



No. S236214
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

1392752 B.C. LTD.

AND:

SKEENA SAWMILLS LTD.
SKEENA BIOENERGY LTD. and
ROC HOLDINGS LTD.

RESPONDENTS

NOTICE OF APPLICATION

Name of applicant: Alvarez & Marsal Canada Inc. (“**A&M**”) as receiver (the “**Receiver**”) of all of the assets, undertakings and property, including real property (collectively, the “**Property**”), of Skeena Sawmills Ltd. (“**Sawmills**”), Skeena Bioenergy Ltd. (“**Bioenergy**”), and ROC Holdings Ltd. (“**ROC**”, and together with Sawmills and Bioenergy, the “**Skeena Entities**” or the “**Company**”).

To: The Service List attached hereto as Schedule “A” and to those parties listed in Schedule “B”

TAKE NOTICE that an application will be made by the applicant to the Honourable Madam Justice Blake at the courthouse at 800 Smithe Street, Vancouver, B.C. on March 8, 2024 at 9:45 a.m. for the orders set out in Part 1 below.

The applicant estimates that the application will take 1 day.

- This matter is within the jurisdiction of an associate judge
- This matter is not within the jurisdiction of an associate judge.

Part 1 ORDER SOUGHT

1. An order (the “**Reverse Vesting Order**”), substantially in the form attached hereto as Schedule “C”, among other things:
 - (a) approving the transaction (the “**Transaction**”) contemplated by the retention and payment agreement dated February 29, 2024 (the “**Retention Agreement**”) between the Receiver and Cui Family Holdings Ltd. (“**Cui Holdings**”);
 - (b) vesting the Excluded Assets and the Excluded Liabilities (as each of those terms is defined in the Retention Agreement) in a new company to be incorporated by Cui Holdings or the Receiver (“**ResidualCo**”);
 - (c) vesting off all Encumbrances from the Retained Assets (as defined in the Retention Agreement);
 - (d) affirming that, on completion of the Transaction, title to the Retained Assets remains with the Skeena Entities, free and clear of all Encumbrances except the Permitted Encumbrances (as each of those terms is defined in the Retention Agreement);
 - (e) releasing the Receiver, Cui Holdings, the Skeena Entities and the Retained Assets from any and all Claims (as defined in the Retention Agreement), including, without limitation, those arising from: (a) the Excluded Liabilities; (b) the insolvency of any of the Skeena Entities prior to the Closing Date; (c) the commencement of these receivership proceedings; or (d) the completion of the Transaction (as each of those terms is defined in the Retention Agreement);
 - (f) terminating the employment of all Employees (both Union and non-Union) as of the Closing Date (as each of those terms is defined in the Retention Agreement);
 - (g) removing the Skeena Entities as Respondents in these proceedings and releasing them from the purview of all orders granted herein, aside from the Reverse Vesting Order;
 - (h) adding ResidualCo as a Respondent in these proceedings;
 - (i) authorizing and directing the Receiver to assign ResidualCo into bankruptcy within 30 days after the Closing Date; and
 - (j) granting such other relief as is necessary to give effect to the Transaction; and
2. An order (the “**Increased Borrowings Order**”), substantially in the form attached hereto as Schedule “D”, among other things, authorizing the Receiver to:

- (a) borrow up to an additional \$500,000 (the “**Increased Borrowings**”) to be advanced by the Petitioner along with a corresponding increase in the court-approved charge over the Property to secure the repayment of monies borrowed by the Receiver (the “**Receiver’s Borrowings Charge**”) from \$500,000 to \$1,000,000; and
- (b) make distributions to certain creditors having priority claims, including amounts due and owing in respect of the IWA Claim and WEPPA Claims (each term as defined herein).

Part 2 FACTUAL BASIS

Background

1. On September 20, 2023 (the “**Receivership Date**”), upon the application of 1392752 B.C. Ltd. (the “**Petitioner**”), the Supreme Court of British Columbia (the “**Court**”) granted an order (the “**Receivership Order**”) pursuant to section 243 of the *Bankruptcy and Insolvency Act (Canada)*, R.S.C. 1985, c. B-3 (the “**BIA**”) and section 39 of the *Law and Equity Act*, R.S.B.C. 1996 c. 253, appointing A&M as receiver of the Property.
2. On January 25, 2024, on the application of the Petitioner, this Court granted an order (the “**Security Order**”), which, among other things, declared that:
 - (a) two grid promissory notes granted by Sawmills and respectively dated January 31, 2023 and May 1, 2023 (together, the “**Promissory Notes**”) are valid and enforceable agreements;
 - (b) certain security granted by the Skeena Entities in favour of the Petitioner (collectively, the “**Security**”), are each valid and enforceable agreements; and
 - (c) the Security ranks in priority to all interests in the Property, aside from an express list of exceptions as provided for in the Security Order.
3. A comprehensive summary of the background to these proceedings can be found in the reports of the Receiver to Court (collectively the “**Reports**”), including the fourth report of the Receiver to Court dated February 29, 2024 (the “**Fourth Report**”).

Sale Process

4. As detailed in the Reports, the Receiver commenced the sale process on October 31, 2023 (the “**Sale Process**”) and received nine non-binding expressions of interest (“**EOIs**”) from

seven interested parties as of the EOI deadline of December 8, 2023. After the Receiver conducted its review of the EOIs, four parties were invited to participate in Phase II of the Sale Process and each submitted a definitive bid (each a “**Definitive Bid**”) by the bid deadline of January 12, 2024, all of which are addressed in further detail in the first confidential report of the Receiver to Court dated January 19, 2024.

5. Based on the Receiver’s review of the Definitive Bids and discussions with its counsel, the Receiver selected the Definitive Bid submitted by the Petitioner, and, after further negotiations, entered into the Retention Agreement with Cui Holdings.

The Transaction

6. Capitalized terms not otherwise defined in this section adopt the meanings ascribed to them in the Retention Agreement.
7. Cui Holdings is related to the Petitioner and is the direct or indirect owner of each of the Skeena Entities, having owned and operated the Skeena Entities for over 10 years.
8. Prior to the closing of the Retention Agreement, the Petitioner will assign to Cui Holdings all indebtedness owed to it by the Skeena Entities and all security held by it in respect of such indebtedness (the “**Loan and Security Assignment**”).
9. The Transaction, detailed in the Fourth Report, is to be completed by way of a reverse vesting order and is summarized as follows:
 - (a) ResidualCo will be incorporated and added as Respondent in these Proceedings;
 - (b) the Price is the sum of:
 - (i) a credit bid comprised of:
 - (A) the total of the amounts owing under the Promissory Notes, being approximately \$7.6 million in principal plus interest; and
 - (B) the total amount advanced by the Petitioner to the Receiver by way of Receiver’s borrowings, and secured by the Receiver’s Borrowings Charge;

- (ii) an amount sufficient to pay any claims against the Retained Assets which rank in priority to the claims of the Petitioner (collectively, the “**Priority Claims**”), including outstanding source deduction remittances;
 - (iii) \$400,000 for work in progress inventory; and
 - (iv) \$30,000 in respect of fees and expenses to be incurred by A&M in its capacity as licensed insolvency trustee of ResidualCo upon its bankruptcy;
- (c) Cui Holdings and the Skeena Entities, as applicable, will retain the Retained Assets, including the Approved Contracts and Cui Holdings’ shares in ROC and Bioenergy, and the Retained Liabilities;
 - (d) all of the Skeena Entities’ right, title and interest in and to the Excluded Assets and the Excluded Liabilities shall be transferred to and vest in ResidualCo;
 - (e) discharging all Encumbrances except the Permitted Encumbrances as against the Retained Assets;
 - (f) the Receiver, Cui Holdings, the Skeena Entities and the Retained Assets shall be released from any and all Claims, including those arising from: (a) the Excluded Liabilities; (b) the insolvency of any of the Skeena Entities prior to the Closing Date; (c) the commencement of the receivership proceedings; or (d) the completion of the Transaction;
 - (g) the Skeena Entities shall be removed as Respondents in these proceedings and released from all orders granted herein, save and except for the Reverse Vesting Order; and
 - (h) the Receiver will assign ResidualCo into bankruptcy within a reasonable period of time not to exceed 30 days after the Closing Date.
10. The Retention Agreement contemplates Cui Holdings credit bidding the secured amounts owing under the Promissory Notes, which were determined to be valid and enforceable by the Court pursuant to the Security Order, as well as all amounts secured under the Receiver’s Borrowings Charge.
11. The Retained Liabilities include:
- (a) any Liabilities of the Companies under the Approved Contracts, the Permits and Licenses and the Permitted Encumbrances;
 - (b) the debts owing by the Companies to Cui Holdings under the Promissory Notes; and

- (c) all other debts owing by the Companies as of the Closing Date to the Petitioner or to Cui Holdings or any of their respective affiliates or other parties with whom the Companies are not at arm's length, including Shenwei Wu and Xiaopeng Cui and any trust of which either or both of such individuals are trustees.
- 12. The Transaction, as structured, does not require any regulatory consultation under the *Forest Act*, R.S.B.C. 1996, c 157 in relation to Tree Farm Licence 41 and two forest licences (FLA 16882 and FLA 16885) owned by the Skeena Entities, as there would be no change in control.
- 13. The mutual conditions to closing of the Retention Agreement are the granting of the RVO by the Court and the execution and closing of the Loan and Security Assignment.

Increased Borrowings

- 14. As at the date of the Fourth Report, the Petitioner has advanced \$300,000 of the \$500,000 it was authorized to borrow under the interim financing facility provided by the Petitioner, leaving \$200,000 available to the Receiver, which amount is anticipated to be advanced prior to March 8, 2024.
- 15. As set out in the third cash flow forecast attached as Appendix "A" to the Fourth Report (the "**Cash Flow Forecast**"), the Receiver estimates it will require the Increased Borrowings during the period February 10 to April 19, 2024 (the "**Forecast Period**").
- 16. The Increased Borrowings sought, in the amount of \$500,000, is comprised of \$400,000 required to advance these receivership proceedings and a contingency amount of \$100,000 in the event there are unexpected delays in closing the Transaction or unexpected costs.

Distribution to Priority Creditors

- 17. The Trustees of the IWA - Forest Industry Pension and LTD Plans (the "**IWA Plans**") have been in contact with the Receiver in respect of the payment of contributions owing from certain unionized employees.

18. On January 5, 2024, the Receiver completed its review of the IWA Plans' contribution amounts, which indicated that \$83,743.91 was owing to the IWA Plans (the "**IWA Claim**").
19. The Receiver is in the process of confirming the respective amounts of the WEPPA Claims under section 81.4 of the BIA (collectively, the "**WEPPA Claims**") and source deductions with Service Canada and the Canada Revenue Agency, which are estimated at approximately \$115,000 and \$82,000, respectively.
20. The amounts owed to Canada Revenue Agency in respect of unremitted source deductions form part of the Priority Claims, which shall be paid by Cui Holdings, in full, as part of the Price payable under the PRA.
21. Pursuant to the terms of the order granted herein October 30, 2023, the Receiver retained \$101,996.30 of the funds recovered from Sawmills' pre-receivership bank account and accounts receivable in a segregated trust account, which the Receiver proposes to use to pay the IWA Claim in full.
22. Additionally, if the Receiver's estimates are accurate, the funds recovered from the Skeena Entities' estate and the net proceeds of the Transaction in respect of the current assets of the Skeena Entities would be sufficient to satisfy the WEPPA Claims in full.
23. The Receiver is satisfied that the IWA Claim and the WEPPA Claims are due and payable and rank ahead of all other Claims or charges against the Property, including the Receiver's Charge (as defined in the Receivership Order) and the Receiver's Borrowings Charge and, accordingly, the Receiver seeks authorization from the Court to pay each of the foregoing claims.

Part 3 LEGAL BASIS

1. The Receiver relies on:
 - (a) the Receivership Order, made in these proceedings;
 - (b) *Law and Equity Act*, R.S.B.C. 1996, c. 250 (the "**LEA**");

- (c) the BIA, particularly Part XI; and
- (d) the Supreme Court Civil Rules.

The Transaction Should be Approved

2. When determining whether or not to approve a sale of assets in a receivership, there are a number of factors that should guide a court in its analysis, including:

- (a) whether the receiver has made a sufficient effort to get the best price and has not acted improvidently;
- (b) the interests of all parties;
- (c) the efficacy and integrity of the process by which offers are obtained; and
- (d) whether there has been unfairness in the working out of the process.

Royal Bank v. Soundair Corp. [1991] O.J. No. 1137 at para. 16 (C.A.) (“*Soundair*”); *Quest University Canada (Re)*, 2020 BCSC 1883 at para. 176 (“*Quest*”).

3. With respect to the foregoing factors, the Receiver submits that:

- (a) the Sale Process was fair and transparent and resulted in the Skeena Entities’ assets being marketed extensively to potential buyers in Canada and the United States, with select inquiries from parties outside of North America;
- (b) the price payable in respect of the Transaction represents by far and away the best and highest value as the other Definitive Bids were of significantly less value;
- (c) at all times, the Receiver conducted itself fairly and reasonably; and
- (d) the Transaction contemplates payment, in full, of the Priority Claims.

4. More generally, in analyzing whether a transaction should be approved, a court is to consider the transaction as a whole and decide whether or not the sale is appropriate, fair and reasonable.

Veris Gold Corp. (Re), 2015 BCSC 1204 at para. 23.

5. The Retention Agreement represents the highest and best offer received by the Receiver and, given the adherence to, and fairness of, the Sale Process, the Receiver submits that the Retention Agreement is appropriate, fair and reasonable and represents the best available option for the stakeholders in the circumstances and, accordingly, ought to be approved by this Court.

A Reverse Vesting Order is Appropriate

6. While courts have approved reverse vesting orders in appropriate circumstances, they have also been clear that a reverse vesting order structure is not the norm and should be regarded “as an unusual or extraordinary measure; not an approach appropriate in any case merely because it may be more convenient or beneficial for the purchaser”.

Harte Gold Corp (Re), 2022 ONSC 653 at para 38 (“*Harte*”); *Quest* at para 168; *PaySlate Inc. (Re)*, 2023 BCSC 608 at para 87 (“*Payslate*”).

7. There is no specific jurisdiction in the BIA or the LEA for the approval of a reverse vesting order in receivership proceedings. This Court’s authority to grant a reverse vesting order is rooted in its general jurisdiction to grant an approval and vesting order and courts have granted such orders in receivership proceedings.

Third Eye Capital Corporation v. Ressources Dianor Inc/Dianor Resources Inc., 2019 ONSC 508 at para 73; *Peakhill Capital Inc. v Southview Gardens Limited Partnership*, 2023 BCSC 1476 (appeal to be heard).

8. In deciding whether to grant the Reverse Vesting Order, this Court should consider the following questions:
 - (a) why is the Reverse Vesting Order necessary in this case?
 - (b) does the Reverse Vesting Order structure produce an economic result at least as favourable as any other viable alternative?
 - (c) is any stakeholder worse off under the Reverse Vesting Order structure than they would have been under any viable alternative?
 - (d) does the consideration being paid for the debtor’s business reflect the importance and value of the licences and permits (or other intangible assets) being preserved under the Reverse Vesting Order structure?

Harte at para 38.

9. With respect to the foregoing factors, the Receiver submits that:
 - (a) completing the Transaction increases the likelihood of the Skeena Entities operating in the near term, which will (or can) provide economic and other benefits to stakeholders including many former employees, contractors, suppliers and customers as well as the City of Terrace;
 - (b) the Transaction maintains the Permits and Licenses (each term as defined in the Retention Agreement) without any transfer thereof or change of control and thereby allows for the completion of the Transaction without potential regulatory delay;
 - (c) the Priority Claims will be paid out, in full, in the near term;
 - (d) the Skeena Entities' obligations under the Approved Contracts and the Permits and Licenses are not Excluded Liabilities under the Retention Agreement, and will continue to be obligations of the Skeena Entities after the Closing Date (each term as defined in the Retention Agreement); and
 - (e) contemplates a price which is significantly greater than that provided for in the other Definitive Bids received.
10. In addition to the foregoing, the Receiver is not aware of any stakeholder that is worse off under a reverse vesting order structure in this case.
11. The Receiver respectfully submits that the Reverse Vesting Order is appropriate in the circumstances and recommends that this Court grant the order approving the Retention Agreement and the Transaction on the terms sought by the Receiver.

