and shall have effect as though all the provisions of the Asset Purchase Agreement and this Agreement were contained in one instrument. Each of the Parties hereby affirms that the Asset Purchase Agreement is in full force and effect as of the date hereof, subject to the terms and conditions thereof and the amendments contained herein, and affirm that it is subject to its respective covenants, obligations and agreements set out in the Asset Purchase Agreement, as amended by this Agreement.
  - 5. The provisions of this Agreement shall enure to and be binding upon the successors and permitted assigns of each Party.
  - 6. This Agreement shall be construed, governed and enforced in accordance with the laws of the Province of Alberta and of Canada applicable therein. The Parties hereto hereby irrevocably attorn to the exclusive jurisdiction of the Courts of the Province of Alberta in respect of any disputes arising herefrom.
  - 7. This Agreement may be signed electronically and delivered in counterparts, each of which will be considered to be an original, and all of which together will constitute one and the same instrument. This Agreement may be transmitted by facsimile or e-mail attachment and the reproduction of signatures in such manner will be binding as if originals.
  - 8. The Purchaser shall have the right to assign the Asset Purchase Agreement, this Agreement, the Alter Debt, and the Subordination Agreement to:
    - (a) any nominee, subsidiary or affiliate (whether existing or to be formed) of its ultimate parent company, Sunshine Kaidi New Energy Group Co. Ltd. ("**Sunshine Kaidi**"); and/or
    - (b) any other person or entity whether or not at arm's length:

provided that: (i) the same assignee assumes the Purchaser's interest in all of the Asset Purchase Agreement, this Agreement, the Alter Debt, and the Subordination Agreement; (ii) the assignee agrees to be bound by the terms of those agreements, (iii) the Purchaser shall remain liable for the assignee's performance of its obligations under all such agreements.

*[Signature page follows]*

**IN WITNESS WHEREOF** the Parties hereto have executed this Agreement to be effective as of the date first written above.

**MNP LTD.**, solely in its capacity as Court-appointed receiver of the current and future assets, undertakings and properties of Alter NRG Corp., and not in its personal or corporate capacity and without personal or corporate liability

Per:   
Victor Kroeger  
Senior Vice President

**SKYFUEL INC.**

Per:   
Chen Yilong  
Chairman

# APPENDIX E

错误!未知的文档属性名称

## ASSIGNMENT AND SUBORDINATION AGREEMENT

THIS AGREEMENT is made effective as of August 31, 2022 (the "**Effective Date**").

BETWEEN:

**MNP LTD.**, solely in its capacity as Court-appointed receiver of the current and future assets, undertakings and properties of **ALTER NRG CORP.**, and not in its personal or corporate capacity and without personal or corporate liability

(collectively, the "**Vendor**")

and

**SKYFUEL INC.**, a company incorporated pursuant to the laws of the State of Delaware, USA, having its registered office at 2711 Centerville Road, Suite 400 in the City of Wilmington, County of New Castle, Delaware USA

("SkyFuel")

and

**HARVEST INTERNATIONAL NEW ENERGY CO. LTD.**

("Harvest")

**WHEREAS:**

A. On April 29, 2021, the Court of King's Bench of Alberta (the "**Court**") granted an Order appointing MNP Ltd to act as the receiver (the "**Receiver**") of Alter NRG Corp. ("**Alter**") in Court of King's Bench of Alberta Action No. 2101-02279 (the "**Receivership Proceedings**").

B. Pursuant to an Order of the Court dated July 16, 2021, the Court approved the sales solicitation process in the Receivership Proceedings and authorized the Receiver to market and sell the assets, undertakings and properties of Alter.

C. The Vendor and SkyFuel entered an asset purchase agreement dated October 22, 2021, as amended by an amending agreement made effective as of November 11, 2021, and as further amended by a second amending agreement effective as of January 31, 2022, and a third amending agreement dated effective as of the Effective Date (collectively, the "**APA**") whereby the Receiver agreed to sell and SkyFuel agreed to purchase the Purchased Assets.

D. The APA contemplates that Alter is indebted to Harvest for the Alter Debt.

E. Harvest wishes to assign all right, title and interest in and to the Alter Debt to SkyFuel.

F. SkyFuel wishes to confirm the assignment and the subordination of the Alter Debt on the terms and conditions set out herein.