The Increased Borrowings Should be Approved

12. Pursuant to paragraph 25 of the Receivership Order, the Receiver is authorized and empowered to borrow funds that it deems necessary to fund these proceedings to a maximum of \$500,000, which amounts are secured by the Receiver's Borrowings Charge.
13. As shown in the Cash Flow Forecast, the Receiver will require the Increased Borrowings during the Forecast Period. The Receiver has shared the Cash Flow Forecast with the Petitioner's counsel and understands the Petitioner has agreed to advance the Increased Borrowings.

14. The Receiver is satisfied that the Increased Borrowings do not prejudice any stakeholders as the additional financing will be added to the amount that is credit bid by the Purchaser under the Transaction. Without the Increased Borrowings, there would be insufficient funds to conclude this receivership and make distributions to creditors having claims against the Skeena Entities' current assets.
15. The increase of the authorized borrowings amount is consistent with the power and authority of the Receiver granted by the Receivership Order and is necessary for the Receiver to complete the Transaction and conclude these proceedings.
16. Accordingly, the Receiver is of the view that the Increased Borrowings sought, and the corresponding increase in the Receiver's Borrowings Charge, is appropriate in the circumstances.

Distribution to Priority Creditors

17. The Receiver has reviewed the IWA Claim and is satisfied that claim is valid, enforceable.
18. The Receiver has confirmed the amounts comprising the IWA Claim and has a reasonable level of certainty for the amounts owed under the WEPPA Claims, each of which ranks in priority to all other claims or charges against the Property including the Receiver's Charge and the Receiver's Borrowings Charge (with the exception of source deductions).
19. The Receiver holds sufficient funds in a segregated trust account to pay the IWA Claim in full and, if the Receiver's estimate with respect to the WEPPA Claims is accurate, the funds recovered from the Skeena Entities' estate and the net proceeds of the Transaction in respect of the current assets of the Skeena Entities would be sufficient to satisfy the WEPPA Claims in full.
20. Should this Court grant the Reverse Vesting Order and the Transaction completes, the Receiver intends, and seeks approval from this Court, to pay the IWA Claim and the WEPPA Claim.

Part 4 MATERIAL TO BE RELIED ON

1. The Receivership Order, made by Madame Justice Blake in these proceedings on September 20, 2023;
2. The Receiver's First Report to the Court, dated October 25, 2023;
3. The Receiver's Second Report to the Court, dated December 13, 2023;
4. The Receiver's Third Report to the Court, dated January 12, 2024;
5. The Receiver's Fourth Report to the Court, dated February 29, 2024; and
6. The other pleadings and materials filed in these proceedings and such further and other material as counsel may advise and this Honourable Court may permit.

TO THE PERSONS RECEIVING THIS NOTICE OF APPLICATION: If you wish to respond to this Notice of Application, you must, within 5 business days after service of this Notice of Application or, if this application is brought under Rule 9-7, within 8 business days after service of this Notice of Application,

- (a) file an Application Response in Form 33,
- (b) file the original of every affidavit, and of every other document, that
 - (i) you intend to refer to at the hearing of this application, and
 - (ii) has not already been filed in the proceeding, and
- (c) serve on the applicant 2 copies of the following, and on every other party of record one copy of the following:
 - (i) a copy of the filed Application Response;
 - (ii) a copy of each of the filed affidavits and other documents that you intend to refer to at the hearing of this application and that has not already been served on that person;
 - (iii) if this application is brought under Rule 9-7, any notice that you are required to give under Rule 9-7(9).

Dated: 29-Feb-2024

For: 
Signature of Kibben Jackson
Lawyer for Alvarez & Marsal Canada Inc.,
in its capacity as Receiver

To be completed by the court only:

Order made

in the terms requested in paragraphs of Part 1 of this Notice of Application

with the following variations and additional terms:
.....
.....
.....

Date:

.....
Signature of Judge Associate
Judge

The Solicitors for the Applicant are Fasken Martineau DuMoulin LLP, whose office address and address for delivery is 550 Burrard Street, Suite 2900, Vancouver, BC V6C 0A3 Telephone: +1 604 631 3131 Facsimile: +1 604 631 3232. (Reference: Kibben Jackson/285937.00017)

APPENDIX

THIS APPLICATION INVOLVES THE FOLLOWING:

- discovery: comply with demand for documents
- discovery: production of additional documents
- other matters concerning document discovery
- extend oral discovery
- other matter concerning oral discovery
- amend pleadings
- add/change parties
- summary judgment
- summary trial
- service
- mediation
- adjournments
- proceedings at trial
- case plan orders: amend
- case plan orders: other
- experts
- none of the above

SCHEDULE "A"
SERVICE LIST

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

1392752 B.C. LTD.

PETITIONER

AND:

SKEENA SAWMILLS LTD.
SKEENA BIOENERGY LTD. and
ROC HOLDINGS LTD.

RESPONDENTS

SERVICE LIST

(Last Updated: February 29, 2024)

<p>Fasken Martineau DuMoulin LLP</p> <p>Attention: Kibben Jackson Mishaal Gill Suzanne Volkow</p> <p>Email: kjackson@fasken.com mgilll@fasken.com svolkow@fasken.com</p> <p><i>Counsel for the Receiver, Alvarez & Marsal Canada Inc.</i></p>	<p>Alvarez & Marsal Canada Inc.</p> <p>Attention: Anthony Tillman Pinky Law Taylor Poirier</p> <p>Email: atillman@alvarezandmarsal.com pinky.law@alvarezandmarsal.co tpoirier@alvarezandmarsal.com</p> <p><i>The Receiver</i></p>
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<p>Lawson Lundell LLP</p> <p>Attention: Bryan Gibbons Noor Mann Kimia Jalilvand Peter Roberts</p> <p>Email: bgibbons@lawsonlundell.com nmann@lawsonlundell.com kjalilvand@lawsonlundell.com proberts@lawsonlundell.com</p> <p><i>Counsel for 1392752 B.C. Ltd.</i></p>	<p>Kornfeld LLP</p> <p>Attention: Francis Lamer Nikhil Pandey</p> <p>Email: flamer@kornfeldllp.com npandey@kornfeldllp.com rkrishan@kornfeldllp.com</p> <p><i>Counsel for Delta Cedar Specialties Ltd.</i></p>
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<p>IWA–Forest Industry Pension & LTD Plan Office</p> <p>Attention: Raashi Ahluwalia</p> <p>Email: raashi.ahluwalia@iwafibp.ca</p> <p><i>Counsel for Trustees of the IWA - Forest Industry Pension Plan and Trustees of the IWA - Forest Industry LTD Plan</i></p>	<p>McCarthy Tétrault LLP</p> <p>Attention: Lance Williams Nathan Stewart</p> <p>Email: lwilliams@mccarthy.ca nstewart@mccarthy.ca sdanielisz@mccarthy.ca</p> <p><i>Counsel for Antler Creek Contracting Ltd., Deuce Creek Contracting Ltd., L&J Logging Ltd., Kitselas Forestry LP, Terrace Timber Ltd., Silvicon Services Inc., Little Trees Reforestation Inc., Timber Tracks Inc., K' Alii Aks Timber Corporation ; Timbertramp Contracting Ltd. And Cypress Forest Consultations Ltd.</i></p>
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debt enforcement@cwbnationalleasing.com; eric@vansoeren.net;
rbrouwer@westlandresources.ca;

SCHEDULE "B"
SECURED PARTIES AND CONTRACT COUNTERPARTIES

Delta Cedar Specialties Ltd.	Timber Baron Contracting Ltd.
Timber Baron Contracting Ltd.	Pinnacle Renewable Energy Inc.
Deuce Creek Contracting Ltd.	Nanaimo Forest Products Ltd.
Infinity West Enterprises Inc.	Kitsumkalum First Nations
Antler Creek Contracting Ltd.	Kalum Logistics Park Limited Partnership
L & J Logging Ltd.	USW Local 1-1937
D.R. Holtom Ltd.	Gitanyow Economic Development Corporation
Daudet Creek Contracting Ltd.	A & A Trading Ltd
Silvicon Services Inc.	Kalum Ventures Limited Partnership
K'Alii AKS Timber Corporation	Kitselas Forest Products
Round Lake Transport Ltd.	
Dynamic Capital Equipment Finance Inc.	
Caterpillar Financial Services Limited	
CWB National Leasing Inc.	
Corley Manufacturing Company	
Microtec Inc.	
The Bank of Nova Scotia	
Her Majesty the Queen in the Right of the Province of British Columbia	
Timber Tracks Inc.	
Bank of Montreal/Banque de Montreal	
Stardust Contracting Ltd.	
Terrace Timber Ltd.	

SCHEDULE "C"
DRAFT REVERSE VESTING ORDER

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

1392752 B.C. LTD.

PETITIONER

AND:

SKEENA SAWMILLS LTD.
SKEENA BIOENERGY LTD. and
ROC HOLDINGS LTD.

RESPONDENTS

ORDER MADE AFTER APPLICATION

APPROVAL AND REVERSE VESTING ORDER

BEFORE THE HONOURABLE MADAM)
JUSTICE BLAKE) March 8, 2024
)

ON THE APPLICATION OF Alvarez & Marsal Canada Inc. in its capacity as court-appointed receiver (in such capacity, the “**Receiver**”) of Skeena Sawmills Ltd. (“**Sawmills**”), Skeena Bioenergy Ltd. (“**Bioenergy**”) and ROC Holdings Ltd. (“**Roc**”, and together with Sawmills and Bioenergy, the “**Companies**”) coming on for hearing at Vancouver, British Columbia on March 8, 2024, AND ON HEARING Kibben Jackson and Mishaal Gill, those other counsel listed in Schedule “A” hereto, AND NO ONE ELSE APPEARING, although duly served.

THIS COURT ORDERS AND DECLARES THAT:

1. The transaction (the “**Transaction**”) contemplated by the Payment and Retention Agreement dated February 29, 2024 (the “**Retention Agreement**”) between the Receiver and Cui Family Holdings Ltd. (“**Cui Holdings**”), a copy of which is attached as Schedule “B” hereto, is hereby approved, and the Retention Agreement is commercially reasonable. The execution of the Retention Agreement by the Receiver and the completion of the

Transaction is hereby authorized and approved and the Receiver is hereby authorized and directed to take such additional steps and to execute and deliver such additional documents as may be necessary or desirable for the completion of the Transaction, including without limitation, the execution of the documents and completion of the steps enumerated in and contemplated by the Retention Agreement and herein.

2. Upon delivery by the Receiver to Cui Holdings of a certificate (the “**Receiver’s Certificate**”), substantially in the form attached as Schedule “C” hereto, confirming receipt by the Receiver of the full amount of the Price (as defined in the Retention Agreement), the following shall occur and be deemed to have occurred on the Closing Date (as defined in the Retention Agreement) in the following sequence:
 - a. first, all of the Companies’ right, title and interest in and to the Excluded Assets and Excluded Liabilities (each as defined in the Retention Agreement) shall vest absolutely and exclusively in a company to be incorporated by the Receiver or Cui Holdings (“**ResidualCo**”), and any and all Claims and Encumbrances (as defined herein) shall continue to attach to the Excluded Assets with the same nature and priority as they had immediately prior to their transfer;
 - b. second:
 - i. without limiting the generality of subparagraph 2(a), all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges or other financial or monetary claims whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise, including: (1) any encumbrances or charges created by any orders of this court; (2) any and all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* of British Columbia or any other personal property registry system; (3) any legal notation, charge, lien, interest or other encumbrance or title defect of whatever kind or nature, regardless of form; (4) any agreement, lease, license, option or claim, easement, right of way, restriction, execution or other encumbrance (including any notice or other registration in respect of any of the foregoing) affecting title

to or the ownership of the Retained Assets (as defined in the Retention Agreement) or any part thereof or interest therein; and (5) those Claims enumerated in Schedule "E" hereto (all of which are collectively referred to as the "**Encumbrances**"), except the permitted encumbrances enumerated in Schedule "D" (the "**Permitted Encumbrances**") hereto shall cease to attach to the Retained Assets (as defined in the Retention Agreement) and, for greater certainty, this court orders that all of the Encumbrances affecting or relating to the Retained Assets are hereby expunged and discharged as against the Retained Assets; and

- ii. the Companies shall be released from any and all debts, claim, liability, duty, responsibility, obligations, commitment, assessment, cost, expense, loss, expenditure, charge, fee, penalty, fine, contribution or premium of any kind or nature whatsoever, whether known or unknown, asserted or unasserted, absolute or contingent, direct or indirect, or due or to become due and regardless of when sustained, incurred or asserted or when the relevant events occurred or circumstances existed (all of which are collectively referred to as the "**Claims**"), whether secured, unsecured or otherwise, including without limitation any and all claims arising out of or relating to: (1) the Excluded Liabilities; (2) the insolvency of any of the Companies prior to the Closing Date; and (3) the commencement or existence of these proceedings, but excluding the Retained Liabilities (as defined in the Retention Agreement); and
 - iii. all Employees (as defined in the Retention Agreement) of the Companies are terminated effective immediately prior to Closing (as defined in the Retention Agreement) as of the Closing Date.
- c. third, the Companies shall cease to be Respondents in these proceedings and shall be deemed released from the purview of all orders of this court granted in these proceedings, save and except for this order, and the style of cause shall be amended accordingly.
3. As of the Closing Date, after the sequence set out in paragraph 2 herein:

- (a) the Companies shall continue to hold all of their right, title and interest in and to the Retained Assets, free and clear of all Claims and Encumbrances (other than the Permitted Encumbrances) and the Excluded Liabilities of the Companies; and
 - (b) the Companies shall be deemed to have disposed of the Excluded Assets and shall have no right, title or interest in and to the Excluded Assets.
- 4. Any person that, prior to the Closing Date, had a valid Claim against the Companies in respect of the Excluded Assets or Excluded Liabilities shall no longer have such Claim against the Companies but such Claim shall continue to exist as against ResidualCo (including, without limitation, in respect of the net proceeds of the Transaction received by the Receiver pursuant to the Retention Agreement) in respect of the Excluded Assets or Excluded Liabilities from and after the Closing Date, and the net proceeds of the Transaction shall stand in place and stead of the Retained Assets with all Claims and Encumbrances attaching thereto in the same manner and with the same priority as existed immediately prior to the closing of the Transaction.
- 5. The Receiver is to file with the Court a copy of the Receiver's Certificate forthwith after delivery thereof.
- 6. The Receiver and Cui Holdings shall be at liberty to extend the Closing Date to such later date as those parties may agree without the necessity of a further order of this Court.
- 7. Notwithstanding:
 - (a) these proceedings;
 - (b) any applications for a bankruptcy order in respect of any of the Companies now or hereafter made pursuant to the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the "BIA") and any bankruptcy order issued pursuant to any such applications; and
 - (c) any assignment in bankruptcy made by or in respect of any of the Companies,the Transaction, including the retention of the Retained Assets by the Companies free and clear of all Claims and Encumbrances, other than the Permitted Encumbrances, shall be binding on any trustee in bankruptcy that may be appointed in respect of any of the Companies and shall not be void or voidable by creditors of any of the Companies, nor

shall it constitute or be deemed to be a transfer at undervalue, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

8. As of the Closing Date and in the sequence set out in paragraph 2 herein, the corporate entity referred to herein as ResidualCo shall be added as a Respondent in these proceedings, with the style of cause amended accordingly, and all references in any order of this court made in these proceedings to: (i) the “Respondents” shall refer to and include ResidualCo, *mutatis mutandis*, and (ii) “Property” shall refer to and include the current and future assets, licenses, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof, of ResidualCo.
9. From and after the Closing Date and in the sequence set out in paragraph 2 herein, Cui Holdings and/or the Companies shall be authorized to take all steps as may be necessary to effect the discharge and release as against the Companies and the Retained Assets of the Claims, Encumbrances and Excluded Liabilities of the Companies that are transferred to and vested in ResidualCo pursuant to this order.
10. Upon the delivery of the Receiver’s Certificate, and upon filing of a certified copy of this order together with any applicable registration fees, all Governmental Authorities (as defined in the Retention Agreement) exercising jurisdiction with respect to the Companies, the Retained Assets, or the Excluded Assets are hereby authorized, requested and directed to accept delivery of such Receiver’s Certificate and certified copy of this order as though they were originals and to register such transfers, interest authorizations, discharges and conveyances as may be required to give effect to the terms of this order and the completion of the Transaction and to discharge and release all Claims and Encumbrances and Excluded Liabilities of the Companies against or in respect of the Companies and the Retained Assets, and presentment of this order and the Receiver’s Certificate shall be the sole and sufficient authority for the Governmental Authorities to do so.
11. Within thirty (30) days after the Closing Date, the Receiver is hereby authorized and directed to bankrupt ResidualCo. Neither the Companies nor Cui Holdings, nor any person appointed by the Companies or Cui Holdings to be a director of ResidualCo, shall be liable

for any obligations of ResidualCo, including in their capacities as direct or indirect shareholders of ResidualCo, as directors or otherwise.

12. In addition to and without limiting the rights and protections afforded to the Receiver pursuant to the Receivership Order (as defined in the Retention Agreement) made herein, the Receiver and its employees and representatives shall not incur any liability as a result of acting in accordance with this order save and except for any gross negligence or wilful misconduct on the part of any such parties. All protections afforded to the Receiver pursuant to the Receivership Order, any further order granted in these proceedings or the BIA shall continue to apply.
13. Upon delivery of the Receiver's Certificate, all persons shall be absolutely and forever barred, estopped, foreclosed and permanently enjoined from pursuing, asserting, exercising, enforcing, issuing or continuing any steps or proceedings, or relying on any rights, remedies, claims or benefits in respect of or against the Receiver, its directors, officers, employees, counsel, advisors and representatives, Cui Holdings, the Companies or the Retained Assets, in any way relating to, arising from or in respect of:
 - (a) any and all Claims and Encumbrances and the Excluded Liabilities against or relating to the Retained Assets;
 - (b) the insolvency of the Companies;
 - (c) the commencement or existence of these receivership proceedings; or
 - (d) the completion of the Transaction.
14. From and after the delivery of the Receiver's Certificate, the Receiver, its directors, officers, employees, counsel, advisors and representatives shall be deemed released from any and all claims, liabilities (direct, indirect, absolute or contingent) or obligations with respect to any taxes (including penalties and interest thereon), as well as penalties for failure to file returns pursuant to section 162 of the *Income Tax Act* (Canada) (the "ITA"), or that relate to the Companies, including without limiting the generality of the foregoing all taxes, penalties and interest that could be assessed against the Companies or Cui Holdings (including its affiliates and any predecessor corporations) pursuant to section 160 of the ITA, as amended, or any provincial equivalent, in connection with the Companies (provided, as it relates to the Companies, such release shall not apply to (a) transaction

taxes, or (b) taxes in respect of the business and operations and conducted by the Companies after completion of the Transaction). For greater certainty, nothing in this paragraph shall release or discharge any Claims with respect to taxes or obligations in respect thereof that are transferred to ResidualCo.

15. The Receiver or any other party affected by this order have liberty to apply for such further or other directions or relief as may be necessary or desirable to give effect to this order.
16. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body, wherever located, to give effect to this order and to assist the Receiver and its agents in carrying out the terms of this order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this order or to assist the Receiver and its agents in carrying out the terms of this order.
17. Endorsement of this order by counsel appearing on this application, other than counsel for the Receiver, is hereby dispensed with.

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

Signature of Kibben Jackson
Lawyer for ALVAREZ & MARSAL CANADA
INC., in its capacity as Receiver of Skeena
Sawmills Ltd., Skeena Bioenergy Ltd. and ROC
Holdings Ltd.

BY THE COURT

REGISTRAR

Schedule "A"

(List of Counsel)

Counsel name/litigant	Party represented

Schedule "B"

(Retention Agreement)

PAYMENT AND RETENTION AGREEMENT

THIS AGREEMENT is dated for reference February 28, 2024 and is made

BETWEEN:

**ALVAREZ & MARSAL CANADA INC., in its capacity as Receiver of
Skeena Sawmills Ltd., Skeena Bioenergy Ltd. and ROC Holdings Ltd.**

(the “**Receiver**”)

AND:

CUI FAMILY HOLDINGS LTD.

(“**Cui**”)

BACKGROUND:

- A. Skeena Sawmills Ltd. (“**Sawmills**”), Skeena Bioenergy Ltd. (“**Bioenergy**”) and ROC Holdings Ltd. (“**ROC**”, and together with Sawmills and Bioenergy, the “**Companies**”) own certain assets, undertakings and property, including real property located in Terrace, British Columbia, on which they operated a sawmill (including an industrial sawmill, a certified weight log scale, a natural gas kiln, two bay garage mobile shop, a millwright shop and various tools and equipment) and a bioenergy operation (including a pellet plant and various tools and equipment) (collectively, the “**Business**”);
- B. On September 20, 2023, on the application of 1392752 B.C. Ltd. (the “**Petitioner**”), the Supreme Court of British Columbia (the “**Court**”) made an order (the “**Receivership Order**”) appointing Alvarez & Marsal Canada Inc. as receiver of the assets, undertakings and properties of the Companies (the “**Property**”) and authorized the Receiver to, among other things, sell the Property;
- C. Cui is the shareholder of each of Bioenergy and ROC, and ROC is the shareholder of Sawmills;
- D. The Petitioner is affiliated with Cui;
- E. Pursuant to a purchase agreement dated on or about the date hereof, the Petitioner agreed to assign to Cui all indebtedness owing by the Companies to the Petitioner and all security granted by the Companies in favour of the Petitioner in connection therewith, including all funds advanced by the Petitioner to the Receiver on behalf of the Companies under any Receiver’s Certificates and secured under the Receiver’s Borrowings Charge (the “**Loan Assignment**”); and

- F. Cui and the Receiver have agreed to the transactions contemplated herein to facilitate the retention of Cui's shares in ROC and Bioenergy (collectively, the "**Retained Shares**") and vest out the Excluded Liabilities (as hereafter defined) in consideration for the payment of the Price all on the terms and conditions of this agreement (the "**Transaction**").

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are acknowledged by each of the parties, the parties agree as follows:

ARTICLE 1 - INTERPRETATION

1.1 Definitions. In this Agreement:

- (a) "**Accounting Standards**" means at any time the accounting standards for private enterprises so described and established by the Accounting Standards Board which are applicable at such time.
- (b) "**Approved Contracts**" means those Contracts which Cui has approved in writing on or before the Closing Date.
- (c) "**Bankruptcy Assignment**" has the meaning given to it in Section 11.17.
- (d) "**Bioenergy**" has the meaning given to it in Recital A.
- (e) "**Bioenergy Cash**" means the cash and cash equivalents of Bioenergy.
- (f) "**Buildings**" means all building(s) and improvements located on the Lands.
- (g) "**Business**" has the meaning given to it in Recital A.
- (h) "**Business Day**" means any day that is not a Saturday, Sunday, Boxing Day, Easter Monday or statutory holiday in British Columbia.
- (i) "**Business Records**" means all documents, files, records, reports, agreements, plans, specifications, drawings, surveys, correspondence, licenses and permits in the possession or control of the Receiver or the Companies relating to the Business or any of the Retained Assets, including without limitation: all digital records; client data; copies of all Contracts; copies of the Permits and Licenses; tax notices and assessments; plans and surveys of the Property; copies of all Warranties; a non-itemized description of all Machinery and Equipment; a list of all Intellectual Property including registration details in respect of all Intellectual Property for which registration in any public office has been made; operating statements and financial statements for the most recent two fiscal periods; detailed general ledgers; detailed sales reports relating to the Business; building condition reports, structural reports, mechanical and life safety reports, environmental reports or assessments; notices or orders received from any agency having authority over the Property, the Retained Assets or the Business; reasonable evidence of the Receiver's insurance relating to the Property, the Retained Assets or the Business; current accounts receivable reports in respect of the Business; the minute

books for each of the Companies; tax returns for each of the Companies for each of the past six (6) years.

- (j) “**Canter Line**” means the 1999 Optimil canter line with serial/VIN/DOT Number 63286 secured by a loan agreement and specific security agreement dated August 17, 2021 in favour of Dynamic Capital Equipment Finance Inc..
- (k) “**CBA**” means the collective bargaining agreement between the Union and Sawmills.
- (l) “**Closing**” means the successful completion of the Transaction.
- (m) “**Closing Date**” means the date that is 30 days after the date the Reverse Vesting Order is pronounced by the Court, provided that if the Land Title Office is not open on such date, the Closing Date will be on the next Business Day, or any other date as may be agreed in writing by the Receiver and Cui.
- (n) “**Closing Documents**” has the meaning given to it in Section 9.4.
- (o) “**Closing Payment**” has the meaning given to it in Section 9.9.
- (p) “**Closing Statement**” has the meaning given to it in Section 2.4(c).
- (q) “**Companies**” has the meaning given to it in Recital A.
- (r) “**Contracts**” means all contracts or agreements relating to the use or operation of the Property, the Retained Assets, or any part thereof or the operation of the Business to which any of the Companies is a party, including, without limitation, purchase and sale agreements, options to purchase, material supply contracts, contracts relating to the operation, maintenance, cleaning, security, signage, fire protection or servicing of the Property or any part thereof made by or on behalf of one or more of the Companies.
- (s) “**Court**” has the meaning given to it in Recital B.
- (t) “**Credit Bid Amount**” has the meaning given to it in Section 2.3(d).
- (u) “**Cui’s Condition**” has the meaning given to it in Section 8.1.
- (v) “**Cui’s Solicitors**” means Lawson Lundell LLP or such other firm of solicitors or agents as are retained by Cui from time to time and written notice of which is provided to the Receiver.
- (w) “**Deposit**” means the sum of Four Hundred and Forty Thousand Dollars (\$440,000.00) paid to the Receiver pursuant to Section 2.4(a) and held in accordance with the terms of Section 2.6.
- (x) “**Employees**” means an individual who is or was employed by the Receiver or the Companies, whether on a full-time or a part-time basis, whether active or inactive as of the Closing Date, and includes an employee on short term or long term disability leave.

- (y) “**Encumbrance**” means any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise including, without limiting the generality of the foregoing:
- (i) any encumbrances or charges created by the Receivership Order;
 - (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* of British Columbia or any other personal property registry system;
 - (iii) any legal notation, charge, lien, interest or other encumbrance or title defect of whatever kind or nature, regardless of form; and
 - (iv) any agreement, lease, license, option or claim, easement, right of way, restriction, execution or other encumbrance (including any notice or other registration in respect of any of the foregoing) affecting title to or the ownership of the Retained Assets or any part thereof or interest therein.
- (z) “**Equipment Obligations**” means outstanding obligations owing by any one or more of the Companies in favour of those entities listed in Schedule C pursuant to certain equipment leases secured by the Personal Property Registry registrations listed in Schedule C, including the principal amounts of such claims and interest and fees accrued thereon as of the Closing Date.
- (aa) “**Excluded Assets**” means: (i) Contracts which are not Approved Contracts; (ii) the rights of the Companies and the Receiver under this Agreement; (iii) corporate income taxes receivable and GST refunds; (iv) cash and cash equivalents other than the Bioenergy Cash; and (v) the Canter Line.
- (bb) “**Excluded Liabilities**” means any and all Liabilities of the Companies that are not Retained Liabilities, including without limitation:
- (i) any taxes of or relating to the Business or the Retained Assets or payable by the Companies, including statutory deductions and remittances, GST, and sales taxes, in respect of any period up to and including the Closing Date (including penalties, fines and interest);
 - (ii) any Liabilities or Encumbrances in respect of any claims, demands, actions, complaints, causes of action, proceedings, charges, assessments or litigation involving the Receiver, the Companies, the Retained Assets, the Excluded Assets, or the Business commenced or threatened or resulting from any event or circumstance prior to the Closing Date;

- (iii) any other Encumbrances made, filed, claimed, perfected or otherwise arising or resulting from any event or circumstance prior to the Closing Date charging the Retained Assets or the Excluded Assets;
 - (iv) any Liabilities owing to or Encumbrances claimed by or in favour of any Employees or the Union that relate to any period prior to and including the Closing Date, whether pursuant to the CBA or otherwise, including without limitation outstanding salaries, wages, vacation pay and bonuses owing to any Employees, any severance or other termination obligations, including payment in lieu of notice, and any Liability for employer health tax payable;
 - (v) all executive personnel agreements, officer or director agreements, employee benefit plans or payments, pension obligations, employee tax withholding obligations, employee health or dental plan obligations, all employee complaints or claims, labour relations board actions or other employee proceedings and similar obligations of the Companies;
 - (vi) any Liabilities of the Companies arising prior to the Closing Date including, but not limited to, Liabilities owed to lenders, service contractors or third parties of any kind including all Liabilities under all Contracts;
 - (vii) any Liabilities relating to or arising out of the Property or Business which are not being retained by Cui, including, without limitation, Liabilities for terminating, not complying with or defaulting under any Contract;
 - (viii) all Liabilities for payment of fees for operation of the Retained Assets or Excluded Assets up to the Closing Date;
 - (ix) the Liabilities of the Companies under or within the receivership proceedings contemplated by the Receivership Order;
 - (x) any Liabilities for a breach or non-compliance with any applicable law;
 - (xi) the Liabilities of the Companies under this Agreement; and
 - (xii) any other obligations which pursuant to the terms and conditions of this Agreement, remain the Liability of the Receiver after the completion of the transactions contemplated herein including, without limitation, the obligations of the Receiver under this Agreement.
- (cc) **“Execution Date”** means the date that this Agreement is executed by both the Receiver and Cui.
- (dd) **“Governmental Authority”** means (i) any domestic or foreign government, whether national, federal, provincial, state, territorial, municipal or local (whether administrative, legislative, executive or otherwise), (ii) 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, (iii) any court, tribunal, commission, individual, arbitrator, arbitration panel or other body having adjudicative, regulatory, judicial, quasi-judicial, administrative or similar functions, and (iv) 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 or professional association.

- (ee) “**GST**” means goods and services tax and harmonized sales tax payable under the *Excise Tax Act* (Canada).
- (ff) “**Intellectual Property**” means all intellectual property and proprietary rights of any kind currently owned by any of the Companies pertaining to the Business, including the following: (i) trademarks, service marks, trade names, slogans, logos, designs, symbols, trade dress, internet domain names, uniform resource identifiers, rights in design, brand names, any fictitious names, d/b/a’s or similar filings related thereto, or any variant of any of them, and other similar designations of source or origin, together with all goodwill, registrations and applications related to the foregoing; (ii) copyrights and copyrightable subject matter (including any registration and applications for any of the foregoing); (iii) trade secrets and other confidential or proprietary business information (including manufacturing and production processes and techniques, research and development information, technology, intangibles, drawings, specifications, designs, plans, proposals, technical data, financial, marketing and business data, pricing and cost information, business and marketing plans, customer and supplier lists and information), know how, proprietary processes, formulae, algorithms, models, industrial property rights, and methodologies; (iv) computer software, computer programs, and databases (whether in source code, object code or other form); (v) all rights to sue for past, present and future infringement, misappropriation, dilution or other violation of any of the foregoing and all remedies at law or equity associated therewith; and (vi) all websites and all telephone and facsimile numbers.
- (gg) “**Interim Period**” means the period commencing on the Execution Date until and including the Closing Date.
- (hh) “**Inventory**” means the inventory of the Companies located on the Lands or at the logging sites operated by any of the Companies as more particularly described in **Schedule D**.
- (ii) “**January 25 Order**” means the order of the Court made on January 25, 2024 in Action No. S236214, Vancouver Registry.
- (jj) “**Lands**” means the lands and premises owned by ROC and used by the Companies in the Business and which are more particularly described in Part 1 of **Schedule A**.
- (kk) “**Liability**” means, any debts, claim, liability, duty, responsibility, obligations, commitment, assessment, cost, expense, loss, expenditure, charge, fee, penalty, fine, contribution or premium of any kind or nature whatsoever, whether known or unknown, asserted or unasserted, absolute or contingent, direct or indirect, or due or

to become due and regardless of when sustained, incurred or asserted or when the relevant events occurred or circumstances existed.