G. Capitalized terms used but not defined herein have the meanings given to them in the APA.

**NOW THEREFORE** and in consideration of the covenants and the terms and conditions hereinafter contained, and for other good and valuable consideration, the parties hereto agree as follows:

1. **Definitions.** Except for provisions to the contrary or unless it is inconsistent with the context, the following terms and expressions used in this Agreement shall have the following meanings:
  - (a) **"Agreement"** means this Assignment and Subordination Agreement;
  - (b) **"Business Day"** means any day except Saturday or Sunday, when the Receiver is open to do business in Alberta;
  - (c) **"Claims"** means any and all direct or indirect, demands, claims, notices of violation, notices of probable violation, filings, investigations, administrative proceedings, actions, causes of action, suits, other legal proceedings, judgments, assessments, damages, deficiencies, taxes, penalties, fines, obligations, responsibilities, liabilities, payments, charges, losses, costs, and expenses of any kind or character asserted by a third party (whether known or unknown, fixed or unfixed, conditional or unconditional, based on negligence, strict liability or otherwise, choate or inchoate, liquidated or unliquidated, secured or unsecured, accrued, absolute, contingent, or other legal theory), including without limitation penalties and interest on any amount payable as a result of any of the foregoing, any legal or other costs and expenses incurred in connection with investigating or defending any Claim, and all amounts paid in settlement of Claims.
  - (d) **"Insolvency Law"** means the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), the *Winding-up and Restructuring Act* (Canada) and any similar statute or law or any corporate law in any jurisdiction dealing with bankruptcy, insolvency, receivership, restructuring of debts or analogous concepts, and including without limitation, the filing of an application or commencement of proceedings under provisions of the *Canada Business Corporations Act* or the *Business Corporations Act* (Ontario) (or any successors to such statutes or comparable legislation in other jurisdictions) seeking to impose a stay of proceedings against creditors, seeking to approve or impose a plan of arrangement providing for the compromise of claims of creditors or imposing other limitations or restrictions on creditors' rights.
  - (e) **"Insolvency Proceeding"** means (i) any voluntary or involuntary case or proceeding under any Insolvency Law, (ii) any voluntary or involuntary appointment of a trustee, Receiver, monitor, liquidator, custodian, sequestrator, conservator or any similar official for Alter or for a substantial part of the property or assets of Alter, (iii) any voluntary or involuntary dissolution, winding-up or liquidation of Alter or of the business of Alter, or (iv) a general assignment for the benefit of creditors by Alter or any marshalling of their assets.
2. **Assignment.** Harvest hereby confirms that, as of the Effective Date, the value of the Alter Debt (inclusive of all interest, penalties, fees, attorney costs or other expenses of any kind) is CDN [REDACTED]. Harvest hereby irrevocably assigns all of its right, title and interest in and to the Alter Debt to SkyFuel as of the Effective Date. The parties further acknowledge that SkyFuel shall be permitted to further assign the Alter Debt to any other subsidiary affiliate or associate of its ultimate parent company Sunshine Kaidi New Energy Group Co. Ltd. ("**Sunshine Kaidi**"), if SkyFuel also assigns the APA, as amended, and this Agreement to that entity.