- (ll) “**Loan Assignment**” has the meaning given to it in Recital E.
- (mm) “**Machinery and Equipment**” means all of the Companies’ machinery, equipment (including trucks and other motor vehicles), transportation equipment, spare parts, tools, jigs, dies, office equipment, furniture whether moveable or built-in, computer hardware, fixtures, furnishings and accessories and supplies of all kinds and any other personal property owned by any of the Companies used in the maintenance, management or operation of the Property or any part thereof or the operation of the Business, as more particularly set out in **Schedule E**, and all machinery, equipment, vehicles and other personal property in which any of the Companies has an interest pursuant to the equipment leases secured by personal property registrations listed in **Schedule C**.
- (nn) “**Mutual Conditions**” has the meaning given to it in Section 8.2.
- (oo) “**Parties**” means the Receiver and Cui, and “**Party**” means either one of them.
- (pp) “**Permits and Licenses**” means all licenses, approvals, authorizations, permits, consents or other rights entered into or obtained by any of the Companies or the Receiver from any Governmental Authority, and used in connection with the Business or in respect of any of the Retained Assets, including, without limitation various forest tenures and licenses, including Tree Farm Licence 41, two forest licences A16882 and A16885 and various cutting permits.
- (qq) “**Permitted Encumbrances**” means the Encumbrances set out in Part 2 of **Schedule A**.
- (rr) “**Petitioner**” has the meaning given to it in Recital B.
- (ss) “**Price**” means the amount calculated in accordance with Section 2.3.
- (tt) “**Priority Claims Amount**” has the meaning given to it in Section 2.3(b).
- (uu) “**Promissory Notes**” has the meaning given to it in the January 25 Order.
- (vv) “**Property**” has the meaning given to it in Recital B.
- (ww) “**Receiver**” is defined in the recital of the parties above.
- (xx) “**Receiver’s Borrowings Charge**” has the meaning given to it in the Receivership Order.
- (yy) “**Receiver’s Certificates**” has the meaning given to it in the Receivership Order.
- (zz) “**Receiver’s Charge**” has the meaning given to it in the Receivership Order.
- (aaa) “**Receivership Order**” has the meaning given to it in Recital B.

- (bbb) “**Receiver’s Solicitors**” means Fasken Martineau DuMoulin LLP.
- (ccc) “**ResidualCo**” means a company to be formed in accordance with the Reverse Vesting Order, to which all of the Excluded Assets and Excluded Liabilities will be transferred by the Receiver in connection with the closing of the Transaction.
- (ddd) “**Retained Assets**” means:
- (i) the Sawmills Shares; and
 - (ii) all the Companies’ right, title and interest, in and to their assets and properties, including, without limitation:
 - (A) the Approved Contracts;
 - (B) the Bioenergy Cash;
 - (C) the Business Records;
 - (D) the Intellectual Property;
 - (E) the Inventory;
 - (F) the Machinery and Equipment;
 - (G) the Permits and Licenses;
 - (H) the Lands and Buildings; and
 - (I) the Warranties.
- (eee) “**Retained Liabilities**” means:
- (i) any Liabilities of the Companies under the Approved Contracts, the Permits and Licenses and the Permitted Encumbrances;
 - (ii) the debts owing by the Companies to Cui under the Promissory Notes (as assigned by the Petitioner to Cui), which are recognized as outstanding for the purposes of setting those debts off against the Price pursuant to Section 2.4; and
 - (iii) all other debts (other than the Promissory Notes assigned to Cui) owing by the Companies as of the Closing Date to the Petitioner or to Cui or any of their respective affiliates or other parties with whom the Companies are not at arm’s length, including Shenwei Wu and Xiaopeng Cui and any trust of which either or both of such individuals are trustees.
- (fff) “**Retained Shares**” has the meaning given to it in Recital F.

- (ggg) “**Reverse Vesting Order**” has the meaning given to it in Section 8.2.
- (hhh) “**ROC**” has the meaning given to it in Recital A.
- (iii) “**Sawmills**” has the meaning given to it in Recital A.
- (jjj) “**Sawmills Shares**” means all of the issued and outstanding shares in the capital of Sawmills.
- (kkk) “**Source Deductions Obligations**” means the amounts owing by the Companies to Canada Revenue Agency on account of statutory deductions and remittances for the Employees for the period prior to and including the Closing Date.
- (lll) “**Transaction**” has the meaning set out in Recital F.
- (mmm) “**Union**” means United Steelworkers Local 1-1937.
- (nnn) “**Warranties**” means all subsisting warranties and guarantees benefiting any of the Retained Assets or any part thereof that are assignable without consent and in effect on the Closing Date.

ARTICLE 2 – AGREEMENT TO COMPLETE TRANSACTIONS

- 2.1 Agreement.** Subject to the terms and conditions of this Agreement and based on the representations and warranties contained in this Agreement, in consideration of the Price, the Receiver agrees to seek an order of the Court to authorize and effect the transfer to and vesting in ResidualCo of the Excluded Assets and the Excluded Liabilities, such that Cui will retain the Retained Shares and the Companies will retain the Retained Assets (but not the Excluded Assets) free and clear of all Excluded Liabilities, and, for greater certainty, free and clear of all Encumbrances except for the Permitted Encumbrances. For avoidance of doubt, Cui will not retain or assume, directly or indirectly, any liability in respect of the Excluded Liabilities, but will retain, directly or indirectly, the liabilities in respect of the Retained Liabilities.
- 2.2 As Is, Where Is.** Cui’s interest in the Retained Shares and its indirect interest in the Retained Assets are being retained on an “as is, where is” basis as of the Closing Date. Neither the Receiver, nor anyone on its behalf, represents or warrants the condition or state of repair of any of the Retained Assets. Cui must satisfy itself, and retain its interest in the Retained Shares and the Retained Assets on a strictly “as is, where is” basis on the terms of this Agreement.
- 2.3 Price.** The Price to be paid by Cui to the Receiver in consideration of the completion of the Transaction in accordance with this Agreement will be the sum of:
- (a) four hundred thousand dollars (\$400,000) on account of the Inventory;
 - (b) the amount sufficient to pay for all amounts owing as at the Closing Date in respect of any claim against the Companies which ranks in priority to the claims of Cui (as assignee of the Petitioner pursuant to the Loan Assignment) (collectively, the “**Priority Claims Amount**”), including without limitation:

- (i) outstanding property taxes owing on the Lands;
 - (ii) outstanding stumpage fee arrears;
 - (iii) the Source Deductions Obligations; and
 - (iv) the Equipment Obligations; and
- (c) the sum of Thirty Thousand Dollars (\$30,000) in accordance with Section 11.17;
- (d) the amount equal to:
- (i) the amount of the total debt secured by the Receiver's Borrowing Charge; PLUS
 - (ii) the outstanding amounts owing under the Promissory Notes (to be assigned to Cui by the Petitioner pursuant to the Loan Assignment), as at the Closing Date, including interest and fees calculated in accordance with the January 25 Order,
- (the "**Credit Bid Amount**").

2.4 Payment of Price.

- (a) The Price will be payable as follows:
- (i) by payment of the Deposit, which has been paid to the Receiver and will be held in accordance with Section 2.6;
 - (ii) by payment of:
 - (A) an amount sufficient to pay for the Priority Claims Amount; PLUS
 - (B) the sum of Four Hundred Thousand Dollars (\$400,000) on account of the Inventory; PLUS
 - (C) the sum of Thirty Thousand Dollars (\$30,000) in accordance with Section 12.17; LESS
 - (D) the Deposit;
 - (iii) by payment of the remaining balance of the Price by way of set-off against the Credit Bid Amount in full and final satisfaction of such indebtedness.
- (b) Except as otherwise provided herein, the Parties agree that there will be no adjustments for expenses and liabilities and revenues accrued in respect of the Retained Assets.
- (c) Not less than one (1) Business Day prior to the Closing Date, the Receiver and Cui will settle a statement (the "**Closing Statement**") of the calculation of the estimated Price payable at the Closing Date. The Closing Statement shall have annexed to it complete details, to the extent available, of the calculations used by the Receiver to arrive at the

calculation of the Priority Claims Amount, the Credit Bid Amount and the Closing Payment. The Receiver will provide Cui with the draft Closing Statement not less than eight (8) Business Days prior to the Closing Date. On request, the Receiver shall give Cui reasonable access to the Receiver's working papers and backup materials in order to confirm the calculations shown on the Closing Statement.

- (d) The Price payable in cash at the Closing Date shall be paid by wire transfer or certified cheque of immediately available funds.

2.5 Bidding Procedures. The Receiver and Cui acknowledge that this Agreement and the Transaction are subject to Court approval. Cui acknowledges and agrees that, notwithstanding acceptance of this offer by the Receiver, other prospective purchasers may attend in Court in person or by agent at the hearing of the motion to approve this Agreement and such prospective purchasers may make competing offers which may be approved by the Court. The Receiver may be compelled to advocate that the Court consider other offers in order to obtain the highest price for the Retained Assets. The Receiver gives no undertaking to advocate the acceptance of this Agreement. To protect his, her or its interest in the Transaction, Cui acknowledges and agrees that he, she or it should attend at the Court hearing in person or by agent and be prepared there to make such amended or increased offer as the Court may permit or direct.

2.6 Deposit. The Deposit will be held by the Receiver in an interest-bearing trust account with interest to the account of Cui, unless otherwise stated in this Agreement. The Deposit and any accrued interest will be dealt with as follows:

- (a) on the Closing Date, the Deposit will be credited on account of the Price and the Receiver will pay to Cui the accrued interest; or
- (b) if, after Cui's Condition in Section 8.1 and the Mutual Conditions in Section 8.2 herein are satisfied or waived, Cui fails to complete the Transaction in accordance with this Agreement or if Cui repudiates this Agreement, then the Deposit together with accrued interest will be forfeited to the Receiver as liquidated damages, as the Receiver's sole and exclusive remedy; or
- (c) if Cui's Condition in Section 8.1 or the Mutual Conditions in Section 8.2 herein are not satisfied or waived within the applicable time periods contemplated in Sections 8.1 and 8.2, the Deposit together with accrued interest will be returned to Cui forthwith without any deduction; or
- (d) if Cui is not in default of any of its obligations under this Agreement and the Receiver fails to complete the Transaction in accordance with this Agreement or if the Receiver repudiates this Agreement, then the Receiver will return the Deposit together with accrued interest to Cui upon demand by Cui on or after the Closing Date, as Cui's sole and exclusive remedy.

ARTICLE 3- DOCUMENTS AND INSPECTION

- 3.1 Business Documents.** The Receiver covenants that it has made and until the Closing Date will make available to Cui full, accurate and complete copies of all Business Records within the Receiver's possession or control, and Cui will be entitled to make photocopies of such of the material in those files as Cui may reasonably request. If for any reason the Transaction contemplated in this Agreement is not completed, then Cui will promptly return any such Business Records without retaining any copies.
- 3.2 Inspection.** Cui and its advisors will be entitled upon reasonable notice to the Receiver and in accordance with the Receiver's reasonable requirements as to security to enter the Lands and carry out tests and inspections of the Retained Assets, provided that such access for such purposes will be at reasonable times scheduled by the Receiver at Cui's request and, at the option of the Receiver, subject to the Receiver's supervision. Cui will be responsible for and indemnify the Receiver for all costs, injuries or damages to the Retained Assets, or to the Receiver, its agents or employees, directly arising out of such entry by Cui and such indemnity will survive the completion of the Transaction or earlier termination of this Agreement. In carrying out such tests and inspections and entry Cui will not disrupt or unduly interfere with the Business carried out on the Property.
- 3.3 Authorization.** The Receiver hereby authorizes Cui and its agents, consultants and advisors to meet with or correspond with appropriate statutory or governmental authorities having jurisdiction over the Retained Assets, the Property, or the Companies or the Receiver for the purposes of this Transaction, including but not limited to inquiries with respect to compliance with laws, by laws, regulations and assessments. The Receiver will promptly, at Cui's request, execute and deliver any authorizations reasonably required by Cui to authorize the statutory or governmental authorities to release information to Cui, provided such authorizations explicitly do not authorize or request any inspections with respect to the Property.

ARTICLE 4 - GENERAL COVENANTS

- 4.1 Covenants of the Receiver.** The Receiver:
- (a) throughout the Interim Period will notify Cui of any material changes to the information delivered or made available to Cui under or in connection with this Agreement;
 - (b) throughout the Interim Period will maintain in full force and effect all existing policies of insurance currently maintained by the Receiver and maintain insurance on all the Retained Assets at least to the levels as they are insured on the date of this Agreement;
 - (c) throughout the Interim Period will not enter into any commitment or agreement or Contract, any agreement to lease, offer to lease or lease the Retained Assets or modify any material terms of or terminate any of the Contracts, Permitted Encumbrances, Permits and Licenses or any mortgage or charge relating to the Retained Assets or that would form an Encumbrance on the Retained Assets without the prior written consent of Cui, which Cui may withhold in its sole discretion, or without order of the Court;

- (d) will continue to maintain the Contracts in their current status and honour the obligations of any of the Companies or the Receiver under the Contracts and the Permitted Encumbrances, and enforce the terms of all Contracts and Permitted Encumbrances as would a prudent owner, subject to the Receiver's powers and obligations under the Receivership Order, and any other Court order or statute;
- (e) will promptly notify Cui if the Receiver becomes aware that, after the date of this Agreement, any covenants, terms or conditions in this Agreement are breached or cannot be performed; and
- (f) will promptly forward to Cui any search results from government offices which are directed to the Receiver in response to any due diligence inquiries made by or at the request of Cui.

ARTICLE 5 – RISK

- 5.1 Risk.** The Retained Assets will be at the risk of the Receiver until completion of the Transaction on the Closing Date and thereafter at the risk of Cui. In the event of damage to the Retained Assets by reason of fire, tempest, lightning, earthquake, flood or other Act of God, fire, explosion, riot, civil commotion, insurrection or war, then Cui will complete the Transaction and the Receiver will assign to Cui the proceeds of any insurance claim related to such damage. For certainty, the Receiver is under no obligation to repair any damage to the Retained Assets that arises as a result of any such damage.

ARTICLE 6 – POSSESSION

- 6.1 Possession Date.** Cui will, upon completion of the Transaction have possession of the Retained Assets as of the Closing Date free and clear of all Encumbrances subject only to Permitted Encumbrances.

ARTICLE 7– REPRESENTATIONS AND WARRANTIES

- 7.1 Cui's Representations and Warranties.** Cui represents and warrants to the Receiver, regardless of any independent investigation that the Receiver may cause to be made that:
- (a) Cui is a corporation incorporated and existing under the laws of British Columbia;
 - (b) Cui has the corporate power and authority to enter into this Agreement and to perform its obligations under this Agreement;
 - (c) neither Cui's entering into this Agreement nor the performance of its terms will result in the breach of or constitute a default under any term or provision of any indenture, mortgage, deed of trust or other agreement to which Cui is bound or subject.

ARTICLE 8 – CONDITIONS PRECEDENT

8.1 Closing Condition Precedent in favour of Cui. The obligation of Cui to complete the Transaction is subject to following condition (“**Cui’s Condition**”):

- (a) the Receiver having performed in all material respects each of its obligations under this Agreement to the extent required to be performed at or before the Closing Date, including the delivery of each of the items required pursuant to Section 9.2.

The foregoing condition is for the exclusive benefit of Cui. The condition in this Section 8.1 may be waived by Cui in whole or in part, without prejudice to any of its rights of termination in the event of non-fulfillment of any other condition in whole or in part. Any such waiver shall be binding on Cui only if made in writing.

8.2 Mutual Condition. The obligation of the parties to complete the Transaction will be subject to the following mutual conditions (collectively, the “**Mutual Conditions**”), for the benefit of both the Receiver and Cui:

- (a) that on or before the date that is forty-five (45) days following execution of this Agreement by both Parties, the Receiver will have obtained (at the sole cost of the Receiver) an order or orders of the Court substantially in the form set out in **Schedule B** and satisfactory to the Receiver and Cui (collectively, the “**Reverse Vesting Order**”):
 - (i) approving the Transaction on the terms of this Agreement;
 - (ii) authorizing the incorporation of ResidualCo and adding ResidualCo as a debtor to the receivership proceedings;
 - (iii) transferring and assigning all of the Excluded Assets and Excluded Liabilities (including, for greater certainty, Encumbrances other than Permitted Encumbrances) to ResidualCo;
 - (iv) on completion of the Transaction under this Agreement, confirming that title to the Retained Assets (including, without limitation, the Sawmills Shares) remains with the Companies, free and clear of all Encumbrances except the Permitted Encumbrances;
 - (v) removing the Companies from the receivership proceedings and releasing them from the purview of all orders of the Court granted in respect of the receivership proceedings, save and except for the Reverse Vesting Order;
 - (vi) releasing Cui, the Companies and the Retained Assets from any and all claims arising from or in respect of: (A) any or all claims or Encumbrances and the Excluded Liabilities against or relating to any of the Companies or the Retained Assets existing immediately prior to the Closing Date; (B) the insolvency of any of the Companies prior to the Closing Date; (C) the commencement or existence of the receivership proceedings; or (D) the completion of the Transaction;

- (vii) terminating the employment of all Employees (both Union and non-Union) effective immediately prior to the Closing as of the Closing Date; and
 - (viii) authorizing and directing the Receiver to assign ResidualCo into bankruptcy within a reasonable period not to exceed thirty days after the Closing Date;
- (b) that on or before the Closing Date, the Loan Assignment has been effected; and
- (c) that as of the Closing Date, there will be no applicable law or Court order in effect that prohibits the Closing or the Transaction.

The Mutual Conditions are for the mutual benefit of the Receiver and Cui and may not be waived unilaterally by either party. Both parties agree that they will use all reasonable commercial efforts to satisfy the Mutual Conditions. If the Mutual Conditions have not been satisfied by the applicable deadline provided for in this Section 8.2, then Cui's and Receiver's obligation to complete the Transaction pursuant to this Agreement will be an end.

If the Reverse Vesting Order is made by the Court, then the Parties will complete the Transaction without regard to any appeal or application for leave to appeal to vary or set aside the Reverse Vesting Order by any person, unless the Reverse Vesting Order has been stayed by further Court order.

ARTICLE 9– CLOSING

- 9.1 Closing.** The closing of the Transaction will take place on the Closing Date by electronic exchange of documents between Cui's Solicitors and the Receiver's Solicitors in accordance with this ARTICLE 9.
- 9.2 Receiver's Closing Documents.** On or before the Closing Date, the Receiver will deliver, or cause the Receiver's Solicitors to deliver, to Cui's Solicitors in trust to be held in escrow as provided in this Agreement, the following documents duly executed as applicable and all in a form satisfactory to Cui, acting reasonably:
- (a) Court certified copy of the Reverse Vesting Order and any other orders of the Court as are necessary, all in a form registerable in all necessary offices required to effect the Transaction;
 - (b) the Closing Statement;
 - (c) a certificate dated as of the Closing Date of a senior officer of the Receiver having knowledge of the facts certifying, on behalf of the Receiver and without personal liability, that the Receiver's covenants and agreements to be observed or performed on or before the Closing Date pursuant to the terms of this Agreement have been duly observed and performed in all material respects;
 - (d) a statutory declaration by an authorized officer of the Receiver that the Receiver is not a non-resident of Canada for the purposes of the *Income Tax Act* (Canada);

- (e) all Business Records that are in the possession or control of the Receiver;
- (f) all access cards, security cards, keys (including master keys) relating to the Retained Assets or the Property which are in the possession or control of the Receiver; and
- (g) such other documents and assurances as may be reasonably required by Cui to give full effect to the intent and meaning of this Agreement or contemplated by the Reverse Vesting Order.

9.3 Cui's Closing Documents. In addition to payment of the Price, on or before the Closing Date, Cui will deliver, or cause Cui's Solicitors to deliver, to the Receiver's Solicitors in trust to be held in escrow as provided in this Agreement, the following duly executed as applicable:

- (a) the Closing Statement;
- (b) a certificate dated as of the Closing Date of a senior officer of Cui having knowledge of the facts certifying, on behalf of Cui and without personal liability, that the representations and warranties set out in Section 7.1 are true and correct in all material respects as at the Closing Date and that Cui's covenants and agreements to be observed or performed on or before the Closing Date pursuant to the terms of this Agreement have been duly observed and performed in all material respects; and
- (c) such other documents and assurances as may be reasonably required by Cui to give full effect to the intent and meaning of this Agreement.

9.4 Preparation and Form of Documents. The closing documents contemplated in Sections 9.2 and 9.3 (other than the Closing Statement and the Reverse Vesting Order) (collectively, the "**Closing Documents**") will be prepared by Cui's Solicitors and delivered to the Receiver's Solicitors at least five (5) Business Days before the Closing Date. The Closing Documents (including the Closing Statement and the Reverse Vesting Order) will be in a form and substance reasonably satisfactory to the parties and their respective solicitors. The Receiver will provide Cui with drafts of all material to be filed with the Court no later than five (5) Business Days prior to the date of any hearing of the Court regarding the Reverse Vesting Order or such other date as may be agreed to by the parties.

9.5 Payment into Trust. On or before the Closing Date, Cui will pay to Cui's Solicitors in trust, by way of certified cheque, bank draft, or wire transfer, funds in an amount equal to the portion of the Price payable in cash.

9.6 Closing Procedure. All Closing Documents, funds, and other items delivered by the Parties will be held in trust by the Receiver's Solicitors and Cui's Solicitors until completion of closing on the Closing Date in accordance with this Agreement (except that the Reverse Vesting Order may be submitted for registration in accordance with this Section). Forthwith following the payment set forth in Section 9.5 and after receipt by Cui's Solicitors of the documents and items referred to in Section 9.2, Cui will cause Cui's Solicitors to file the Reverse Vesting Order (together with such other documents as are required to be filed) in the Land Title Office. Upon Cui's Solicitors obtaining a post application title search of the Lands which indicates that in normal Land Title Office routine, title to the Lands will remain registered in the name of ROC subject only to the

Permitted Encumbrances and any documents filed by Cui, and the state of title is in accordance with the terms and conditions of this Agreement, Cui will cause Cui's Solicitors to pay to the Receiver's Solicitors, in trust by wire transfer or certified cheque, the balance of the Price and upon payment of the Price the Closing Documents will be released to the appropriate parties.

At its election made by giving notice in writing to the Receiver's Solicitors, Cui may elect, in its sole discretion, not to file the Reverse Vesting Order in the Land Title Office and instead accept the mortgage and assignment of rents charging the Lands in favour of Cui (as transferred to it by the Petitioner in connection with the Loan Assignment) as Permitted Encumbrances to be discharged at Cui's discretion, and upon making such election, this Agreement will be read *mutatis mutandis*.

- 9.7 Concurrent Requirements.** It is a condition of Closing that all matters of payment, execution and delivery of documents by each Party to the other pursuant to the terms of this Agreement will be deemed to be concurrent requirements and it is specifically agreed that nothing will be complete until everything required as a condition precedent at the Closing has been paid, executed and delivered.
- 9.8 Delivery of Business Records.** The Receiver will table at Closing and, on release of escrow, after completion of the Transaction, will deliver originally executed copies of the Business Records, if in possession or control of the Receiver, to Cui, to the extent not previously delivered.
- 9.9 Payment by Wire Transfer.** Notwithstanding anything else contained herein, Cui will make all commercially reasonable efforts to ensure that the portion of the Price payable in cash under Section 2.4 (the "**Closing Payment**") will be paid to and received by the Receiver's Solicitors, in trust on or before 5:00 p.m. (Vancouver time) on the Closing Date. If for any reason out of the control of Cui (which, for greater certainty, will not include any event which is a default by Cui under this Agreement), Cui cannot ensure that such amount will be received by the Receiver's Solicitors, in trust on or before 5:00 p.m. (Vancouver time) on the Closing Date, then provided Cui's Solicitors confirm in writing to the Receiver's Solicitors on the Closing Date that Cui's Solicitors are holding the Closing Payment in their trust account, they may make the payment to the Receiver's Solicitors, in trust on or before 5:00 p.m. (Vancouver time) on the next Business Day following the Closing Date and Cui will pay to the Receiver, in addition to the Closing Payment, simple interest on such amount at a rate equal to three percent (3.0%) per annum for each day after the Closing Date until the adjusted Price is received by the Receiver's Solicitors, in trust (and if it is received after 5:00 p.m. (Vancouver time) on any day, then an additional day's interest will be added). For example, if the Closing Date occurs on a Friday, the funds are wired on the following Monday and the adjusted Price is received by the Receiver's Solicitors at 6:00 p.m. (Vancouver time) the day after wiring, Cui will pay the Receiver four days' interest on the balance of the Price.
- 9.10 Termination.** Notwithstanding any other provision of this Agreement:
- (a) if the transactions contemplated by this Agreement do not complete on or prior to April 19, 2024 other than as a result of the default of Cui, then Cui may, in its sole discretion, terminate this Agreement with written notice delivered to the Receiver without any further liability, and the Receiver will forthwith return the Deposit to Cui;

- (b) this Agreement will automatically terminate upon Closing, upon which all of the representations, warranties and covenants contained herein will merge and there will be no survival of any representation, warranties or covenants contained in this Agreement except for pursuant to Sections 11.7, and 11.17 and any other provision of this Agreement expressly contemplating obligations to be observed or performed by a Party after Closing; and
- (c) the Receiver may terminate this Agreement at any time prior to the issuance of the Reverse Vesting Order if the Receiver determines it is inadvisable to present this Agreement to the Court for any reason whatsoever, and in any such event the Receiver shall have no further obligations or liability to Cui under this Agreement or otherwise except for pursuant to Section 11.7 and except that the Receiver will forthwith return the Deposit to Cui.

ARTICLE 10 – TAXES

- 10.1 Taxes.** Cui will be responsible for any GST, transfer taxes, fees and expenses in connection with the registration of the Reverse Vesting Order, and the Receiver will be responsible for any taxes or fees in respect of the effective disposition of the Retained Assets by the Transaction, including, without limitation, income tax.

ARTICLE 11 - GENERAL

- 11.1 Post-Closing Access to Business Records.** After the Closing Date, Cui will, and will cause the Companies to, provide access to any Business Records reasonably required by the Receiver in order to prepare and file any tax returns, to complete the Bankruptcy Assignment or to perform its obligations as Receiver of the Companies. This provision will survive the completion of the Transaction.
- 11.2 Further Assurances.** Each of the parties will execute and deliver all such further documents and do such further acts and things as may be reasonably required from time to time to give effect to this Agreement.
- 11.3 Entire Agreement.** This Agreement constitutes the entire agreement between the Receiver and Cui pertaining to the Transaction and supersedes all prior agreements and undertakings, negotiations and discussions, whether oral or written, of the Receiver and Cui and there are no representations, warranties, covenants or agreements between the Receiver and Cui except as set out in this Agreement.
- 11.4 Amendment.** Subject to Section 11.5, this Agreement may only be altered or amended by an agreement in writing executed by all of the Parties.
- 11.5 Solicitors as Agents.** Any notice, approval, waiver, agreement, instrument, document or communication permitted, required or contemplated in this Agreement may be given or delivered and accepted or received by Cui's Solicitors, on behalf of Cui, and by the Receiver's Solicitors, on behalf of the Receiver, and any tender of Closing Documents and the Price may be made upon the Receiver's Solicitors and Cui's Solicitors, as the case may be.

11.6 Notices. Any notice, document or communication required or permitted to be given under this Agreement will be in writing and delivered by hand or electronic transmission as follows:

(a) if to Cui:

Cui Family Holdings Ltd.
c/o Lawson Lundell LLP
1600 – 925 West Georgia Street
Vancouver, BC V6C 3L2

Attention: Sandra Wu and Teddy Cui
E-mail sandra.wu@skeenasawmills.com

with a copy to Cui's Solicitors:

Lawson Lundell LLP
1600 – 925 West Georgia Street
Vancouver, BC V6C 3L2

Attention: Jack Yong, Bryan Gibbons and Julia Winters
E-mail: jyong@lawsonlundell.com; bgibbons@lawsonlundell.com;
jwinters@lawsonlundell.com

(b) if to the Receiver:

Alvarez & Marsal Canada Inc.
902 – 925 West Georgia Street
Vancouver, BC V6C 3L2

Attention: Anthony Tillman
E-mail: atillman@alvarezandmarsal.com

with a further copy to the Receiver's Solicitors:

Fasken Martineau DuMoulin LLP
2900 – 550 Burrard Street
Vancouver, BC V6C 0A3

Attention: Kibben Jackson and Sarah Batut
E-mail: kjackson@fasken.com, sbatut@fasken.com

or to such other address in Canada as either Party may in writing advise. Any notice, document or communication will be deemed to have been given on the Business Day when delivered by hand if delivered prior to 5:00 p.m. (Vancouver time), otherwise will be deemed to be delivered and received on the next Business Day; or, if made by email, will be deemed to have been given on the Business Day when transmitted if it is so transmitted prior to 5:00 p.m. (Vancouver time) on the day of transmittal, otherwise will be deemed to be given and received on the next Business Day.

- 11.7 Fees.** Each of the Parties will pay its own legal fees and fees of its consultants. Cui will pay all registration costs and property transfer tax payable in connection with the Transaction and the taxes identified in Section 10.1 as being Cui's responsibility, and the Receiver will be responsible for the taxes or fees identified in Section 10.1 as being the Receiver's responsibility.
- 11.8 Accounting Terms.** Accounting terms used herein and not expressly defined will be deemed to have such meanings as may apply on the application of the Accounting Standards.
- 11.9 Time.** Time is of the essence of this Agreement.
- 11.10 Tender.** Unless otherwise set out herein, any tender of documents or money may be made upon the party being tendered or upon its solicitors and money will be tendered by certified cheque, bank draft, or wire transfer.
- 11.11 Enurement.** This Agreement will enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.
- 11.12 Assignment.** Cui may not assign its rights and obligations under this Agreement without the prior written consent of the Receiver. If the Receiver consents to any proposed assignment, the assignee must enter into an agreement pursuant to which the assignee agrees to be bound by all of the obligations and Liability of Cui under this Agreement as if it was the original party and Cui will not be released from its obligations and Liability under this Agreement until the completion of the Transaction, at which time the assignor will be automatically released from all of its obligations and Liability under this Agreement without the need for any further deliveries or instruments of release.
- 11.13 Governing Law.** This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable in it.
- 11.14 Waiver.** No waiver of any of the provisions of this Agreement will be deemed or will constitute a waiver of any other provision nor will any waiver constitute a continuing waiver unless otherwise expressed or provided. Subject to Section 11.5, no waiver of any provision of this Agreement is binding unless it is executed in writing by each Party to be bound.
- 11.15 Currency.** All dollar amounts referred to are Canadian dollars.
- 11.16 Construction.** The division and headings of this Agreement are for reference only and are not to affect construction or interpretation.
- 11.17 Bankruptcy of ResidualCo.** The Receiver shall within thirty days after the Closing Date assign ResidualCo into bankruptcy (the "**Bankruptcy Assignment**"). Notwithstanding any terms to the contrary herein, it is understood and agreed that, until such time as the Bankruptcy Assignment has been completed, any net proceeds from the Transaction (including the Deposit and the Closing Payment) shall remain in trust with the Receiver's Solicitors, not to be distributed until after the completion of the Bankruptcy Assignment. On Closing, Cui will pay to the Receiver the sum of Thirty Thousand Dollars (\$30,000) on account of the fees and expenses incurred by the Receiver for the Bankruptcy Assignment.