3. **Harvest Release.** Harvest, on behalf of itself, its subsidiaries and affiliates and all of their respective associates, officers, directors, servants, employees, advisors, consultants agents, and each of their successors and assigns, in their personal and representative capacities, as the case may be, and anyone claiming through or under them (collectively, the "**Harvest Releasers**"), does hereby release, defend, remise, indemnify, hold harmless and forever discharge the Vendor (both the Receiver and Alter), including, without limitation, its subsidiaries and affiliates and all of their respective associates, officers, directors, servants, employees, advisors, consultants agents and each of their successors and assigns, in their personal and representative capacities, as the case may be, and anyone claiming through or under them of and from any and all Claims of every nature and kind at law or in equity or under any statute, actions, causes of action, suits, debts, dues, sums of money, losses, damages, injury, liability, indemnities, expenses, costs and any indirect, incidental and consequential damage of any kind, which any Harvest Releaser or any one or more of them now have or ever had, can, shall or may have, in respect of or in any way arising out of or related to the treatment, dealings, transactions or the enforcement of the Alter Debt and any other Claims against Alter. Notwithstanding the foregoing, (a) the release contemplated in this Section 3 shall not apply to the Alter Debt assumed by SkyFuel pursuant to Section 2, nor to any shares owned by Harvest in Alter; and (b) such release shall survive execution of this Agreement indefinitely.
4. **Subordination.** SkyFuel hereby subordinates to, and in favour of all other creditors of Alter, all Claims that SkyFuel has or may have against Alter (inclusive of the Alter Debt), including without limitation its Claim for CDN [REDACTED] contemplated as a credit bid under the APA (the "**Credit Bid Claim**", and all remaining Claims against Alter being the "**Other Claims**"). For certainty: (a) upon closing of the transaction contemplated in the APA, the Credit Bid Claim will be extinguished, and (b) SkyFuel shall not be eligible to participate in any distributions from the receivership estate of Alter on account of the Credit Bid Claims or any of the Other Claims unless and until all other Claims of creditors of Alter are first satisfied in full. The subordination contemplated in this Section 4 shall survive execution of this Agreement indefinitely.
5. **Payment.** In consideration for the release and subordination contemplated herein, the Vendor shall, for the benefit of SkyFuel and Harvest, return CDN\$60,000 to SkyFuel, representing the Deposit Return Payment, by way of its counsel Gardiner Roberts LLP, within five (5) Business Days of the Effective Date. Such payment shall be inclusive of all applicable taxes.
6. **No Opposition.** Neither SkyFuel, Harvest nor any of their respective affiliates shall, in or in connection with the Receivership Proceedings or any other applicable Insolvency Proceeding, file any pleadings or motions, take any position at any hearing or proceeding of any nature, or otherwise take any action whatsoever, that is not consistent with the terms, conditions and intent of this Agreement, and the assignment, release and subordination contemplated herein.
7. **Further Assurances.** SkyFuel and Harvest shall, upon the request of the Vendor, as soon as possible using good faith efforts, sign any deed, agreement or other document, and shall perform any useful or necessary act that may reasonably be required in order to give effect to the Agreement hereof.
8. **Successors.** The terms and conditions of this Agreement shall apply and enure to the benefit of the parties' successors and assigns.
9. **Assignment.** No party may assign its rights and obligations under this Agreement without the

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prior written consent of the other parties. Notwithstanding the foregoing, SkyFuel may assign this Agreement to:

- (a) any subsidiary, affiliate or associate of its ultimate parent company Sunshine Kaidi, and/or
- (b) any other person or entity whether or not at arm's length;

provided that: (i) the assignee also assumes SkyFuel's interest in both of the Alter Debt and the APA, (ii) the assignee agrees to be bound by the terms of this Agreement and the APA, (iii) SkyFuel shall remain liable for the assignee's performance of its obligations under such agreements and (iv) provided the conditions on assignment of this Agreement set out in the APA are complied with.

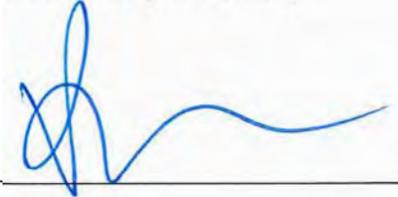
10. **Severability.** All of the provisions of this Agreement shall be treated as separate and distinct and if any provision hereof is declared invalid, the other provisions shall nevertheless remain in full force and effect.
11. **Amendment and Waiver.** The provisions of this Agreement shall enure to and be binding upon the successors and permitted assigns of each party.
12. **Governing Law.** This Agreement shall be construed, governed and enforced in accordance with the laws of the Province of Alberta and of Canada applicable therein. The parties hereby irrevocably attorn to the exclusive jurisdiction of the Courts of the Province of Alberta in respect of any disputes arising herefrom.
13. **Counterparts.** This Agreement may be signed electronically and delivered in counterparts, each of which will be considered to be an original, and all of which together will constitute one and the same instrument. This Agreement may be transmitted by facsimile or e-mail attachment and the reproduction of signatures in such manner will be binding as if originals.

*[Signature page follows.]*

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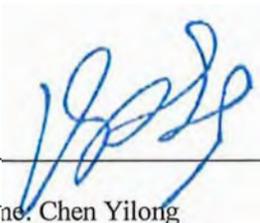
**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement with effect as of the Effective Date.