11.18 Counterparts and Execution. This Agreement may be executed electronically and in counterparts and delivered by electronic transmission including by PDF format, and each such counterpart will constitute an original and all such counterparts together will constitute one and the same agreement.

11.19 Schedules. The following schedules are attached to and form a part of this Agreement:

Schedule A – Legal Description and Permitted Encumbrances

Schedule B - Form of Vesting Order

Schedule C – Equipment Obligations

Schedule D – Inventory

Schedule E – Machinery and Equipment

[Signature page follows]

The Parties are signing this Agreement as of the date set out above.

**ALVAREZ & MARSAL CANADA INC., in its
capacity as Receiver of Skeena Sawmills
Ltd., Skeena Bioenergy Ltd. and ROC
Holdings Ltd.**

By: _____
Name: Anthony Tillman
Title: Authorized Signatory

CUI FAMILY HOLDINGS LTD.

By: _____
Name: Shenwei Wu
Title: Authorized Signatory

SCHEDULE A
LEGAL DESCRIPTION AND PERMITTED ENCUMBRANCES

Part 1 – Legal Description of Lands

The following:

- 5330 Highway 16 W, Terrace, BC
PID: 011-691-042 Lot A District Lot 616 Range 5 Coast District Plan 3986, Except Plan PRP47978
and PID: 011-691-051 Lot B District Lot 616 Range 5 Coast District Plan 3986
- 5402 Highway 16 W, Terrace, BC
PID: 030-631-700 Lot A District Lots 616 and 1745 Range 5 Coast District Plan EPP78423
- 76 Kalum Lake Road, Terrace, BC
PID: 011-768-398 Lot 3 District Lot 616 Range 5 Coast District Plan 3700
- 863 Kalum Lake Road, Terrace, BC
PID: 009-426-833 District Lot 1398 Range 5 Coast District Except Plan 11735

Part 2 – Permitted Encumbrances

- PID: 011-691-042
Legal Notations:
 - This title may be affected by a permit under Part 14 of the Local Government Act, see CA8395265Charges, Liens and Interests:
 - Mortgage CB458433 and Assignment of Rents CB458434
 - Receiver's Charge
- PID: 011-691-051
Legal Notations:
 - Hereto is annexed Easement CA7183199 over Lot A Plan EPP78423 as TP Art shown on Plan EPP82278Charges, Liens and Interests:
 - Mortgage CB458433 and Assignment of Rents CB458434
 - Receiver's Charge
- PID: 030-631-700
Legal Notations:
 - Hereto is annexed Easement BB1131385 over Lot 1 Plan BCP43227
 - This title may be affected by a permit under Part 14 of the Local Government Act, see CA6825838Charges, Liens and Interests:
 - Statutory Right of Way BB1131384
 - Easement CA7183199

- Statutory Right of Way CA7224665
 - Mortgage CB458433 and Assignment of Rents CB458434
 - Receiver's Charge

- PID: 011-768-398
 - Legal Notations:
 - NIL
 - Charges, Liens and Interests:
 - Mortgage CB458433 and Assignment of Rents CB458434
 - Receiver's Charge

- PID: 009-426-833
 - Legal Notations:
 - NIL
 - Charges, Liens and Interests:
 - Mortgage CB458433 and Assignment of Rents CB458434
 - Receiver's Charge

- As to all Retained Assets:
 - Receiver's Charge
 - The financing statement registered in the B.C. Personal Property Registry charging certain personal property of Bioenergy under base registration no. 294189P
 - The financing statement registered in the B.C. Personal Property Registry charging certain personal property of Sawmills under base registration no. 294187P
 - The financing statement registered in the B.C. Personal Property Registry charging certain personal property of ROC under base registration no. 294186P

**SCHEDULE B
FORM OF VESTING ORDER**

See attached.

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

1392752 B.C. LTD.

PETITIONER

AND:

SKEENA SAWMILLS LTD.
SKEENA BIOENERGY LTD. and
ROC HOLDINGS LTD.

RESPONDENTS

ORDER MADE AFTER APPLICATION

APPROVAL AND REVERSE VESTING ORDER

BEFORE THE HONOURABLE MADAM)
JUSTICE BLAKE) March 8, 2024
)

ON THE APPLICATION OF Alvarez & Marsal Canada Inc. in its capacity as court-appointed receiver (in such capacity, the “**Receiver**”) of Skeena Sawmills Ltd. (“**Sawmills**”), Skeena Bioenergy Ltd. (“**Bioenergy**”) and ROC Holdings Ltd. (“**Roc**”, and together with Sawmills and Bioenergy, the “**Companies**”) coming on for hearing at Vancouver, British Columbia on March 8, 2024, AND ON HEARING Kibben Jackson and Mishaal Gill, those other counsel listed in Schedule “A” hereto, AND NO ONE ELSE APPEARING, although duly served.

THIS COURT ORDERS AND DECLARES THAT:

1. The transaction (the “**Transaction**”) contemplated by the Payment and Retention Agreement dated February 28, 2024 (the “**Retention Agreement**”) between the Receiver and Cui Family Holdings Ltd. (“**Cui Holdings**”), a copy of which is attached as Schedule “B” hereto, is hereby approved, and the Retention Agreement is commercially reasonable. The execution of the Retention Agreement by the Receiver and the completion of the

Transaction is hereby authorized and approved and the Receiver is hereby authorized and directed to take such additional steps and to execute and deliver such additional documents as may be necessary or desirable for the completion of the Transaction, including without limitation, the execution of the documents and completion of the steps enumerated in and contemplated by the Retention Agreement and herein.

2. Upon delivery by the Receiver to Cui Holdings of a certificate (the “**Receiver’s Certificate**”), substantially in the form attached as Schedule “C” hereto, confirming receipt by the Receiver of the full amount of the Price (as defined in the Retention Agreement), the following shall occur and be deemed to have occurred on the Closing Date (as defined in the Retention Agreement) in the following sequence:
 - a. first, all of the Companies’ right, title and interest in and to the Excluded Assets and Excluded Liabilities (each as defined in the Retention Agreement) shall vest absolutely and exclusively in a company to be incorporated by the Receiver or Cui Holdings (“**ResidualCo**”), and any and all Claims and Encumbrances (as defined herein) shall continue to attach to the Excluded Assets with the same nature and priority as they had immediately prior to their transfer;
 - b. second:
 - i. without limiting the generality of subparagraph 2(a), all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges or other financial or monetary claims whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise, including: (1) any encumbrances or charges created by any orders of this court; (2) any and all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* of British Columbia or any other personal property registry system; (3) any legal notation, charge, lien, interest or other encumbrance or title defect of whatever kind or nature, regardless of form; (4) any agreement, lease, license, option or claim, easement, right of way, restriction, execution or other encumbrance (including any notice or other registration in respect of any of the foregoing) affecting title

to or the ownership of the Retained Assets (as defined in the Retention Agreement) or any part thereof or interest therein; and (5) those Claims enumerated in Schedule "E" hereto (all of which are collectively referred to as the "**Encumbrances**"), except the permitted encumbrances enumerated in Schedule "D" (the "**Permitted Encumbrances**") hereto shall cease to attach to the Retained Assets (as defined in the Retention Agreement) and, for greater certainty, this court orders that all of the Encumbrances affecting or relating to the Retained Assets are hereby expunged and discharged as against the Retained Assets; and

- ii. the Companies shall be released from any and all debts, claim, liability, duty, responsibility, obligations, commitment, assessment, cost, expense, loss, expenditure, charge, fee, penalty, fine, contribution or premium of any kind or nature whatsoever, whether known or unknown, asserted or unasserted, absolute or contingent, direct or indirect, or due or to become due and regardless of when sustained, incurred or asserted or when the relevant events occurred or circumstances existed (all of which are collectively referred to as the "**Claims**"), whether secured, unsecured or otherwise, including without limitation any and all claims arising out of or relating to: (1) the Excluded Liabilities; (2) the insolvency of any of the Companies prior to the Closing Date; and (3) the commencement or existence of these proceedings, but excluding the Retained Liabilities (as defined in the Retention Agreement); and
 - iii. all Employees (as defined in the Retention Agreement) of the Companies are terminated effective immediately prior to Closing (as defined in the Retention Agreement) as of the Closing Date.
- c. third, the Companies shall cease to be Respondents in these proceedings and shall be deemed released from the purview of all orders of this court granted in these proceedings, save and except for this order, and the style of cause shall be amended accordingly.
3. As of the Closing Date, after the sequence set out in paragraph 2 herein:

- (a) the Companies shall continue to hold all of their right, title and interest in and to the Retained Assets, free and clear of all Claims and Encumbrances (other than the Permitted Encumbrances) and the Excluded Liabilities of the Companies; and
 - (b) the Companies shall be deemed to have disposed of the Excluded Assets and shall have no right, title or interest in and to the Excluded Assets.
- 4. Any person that, prior to the Closing Date, had a valid Claim against the Companies in respect of the Excluded Assets or Excluded Liabilities shall no longer have such Claim against the Companies but such Claim shall continue to exist as against ResidualCo (including, without limitation, in respect of the net proceeds of the Transaction received by the Receiver pursuant to the Retention Agreement) in respect of the Excluded Assets or Excluded Liabilities from and after the Closing Date, and the net proceeds of the Transaction shall stand in place and stead of the Retained Assets with all Claims and Encumbrances attaching thereto in the same manner and with the same priority as existed immediately prior to the closing of the Transaction.
- 5. The Receiver is to file with the Court a copy of the Receiver's Certificate forthwith after delivery thereof.
- 6. The Receiver and Cui Holdings shall be at liberty to extend the Closing Date to such later date as those parties may agree without the necessity of a further order of this Court.
- 7. Notwithstanding:
 - (a) these proceedings;
 - (b) any applications for a bankruptcy order in respect of any of the Companies now or hereafter made pursuant to the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the "BIA") and any bankruptcy order issued pursuant to any such applications; and
 - (c) any assignment in bankruptcy made by or in respect of any of the Companies,the Transaction, including the retention of the Retained Assets by the Companies free and clear of all Claims and Encumbrances, other than the Permitted Encumbrances, shall be binding on any trustee in bankruptcy that may be appointed in respect of any of the Companies and shall not be void or voidable by creditors of any of the Companies, nor

shall it constitute or be deemed to be a transfer at undervalue, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

8. As of the Closing Date and in the sequence set out in paragraph 2 herein, the corporate entity referred to herein as ResidualCo shall be added as a Respondent in these proceedings, with the style of cause amended accordingly, and all references in any order of this court made in these proceedings to: (i) the "Respondents" shall refer to and include ResidualCo, *mutatis mutandis*, and (ii) "Property" shall refer to and include the current and future assets, licenses, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof, of ResidualCo.
9. From and after the Closing Date and in the sequence set out in paragraph 2 herein, Cui Holdings and/or the Companies shall be authorized to take all steps as may be necessary to effect the discharge and release as against the Companies and the Retained Assets of the Claims, Encumbrances and Excluded Liabilities of the Companies that are transferred to and vested in ResidualCo pursuant to this order.
10. Upon the delivery of the Receiver's Certificate, and upon filing of a certified copy of this order together with any applicable registration fees, all Governmental Authorities (as defined in the Retention Agreement) exercising jurisdiction with respect to the Companies, the Retained Assets, or the Excluded Assets are hereby authorized, requested and directed to accept delivery of such Receiver's Certificate and certified copy of this order as though they were originals and to register such transfers, interest authorizations, discharges and conveyances as may be required to give effect to the terms of this order and the completion of the Transaction and to discharge and release all Claims and Encumbrances and Excluded Liabilities of the Companies against or in respect of the Companies and the Retained Assets, and presentment of this order and the Receiver's Certificate shall be the sole and sufficient authority for the Governmental Authorities to do so.
11. Within thirty (30) days after the Closing Date, the Receiver is hereby authorized and directed to bankrupt ResidualCo. Neither the Companies nor Cui Holdings, nor any person appointed by the Companies or Cui Holdings to be a director of ResidualCo, shall be liable

for any obligations of ResidualCo, including in their capacities as direct or indirect shareholders of ResidualCo, as directors or otherwise.

12. In addition to and without limiting the rights and protections afforded to the Receiver pursuant to the Receivership Order (as defined in the Retention Agreement) made herein, the Receiver and its employees and representatives shall not incur any liability as a result of acting in accordance with this order save and except for any gross negligence or wilful misconduct on the part of any such parties. All protections afforded to the Receiver pursuant to the Receivership Order, any further order granted in these proceedings or the BIA shall continue to apply.
13. Upon delivery of the Receiver's Certificate, all persons shall be absolutely and forever barred, estopped, foreclosed and permanently enjoined from pursuing, asserting, exercising, enforcing, issuing or continuing any steps or proceedings, or relying on any rights, remedies, claims or benefits in respect of or against the Receiver, its directors, officers, employees, counsel, advisors and representatives, Cui Holdings, the Companies or the Retained Assets, in any way relating to, arising from or in respect of:
 - (a) any and all Claims and Encumbrances and the Excluded Liabilities against or relating to the Retained Assets;
 - (b) the insolvency of the Companies;
 - (c) the commencement or existence of these receivership proceedings; or
 - (d) the completion of the Transaction.
14. From and after the delivery of the Receiver's Certificate, the Receiver, its directors, officers, employees, counsel, advisors and representatives shall be deemed released from any and all claims, liabilities (direct, indirect, absolute or contingent) or obligations with respect to any taxes (including penalties and interest thereon), as well as penalties for failure to file returns pursuant to section 162 of the *Income Tax Act* (Canada) (the "ITA"), or that relate to the Companies, including without limiting the generality of the foregoing all taxes, penalties and interest that could be assessed against the Companies or Cui Holdings (including its affiliates and any predecessor corporations) pursuant to section 160 of the ITA, as amended, or any provincial equivalent, in connection with the Companies (provided, as it relates to the Companies, such release shall not apply to (a) transaction

taxes, or (b) taxes in respect of the business and operations and conducted by the Companies after completion of the Transaction). For greater certainty, nothing in this paragraph shall release or discharge any Claims with respect to taxes or obligations in respect thereof that are transferred to ResidualCo.

15. The Receiver or any other party affected by this order have liberty to apply for such further or other directions or relief as may be necessary or desirable to give effect to this order.
16. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body, wherever located, to give effect to this order and to assist the Receiver and its agents in carrying out the terms of this order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this order or to assist the Receiver and its agents in carrying out the terms of this order.
17. Endorsement of this order by counsel appearing on this application, other than counsel for the Receiver, is hereby dispensed with.

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

Signature of Kibben Jackson
Lawyer for ALVAREZ & MARSAL CANADA
INC., in its capacity as Receiver of Skeena
Sawmills Ltd., Skeena Bioenergy Ltd. and ROC
Holdings Ltd.

BY THE COURT

REGISTRAR

Schedule "A"

(List of Counsel)

Counsel name/litigant	Party represented

Schedule "C"

(Receiver's Certificate)

No. S236214
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

1392752 B.C. LTD.

PETITIONER

AND:

SKEENA SAWMILLS LTD., SKEENA BIOENERGY LTD.
and ROC HOLDINGS LTD.

RESPONDENTS

RECEIVER'S CERTIFICATE

- A. By order made September 20, 2023, this Court appointed Alvarez & Marsal Canada Inc. as Receiver (the "**Receiver**") of the assets, undertakings and property of Skeena Sawmills Ltd., Skeena Bioenergy Ltd. and ROC Holdings Ltd. (collectively, the "**Companies**").
- B. Pursuant to an order of the Court dated [●], 2024 (the "**Approval and Reverse Vesting Order**"), the court approved the Retention Agreement entered into by the Receiver and Cui Family Holdings Ltd. ("**Cui Holdings**"), and provided for the retention of the Retained Assets (as defined in the Retention Agreement) effective upon delivery by the Receiver to the Purchaser of a certificate confirming: (i) receipt of the full amount of the Price (as defined in the Retention Agreement); and (ii) the transaction contemplated by the Retention Agreement has been completed to the satisfaction of the Receiver.

THE RECEIVER HEREBY CERTIFIES the following:

1. The Receiver has received the full amount of the Price.

2. The transaction contemplated by the Retention Agreement has been completed to the satisfaction of the Receiver.

This Certificate was delivered by the Receiver at _____ on _____, 2024.

ALVAREZ & MARSAL CANADA INC., in its capacity as Receiver of Skeena Sawmills Ltd., Skeena Bioenergy Ltd. and ROC Holdings Ltd., and not in its personal capacity

Per: _____
Name:

Schedule "D"

(Permitted Encumbrances)

- PID: 011-691-042
 - Legal Notations:
 - This title may be affected by a permit under Part 14 of the Local Government Act, see CA8395265
 - Charges, Liens and Interests:
 - Receiver's Charge
 - Mortgage CB458433
 - Assignment of Rents CB458434

- PID: 011-691-051
 - Legal Notations:
 - Hereto is annexed Easement CA7183199 over Lot A Plan EPP78423 as TP Art shown on Plan EPP82278
 - Charges, Liens and Interests:
 - Receiver's Charge
 - Mortgage CB458433
 - Assignment of Rents CB458434

- PID: 030-631-700
 - Legal Notations:
 - Hereto is annexed Easement BB1131385 over Lot 1 Plan BCP43227
 - This title may be affected by a permit under Part 14 of the Local Government Act, see CA6825838
 - Charges, Liens and Interests:
 - Statutory Right of Way BB1131384
 - Easement CA7183199
 - Statutory Right of Way CA7224665
 - Receiver's Charge
 - Mortgage CB458433
 - Assignment of Rents CB458434

- PID: 011-768-398
 - Legal Notations:
 - NIL
 - Charges, Liens and Interests:
 - Receiver's Charge
 - Mortgage CB458433
 - Assignment of Rents CB458434

- PID: 009-426-833
 - Legal Notations:

- NIL

Charges, Liens and Interests:

- Receiver's Charge
- Mortgage CB458433
- Assignment of Rents CB458434

- As to all Retained Assets:

- Receiver's Charge
- The financing statement registered in the B.C. Personal Property Registry charging certain personal property of Bioenergy under base registration no. 294189P
- The financing statement registered in the B.C. Personal Property Registry charging certain personal property of Sawmills under base registration no. 294187P
- The financing statement registered in the B.C. Personal Property Registry charging certain personal property of ROC under base registration no. 294186P

Schedule "E"

(Claims to be deleted/expunged from title to Retained Assets)

SECURED PARTY	PERSONAL PROPERTY REGISTRY REGISTRATION NO.
Delta Cedar Specialties Ltd.	282094N
Timber Baron Contracting Ltd.	903702N, 903703N
Deuce Creek Contracting Ltd.	350830P, 350833P
Infinity West Enterprises Inc.	427844P, 427848P
Antler Creek Contracting Ltd.	507680P, 507684P, 757548P, 757558P
L & J Logging Ltd.	771796P, 771821P
D.R. Holtom Ltd.	777413P, 777418P
Daudet Creek Contracting Ltd.	788822P, 788843P, 788873P, 788895P, 788922P, 788941P, 788955P, 788978P
Silvicon Services Inc.	795469P, 797967P
K'Alii AKS Timber Corporation	795470P, 797968P
Round Lake Transport Ltd.	830654P, 830659P
Dynamic Capital Equipment Finance Inc.	144761N, 154648N, 184908N, 184963N
Caterpillar Financial Services Limited	007610M, 984133L, 632901M, 941146M
CWB National Leasing Inc.	170285N, 545347N
Corley Manufacturing Company	820477P
Microtec Inc.	120833Q
The Bank of Nova Scotia	436815P, 608762K

SECURED PARTY	PERSONAL PROPERTY REGISTRY REGISTRATION NO.
Her Majesty the Queen in the Right of the Province of British Columbia	313007P
Timber Tracks Inc.	541647P
Bank of Montreal/Banque de Montreal	660141P
Stardust Contracting Ltd.	323463P

**SCHEDULE D
INVENTORY**

Location	Category	Specific Location	Item Specs	Volume (M3)
Mill	Log		Sawlogs Hembal at Mill	1,986.7
Mill	Log		Spruce at Mill	397.8
Mill	Log		Cedar at Mill	176.3
Mill	Log		Pulp Logs (Hembal) at Mill	1,095.7
Bush	Log	CP 523 blk NIS001	decked HemBal (pulp and S/L (60/40)	300.0
Bush	Log	CP 523 blk NIS002	Decked HemBal	2,419.0
Bush	Log	CP 523 blk NIS002	Roadside unprocessed HemBal	1,910.0
		CP 517 blks.		
Bush	Log	Paw001/003	Decked HemBal pulpwood	3,435.0
Bush	Log	CP 40 WAT001	R/W (HBCw) unprocessed	357.0

Location	Category	Status	Item Specs	Volume (ODT)
Mill	Fibre		Chips at Mill	11.0
Pellet Plant	Fibre		Chips at Skeena Bioenergy	107.3
Pellet Plant	Fibre		Pellet Fine material at Bioenergy	12.6
Pellet Plant	Fibre		Hog material at Bioenergy	1,884.1
			Pellet fibre material at Bioenergy	
Pellet Plant	Fibre		(material is a mixed belnd of fibre)	984.8
Pellet Plant	Fibre		Shavings material at Bioenergy	162.3
Pellet Plant	Fibre		Belend sawdust and hog material at B	875.0
Pellet Plant	Fibre		Bush grind material at Bioenergy	226.2

**SCHEDULE E
MACHINERY AND EQUIPMENT**

See attached.

SUMMARY - SKEENA SAWMILLS LTD.								
Item #	Unit #	Qty	Year	Make	Model	Description	Serial Number	
1				Vickers		Transfer roller 10 ton electric with switchgear		
2				Moore		100' X 3' double track dry kiln insulated panels 4 door push button control, line shaft, Frank Curtis kin control with Allen Bradley plc. Cpu with monitor, Sanborn 60 gal air compressor with receiving tank, Rex 15 kva transformer, Allied size 542B1-40 hp main 10 fan 16,000 btu/hr Maxon Burn Overpak size 658, Honeywell gas valves, Wagner L722 stack probe and parts		
3		61				Kin carts, 47' X 126" (some rough)		
4		19				Steel sticker racks with stickers		
5		6				Steel dunnage racks		
6						Self dump hopper, forklift push blade, new stainless steel doors, forklift man basket, (41) parts kin carts parts off, (2) steel log bunks		
7						32' 3 strand log haul transfer deck, 3 arm log stop/loader, s-drive with Radicon drive		
8						32' 5 strand log haul transfer deck, 3 arm log stop/loader, s-drive with Radicon drive		
9						12' 3 strand log haul transfer deck, 2 arm log stop/loader, s-drive with Radicon drive		
10						12' 3 strand log haul transfer deck, 2 arm log stop/loader, s-drive with Radicon drive		
11						120' 4 strand log haul transfer conveyor, hydraulic motor with 75 hp hydraulic power pack		
12				Lynden		64' swing type cut off saw, insert tooth, approx 50 hp, twin clamp with twin hourglass rolls, (2) spare blades		
13				L&M		6' bar cut off saw, 20 hp		
14						80' 3 strand log haul transfer conveyor with 8 pneumatic length stops, 7 pneumatic log sweeps, 40 hp drive		
15						12' 4 strand log haul transfer deck, 4 arm log stop/loader, s-drive, SM-Cyclo 5 hp		
16						12' 4 strand log haul transfer deck, 4 arm log stop/loader, s-drive, SM-Cyclo 5 hp		
17						12' 4 strand log haul transfer deck, 4 arm log stop/loader, s-drive, SM-Cyclo 5 hp		
18						8' X 6' sound proof control booth, push button controls, monitors, camera's in deck area, AB plc control		
19						80' 3 strand log haul transfer conveyor, hydraulic motor with 30 hp hydraulic powerpack		
20				Bronette	MK2	Ring debarker 68' 5 arm, 0-125 fpm, 5' bottom feed transfer with twin hourglass hold down rolls, 3' bottom exit transfer with twin hourglass hold down rolls, 30 hp hydraulic power pack, 5 hp hydraulic power pack, lube system, control booth with push button controls, Allen Bradley plc		
21						25' X 25' steel frame metal clad debarker building with (2) 1 ton chain hoists with trolleys, 25' span single girder overhead crane with 5 ton chain hoist		
22						Air driver system	119263	
23				Zerk	730HP610VVF	Rotary screw air compressor, 150 hp with switch and valves		
24				Sullair	ES-150L	55' 3 strand log haul transfer conveyor, 40 hp with Rexnord drive	28936DGH	
25				Cuttler Hammer		Mcc 11 section 31 switch		
26				Yaskawa	Matrix U1000	Vfd Yaskawa F7 vfd (debarker ring)		
27				Lincoln	R3R-400	Welder, spare chain in area		
28						37.5 kva & 5 kva transformers with lighting switch and capacitors		
29				Allen Bradley	Logix 5572	Plc (cos & debarker)		
30						90' 3 strand log haul transfer conveyor (3) mid stream pneumatic kickers, approx 50 hp Radicon drive		
31						8' 5 strand transfer deck, (4) pin stops, 10 hp Radicon drive		
32						10' twin strand log haul transfer conveyor, (4) pneumatic kickers, Rexnord 20 hp drive		
33						4 1/2' 5 strand log haul transfer deck, (4) arm log stop/loader, Radicon 5 hp drive		
34						25' 7 strand log haul transfer deck, 4 stop up stops, s-drive, Radicon 20 hp drive		
35						Hydraulic log splitter, overhead, report cylinder rebuild, 75 hp & 150 hp common power pack		
36						Control booth with push button controls, monitor and 4 camera's		
37						80' 4 strand log haul transfer conveyor, Radicon 40 hp drive (chipper infeed)		
38				Carthage		Whole log chipper 112', R H & knife, side in side out, p/w Blomberg 1500 hp, S&C main switch, 12' cross auger with shaft mount 3hp drive, overhead chain hoist 10 ton cap	WC-2952-68	
39						Square WLC Motor held at Terrace Reznor		
40						Push button control, chip bin plc, Eaton slip ring disconnect		
41						48' X32' troughed roll belt conveyor, 10 hp shaft mount drive		
42				1985	BM&M	Chip screen 8' X16' double deck, 7.5 hp drive		
43						45' X32' troughed roll belt conveyor, 10 hp shaft mount drive, MDI metal detector, disconnect, push button control	2677	
44				VKB Bruks	B12C6	Recharger, drum type, 40 hp, top feed bottom discharge (retor rechina n 2021)		
45	35-12					355' X 48' main chip belt conveyor troughed roll, covered, catwalk, steel framed overhead metal clad roll, steel standards, top diverting gloves, 15' 1/2' X 70' steel support frame over chip bins with 75 hp shaft mount drive		
46						(4) 40 unit chip bins, common wall, catwalk, steel frame, common 7.5 hp hydraulic powerpack		
47						Wood panauede shed, diesel treatment (26) concrete lock blocks		
48						22' 4 strand log haul transfer deck, 4 arm log stop/loader, s-drive, Radicon drive		
49						20' (5) roll 33' hourglass, rolloase 4 arm kicker, Radicon 5 hp drive		
50						22' 4 strand log haul transfer deck, 4 arm log stop/loader, s-drive Radicon 15 hp drive		
51						30' (1) roll 30' rolloase with drive, pneumatic log burner station with spare arm		
52				Cortez		Shutter head, 8 knife, 31' 0" Lx, 3/4" sharp telescopic roller with drive		
53				Sumner		Header, 6 double cut, double column mechanical strain spoke wheels, 46' 31/2" X 15' X 13 gauge, 220 kerf 095376 plate blades, twin feed through rolls, 5 X7' sound proof control booth, push button controls, monitors, camera's, new 40hp drive motor with Yaskawa Matrix U1000 vfd, Eaton disconnects, (9) spare blades	100474-A	
54				Westward		2 ton electric hoist with trolley		
55				Cuttler Hammer		Mcc 8 section 24 switch		
56	33-7			Anderson		Blower 25' 10 hp, filing room		
57	MCC-3 & 5					Allen Bradley, Square D, Cuttler Hammer electric, (3E) 37.5 kva lighting transformer, reader board		
58						Gardner Denver pneumatic wash, ladders		
59						40' (1) roll 47' rolloase, 4 arm log stop and loader with Radicon drive		
60						25' 4 strand lumber transfer deck, 4 strand 6' roller on air cross transfer with drive		
61						22' (6) roll 37' 1/2" infeed angled rolloase, fixed linear, Radicon drive		
62				McGehee		Double arbor gang edger, 12' X 48", 16 top and bottom, variable speed, 180 fpm, 18' saws, 4 top press rolls, 6 bed rolls, swing away and top opening, p/w twin 400 hp drives, Max lube system	7028	
63						Siemens vfd drive control, twin Stellar vfd drive controls (edger)		
64						5'10" X 6' sound proof control booth, push button controls, monitors, camera's, ledger		
65						15' enclosed bridge rolloase with drive and pneumatic picker, finger direction station		
66						25' X 47' incline belt conveyor with drive		
67						30' X 47' 1/2" belt conveyor with drive		
68						45' (1) roll 48' rolloase with 4 1/2' 4 arm limber deck diverting arm transfer and drive		
69						22' 3 strand H75 s-drive lumber transfer deck, (5) arm eye up simulator, 7.5 hp Radicon drive		
70	34-113					12' 5 strand uhw, lined cant transfer deck with drive		
71	34-114					80' (15) roll 20' lumber rolloase with 7.5 hp drive, 5' 4 arm gravity roll decline transfer		
72						20' (6) roll 40' rolloase infeed, fixed linear, 5 strand 4 roller cross feed transfer, (6) positioners, (4) overhead laser lights and drive		
73	34-103			Sullivan		Bull edger 8' X 34', 4 saw, top opening, twin top press rolls, 4 bed rolls, (3) pneumatic positioners, Newpac guides, (4) laser lights, push button control with drive	2067	
74						35' X 53' belt conveyor 7.5 hp Radicon drive, 10 arm pneumatic picker, finger directional station, 12' (6) roll 52' rolloase with 5 hp drive		
75				Cuttler Hammer		Mcc 8 section 28 switch		
76	PDC-1					Allen Bradley, ITE, Benshaw electric, 30 kva transformer and lighting panel		
77						Flammable cabinet 30 gal, quality check station		
78		3		Yaskawa	Matrix U1000	Vfd's (bul edger)		
79						30' single strand box chain clean out conveyor Radicon drive		
80						42' 4 strand log haul transfer deck, s-drive, Radicon drive		
81						42' 4 strand log haul transfer deck, s-drive, Radicon drive		
82						65' 3 strand log haul transfer conveyor, pin stop, hydraulic drive		
83						Cut off saw 6' dia, insert tooth, swing type, approx 25 hp, 30 hp hydraulic powerpack, 4' X 6' control booth, push button control, 30gal oil		
84						18' twin strand log haul transfer conveyor, 8 pneumatic length stops, Radicon drive		
85						20' (10) roll 24' hourglass rolloase, log stop/loader with gates and 6 hp Radicon drive		
86						18' 5 strand log haul transfer deck, 4 arm log stop/loader, s-drive with Radicon drive		
87						18' twin strand log haul transfer conveyor, 15 hp Radicon drive		
88						18' 6 strand log haul transfer deck, 4 arm log stop/loader, s-drive with Radicon drive		
89						18' twin strand log haul transfer conveyor, 15 hp Radicon drive		
90				VKB	Mark IV	Ring debarker, 35' 6 arm, Lindsay forest products tool arms, approx 75 hp ring drive, 107 fpm, infeed station 3' with twin top hold down rolls, outfeed station 3' with twin top hold down rolls, single 25' hourglass roll, hold down tire roll, 6 sound proof control booth, push buttons, monitors, camera's, laser light, 25 hp hydraulic power pack, lube system		
91				Coffing	JLC	1 ton electric hoist, constant control, trolley, 200' I beam crane way		
92						46' (1) roll 24' 1/2" hourglass rolloase, twin 4 arm directional kickers, 5 hp Radicon drive		
93						10' 5 strand log transfer deck, 5 hp Radicon drive		
94						12' 4 strand log transfer deck, 4 arm log stop/loader, s-drive, 16 hp Radicon drive		
95				Cuttler Hammer		Mcc 6 section 20 switch		
96		3		Yaskawa	Matrix U1000	Vfd drives (debarker)		
97						6' 1/2' 4 strand log haul transfer deck, 7 arm Esco type log stop/loader and Radicon drive		
98						5' 4 strand log haul transfer deck, single pin kicker, Radicon drive		
99						55' Single strand box chain log haul conveyor, single kicker/stop station, Radicon drive		
100				Cancer	Mark II	Chip n saw 25' center line, 260 fpm, Key knife heads with 24' feed roll, 3 sided Bannemeg HD750R scanner station CPU control, 15' alligator type infeed position transfer with top hold down, Open eyes, twin 18' side feed rolls, bottom chipping head 75 hp, twin 24' side chipping heads 150 hp, Twin 13' 1/2' feed rolls, top 21' 1/2' 150 hp chipping head, bottom spine removal head, twin 15' side exit dress rolls, 30 & 30 hp roller controls, Allen Bradley plc	3718-2	
101						5' 1/2' X 5' 1/2' sound proof control booth, push button controls, monitor, camera's, Allen Bradley panview 1000 control		
102		2		Yaskawa	Matrix U1000	Vfd's (chipn saw)		
103	MCC-2					4 section mcc, 1 main switch with starters, (chipn saw)		