**MNP LTD.**, solely in its capacity as Court-appointed receiver of the current and future assets, undertakings and properties of Alter NRG Corp., and not in its personal or corporate capacity and without personal or corporate liability

Per: 

Name: Victor Kroeger  
Title: Senior Vice President

**SKYFUEL INC.**

Per:   
Name: Chen Yilong  
Title: Chairman

**HARVEST INTERNATIONAL NEW ENERGY CO. LTD.**

Per:   
Name: Chen Yilong  
Title: Chairman

# APPENDIX F

**MNP Ltd.**

**Claims Register**

In the Matter of the Receivership of  
Alter NRG Corp.

Insolvency Date: 29-Apr-2021

Estate Number: 25-095231

<i>Creditor Name</i>	<i>Proof of Claim?</i>	<i>Claim Status</i>	<i>Rank / Class</i>	<i>SOA Amount</i>	<i>Amount Filed</i>	<i>Admitted for Dividend</i>
<b>Unsecured creditors</b>						
1. Alex Gorodetsky	Yes	Admitted		350,287.44	395,460.48	395,460.48
2. Bruce Leonard	Yes	Admitted		339,967.96	384,196.53	384,196.53
3. Danny Hay	Yes	Admitted		702,102.35	622,859.80	622,859.80
4. Deloitte LLP	Yes	Admitted		13,229.58	13,229.58	13,229.58
5. Flight Centre TRavel Group (Canada) Inc. dba Corporate Traveller	Yes	Admitted		120,563.10	127,634.33	127,634.33
6. Ken Willis	Yes	Admitted		366,826.88	413,513.66	413,513.66
7. Morgan Lewis & Bockius LLP	Yes	Admitted		18,794.44	21,857.66	21,857.66
8. Richard Fish	Yes	Admitted		1,323,473.19	1,336,175.72	1,336,175.72
9. SCREO Calgary Suburban	Yes	Admitted			173,033.90	173,033.90
Total : Unsecured creditors				3,235,244.94	3,487,961.66	3,487,961.66
				Grand Total:	3,235,244.94	3,487,961.66

# APPENDIX G

The Receiver's professional fees and the professional fees of its legal counsel, MLT Aikins LLP, charged as of the date of this report are summarized below.

Invoices for each of the items summarized below can be provided to the Court upon request.

**Receiver's Fees**

<b>Invoice Date</b>	<b>Amount</b>	<b>GST</b>	<b>Total</b>
10-Jun-21	\$ 30,950.00	\$ 1,547.50	\$ 32,497.50
05-Jul-21	8,560.00	428.00	8,988.00
31-Aug-21	34,434.50	1,721.73	36,156.23
05-Oct-21	22,971.20	1,148.56	24,119.76
08-Dec-21	6,727.50	336.38	7,063.88
06-Jan-22	5,955.00	297.75	6,252.75
11-Feb-22	4,390.50	219.53	4,610.03
04-Mar-22	1,162.50	58.13	1,220.63
19-May-22	2,930.50	146.53	3,077.03
11-Jul-22	583.00	29.15	612.15
11-Jul-22	1,232.00	61.60	1,293.60
29-Nov-22	3,045.50	152.28	3,197.78
29-Nov-22	8,946.00	447.30	9,393.30
19-Dec-22	5,310.00	265.50	5,575.50
	<b>\$137,198.20</b>	<b>\$6,859.91</b>	<b>\$144,058.11</b>

**MLTA Fees**

<b>Invoice Date</b>	<b>Amount</b>	<b>GST</b>	<b>Total</b>
30-Sep-21	\$ 8,256.34	\$ 412.61	\$ 8,668.94
31-Oct-21	20,473.75	1,023.69	21,497.44
31-Oct-21	8,563.00	428.15	8,991.15
30-Nov-21	7,507.35	364.88	7,872.22
31-Dec-21	1,539.50	72.98	1,612.48
31-Jan-22	2,767.00	134.85	2,901.85
31-Mar-22	3,749.00	183.95	3,932.95
07-Jun-22	1,776.00	83.05	1,859.05
11-Aug-22	1,314.00	65.70	1,379.70
31-Aug-22	4,485.50	189.90	4,675.40
30-Sep-22	3,378.00	168.90	3,546.90
30-Nov-22	3,654.00	182.70	3,836.70
31-Dec-22	2,123.00	106.15	2,229.15
	<b>\$69,586.44</b>	<b>\$3,417.51</b>	<b>\$73,003.93</b>