SUMMARY - SKEENA SAWMILL LTD.							
Item #	Unit #	Qty	Year	Make	Model	Description	Serial Number
104				Cutler Hammer		Mcc 3 section 10 switch (3) 30 kvar & (1) 50 kvar capacitors	
105				Yaskawa	Matrix U1000	VFD (chipboard)	
106				Cutler Hammer		Mcc 7 section 23 switch Allen Bradley plc dust collector switch (twin band)	
107						15' 5 strand camelback transfer deck Radicon drive L&M 6 chain bar saw	
108						25 (6) roll 40" infeed positioning rollocase 5 3 strand rollerchain cross transfer 3 arm log stop/loader	
109				Forano	28CES	Twin hand resaw system 5 single cut double column mechanical strain hydraulic feedworks variable speed to 327 PPM 32" 8' X 6' X 16 gauge blades twin 33 1/2" bridge rolls twin hydraulic side gripper head roll s (4) 18" bed rolls Twin 2 arm 12" side feed rolls mist system tempsonic positioned control booth push button controls and drives (40) spare blades	2R-7569
110						18 (6) roll 6' outfeed rollocase with hydraulic side press rolls Radicon drive	
111						Stellar cabinet with (2) Yaskawa Matrix U1000 vfd's (twin band)	
112						30 hp hydraulic power pack (testwork) 25 hp hydraulic power pack (twin band feed)	
113						18' 5 strand camelback transfer deck Radicon drive 12' (4) roll pop up rollocase with stops overfeed line bar v-in chain hoists	
114						80' X 26" belt conveyor diverting gate Radicon drive	
115	45-58					120' X 13 1/2" belt conveyor Radicon drive	
116	34-9					12' 4 strand transfer deck s-drive 3 arm lumber stop/loader 5 hp Radicon drive	
117						45' (10) roll 24" rollocase Radicon drive side 3 arm pneumatic kicker	
118						Push button control and electric in area	
119						12' 5 strand transfer deck 4 arm lumber stop/loader Radicon drive	
120				FPE		main pdc 2 section 8 switch Eaton switch Westinghouse 1 section 4 switch main pdc Assea 200 kvar capacitor	
121			1973	GE		Transformer 1,500 kva 3 phase 60 hz 25,000-480V	
122						6 strand 5 1/2" camelback landing table Radicon drive 4' (4) twin strand flyted unscrambler with drive	
123						5 strand camelback cross transfer deck 3 hp Radicon 5 arm roller stop/loader station 18' (7) roll 53 1/2" rollocase pop up positioners	
124				QM	2ED68	Pony edger 30' 3 saw spined arbour twin top hold down rolls 5 bed rolls top opening Elworthy set works 150 hp 1750 rpm drive push button control (2) 5 hp hydraulic power packs	7743
125	45-57					18' X 26" belt conveyor Radicon drive single pneumatic picker finger diverting station	
126	45-58					18' X 23 1/2" belt conveyor shaft mount drive	
127	45-60					8 5 strand camelback landing deck 5 hp Radicon drive	
128	45-61					49 (13) roll 33" rollocase Radicon drive	
129						Electric in area Coffing 2 ton electric chain hoist Coffing 1/2 ton electric hoist ext ladder	
130						Double out band saw blades edger guides (2) circular saw hoist cradles Coffing 1/2 ton electric hoist circular saw blades 1/2 ton electric hoist arbour	
131						Williams & White circular saw stretcher roll 27" throat s/n 7285D Anvil edger guides IMW guide grinder spined rolls Armstrong #18 shear Coffing 1/2 ton electric hoist	
132						Position cylinders sawblades with hoist carriers (5) 82" & 72" insert tooth circular saw blades circular saw blades arbours calffing 1/2 ton elec hoist pallet jack edger guides	
133						Allen Bradley bull edger p/c roll Lincoln electric R3R-400 welder Kito 500 kw elec hoist edger guides arbour rolls Barnhart grinder IMW guide grinder	
134						(2) Torch sets 9' windmill spoked wheels (2) Kito 1/2 ton electric hoists Armstrong weld clamp CMI loadster 1 ton electric hoist saw cradles fall restraint	
135	MCC-19					Filing room electric 25 kva transformer	
136				IMW	240	Guide grinder	
137						Set up stand babbit pot 17" & 17 1/2" anvils guides step ladder	
138						Edger guides babbit micrometers & dial gauges granite surface block	
139				IMW	240	Guide grinder	
140				Wright	Talon TF-3	Circular saw sharpener	011402TF3
141				Armstrong		Band saw leveling bench #5 stretcher roll s/n 6296 (2) 5' X 14" anvils and clamp	
142				L&M		Mixed size chain bars	
143				Armstrong		Right hand circular saw sharpener	
144						Grinding wheels bearings and parts	
145				Armstrong	#1E	Circular saw sharpener	
146						Circular saw blades First LCN-14 drill press King 4' X 36" belt sander set up stand jigs chipper knife clamps Armstrong tension gauge grinder	
147						Nielson post grinder 23" circular saw anvil 10" X 6" anvil chain saw post grinder	
148						Acme junior post sharpener hand sledges and shapers Williams & White circular saw tooth setter	
149						Mixed chipper knives jigs DeVitt grinder hand tools	
150	MCC-19B					Mixed electric	
151				Wright	WV-350HD	Circular saw side grinder	
152			1998	Reform	AR2161	Traveling head knife grinder (2) 4 1/2' X 9" magnetic clamps	18510
153						Pneumatic babbit pot babbit pot pouring jig chipper knives	5994/99
154				Wright	Cortex	Knife grinder 75 hp with knives	
155				Armstrong		Post grinder hose saw blades	6418010TX1
156				Hanchlett		77 Circular saw sharpener circular saw tipping bench with 9' X 15" anvil	
157						Coffing 1/2 ton electric hoist (2) 1/2 ton chain hoists overhead beam trolleys	
158				Wright	WV-350 HDS	Circular saw side grinder Burton pro #3 attachment	A6519
159				Wright	WV-350 HD B	Circular saw top grinder	E9527
160				Wright	WV-350 HD B	Circular saw top grinder	E9525
161						Set up bench 24" & 23" anvils tipping station spare circular saw blades	
162				Armstrong	#6 R H	Band saw sharpener auto feed clamp and stands	
163		3		Armstrong	5242	Hand sledges with (3) hand shapers	54186
164						Cat walk and cranesways above log haul infeed 40' w	
165				Armstrong	#4 L H	Band saw sharpener auto feed #59 clamp and stands shape up attachment	
166				Armstrong	#4 R H	Band saw sharpener auto feed #58 clamp and stands shape up attachment	
167				Williams & White		Circular saw stretcher roll 17 1/2" throat s/n 36070 Williams & White saw stretcher roll s/n 30148DF grinder cart	8028
168				Williams & White		Band saw leveling bench 17 1/2" stretcher s/n 176DB clamp (2) 12" X 48" anvils	
169						Solined circular saw blades Miller Multimatic 215 welder	
170						15 kva transformer and electric	
171						Mixing table grinder hand tools vise guides and parts	
172	32-25					90' X 14" belt conveyor s-drive fiberglass insert MCI metal detector with drive	
173				Canear		Chopper R H side feed bottom discharge 150 hp 1760 rpm w/in starter	302
174	25-12					10' box chain clean out conveyor 5 hp Radicon	
175	35-40					120' X 48" belt conveyor troughed roll s-drive shaft mount drive (top infeed)	
176				Ravlings		Hammer hog top feed bottom discharge p/w twin 350 hp 1770 rpm drives 10 hydraulic assist opening (2) starters spare screen	600610
177						6' dia & 15' dia cyclones common steel stand blowpipe	
178	35-12					235' X 45" belt conveyor troughed roll steel frame catwalking sprinklers metal clad steel supports 25 hp 1775 rpm drive	
179						Electric and blower	
180						12' Dia cyclone 3' dia cyclone (top of bins rough shape)	
181	35-19					25' X 10" belt conveyor shaft mount drive	
182	35-22					45' twin strand box chain clean out conveyor 5 hp Highgear reducer	
183						25 kva transformer electric Lincoln R3R-400 welder	
184						(4) lock blocks (6) drums of hydraulic oil tube room (2) pneumatic pumps steel holding tanks and grease	
185	33-25					35' X 17" belt conveyor s-drive 10 hp Highgear reducer	
186	34-38					38' single strand box chain clean out conveyor s-drive with motor	
187	33-44					30' single strand box chain clean out conveyor s-drive with motor	
188	34-60		1973	Holmes		10X32 blower type R58T9 100 hp blower Rader 20X25 feeder 5 hp and control board	
189						52' single strand box chain clean out conveyor s-drive with motor	
190	35-20			Edem		40' X 18" vibratory conveyor MCI metal detector	
191				Hansa!		Chipper side feed bottom discharge 8 knife 40thp cortex knife system starter brake and parts (drive disconnected)	E3717
192						Refuse system push button control	
193	35-1					100' X 36" belt conveyor troughed roll covered s-drive	
194	36-35					15' 4 strand h78 transfer deck Radicon drive (re-entry)	
195						Spare electric parts	
196				Cutler Hammer		Mcc 14 section 60 switch Allen Bradley plc	
197	33-24					85' X 18" belt conveyor s-drive Radicon	
198	34-18					130' box chain clean out conveyor s-drive Radicon	
199	34-37					35' box chain clean out conveyor s-drive Radicon	
200	34-30					30' box chain clean out conveyor s-drive 5 hp	
201	34-41					18' box chain clean out conveyor s-drive 5 hp	
202	34-43					15' box chain clean out conveyor s-drive 5 hp	
203	34-34					22' box chain clean out conveyor s-drive 5 hp	
204	33-27					45' box chain clean out conveyor Radicon drive	
205						50 kva transformer with electric Lincoln R3R-400 welder	
206	33-44					60' box chain clean out conveyor Radicon drive	
207	33-62					125' box chain clean out conveyor Radicon drive	
208	33-40					42' 6 1/2" long link clean out conveyor s-drive Radicon	
209	33-50					160' 6 1/2" long link clean out conveyor s-drive Radicon	
210	33-88					65' 6 1/2" long link clean out conveyor s-drive Radicon	
211	33-67					65' 6 1/2" long link clean out conveyor s-drive Radicon	
212	33-58					255' 6 1/2" long link clean out conveyor s-drive Radicon	
213	33-78					12' X 17" belt conveyor with drive	
214	33-32					120' 6 1/2" long link clean out conveyor s-drive Radicon	

SUMMARY - SKEENA SAWMILLS LTD.							
Item #	Unit #	Qty	Year	Make	Model	Description	Serial Number
216	33-24					60' x 14' cone link clean out conveyor, s-drive, 5 hp Holroyd reducer	
217	33-21					60' x 12' cone link clean out conveyor, s-drive, 5 hp drive	
218						45' box chain clean out conveyor with drive	
219	33-18					312" X 30" troughed roll belt conveyor, s-drive with drive (main chip)	
220	33-16					120' box chain clean out conveyor, s-drive, 10 hp	
221	33-17					45' box chain clean out conveyor, s-drive, Radicon drive	
222						25' box chain clean out conveyor, s-drive, Radicon drive	
223	34-110					8' X 2' 8" roll scaling screen section, 6 hp	
224						92" X 16 1/2" belt conveyor with drive	
225						Electric shop, new parts, connectors, offices, computers, screens, printers, bar fridge, computer rack	
226				Siemens		Electric	
227						Pipe shop (3) chain saws, Atlas Copco parts, pipe fittings, fittings bins, Victaulic fittings, hangers, Rigid threader, pipe cutters, fire hose station, vise, valves,	
228						1 section 2 switch pdc, capacitors and electric	
229			1973	GE		Transformer, 1,500 kva, 3 phase, 60 Hz, 25,000-450V	
230			1983	Certe		Transformer, 2,000 kva, 3 phase, 60 Hz, 25,000 HV, 2400V/1386 LV	
231						Main 25,000V incoming enclosed switch, WR & Wastinghouse 2 section main drive control 25,000V (log chipper) Wastinghouse 2 section 1 switch DC drive control (log chipper) and electric	LC285-1
232				Cuttler Hammer		Mcc 3 section 10 switch	
233						60' box chain clean out conveyor with s-drive, Radicon	
234						Pipe racks, pipe fittings, Rigid 335 threader, pallet jack, hose, compressor oil	
235						1ma P120 mill drill, vises, new electric parts, fittings, wire rolls, (4) ladders	
236						Electric shop, hand tools, snakes, nova saw kits, Hilti DX-450, Milwaukee band saw, Brady label printers, fittings bins, Milwaukee Fuel kit, connectors	
237	36-110					(2) aftercoolers	
238				Sulair	25-160L	45' 4 strand lumber deck transfer, with drive	
239				Atlas copco	GA 1107	Rotary screw air compressor, 150 hp, starter	603-69112
240				Sulair	25B-180L WCAC	Rotary screw air compressor, 150 hp, starter	50278701-2
241				Pat	A733FABE1	Air driver system (2) 12" air receiving tanks 48" x 80"	32381-2-039
242						Rack with bar steel and flat bar	0361-72
243				Bridgeport		Milling machine, 1 hp, 42" X 9" 1-stor table, 16" metal bandsaw	J162882
244						25 kva transformer, electric	
245				Hypertherm	Powermax 105 plus	Plasma welder, Esab EMP2151C plasma welder	
246			1985	Powermatic	PRD-820	Radial arm drill, 3" 15 1/2" X 19 1/2" 1-stor table, 88-1000 rpm	820MM
247				Miller	Gokistar 452	Welder, vises, sprockets, knife grinder, welding rod, hand tools	
248						Hydraulic shop press 100 ton, steel bench dies, Lincoln LN-25 suitcase welder, 6 machinist vise	
249				Bullock	ZY9050A	Mill drill, 62-1400 rpm, 3" stroke, machinist vise, drill bits	G3105925
250				Men Sakai	NR	Lathe, gap bed, 3" 30" swing, 26-1350 rpm, 2" bore, quick attach	
251						Tand box vise, grinder, tool steel, Jet 2 ton chain hoist, steel bench, Linde shapemaker pantograph cutter, bench grinder, plate rack with clamp, air mover, cut off saw	
252						Spare cylinders	
253						First aid room	
254						Tube steel, chain hoists, cart sawhorses, sprockets, conveyor rolls (2) torch sets, steel bench	
255						Fittings bins, sockets, shim kits, bearings test bench, vise, safety slings, hose, cylinders, v belts	
256						Chain hoists, beam clamps, slings	
257						(3) pneumatic pumps, bar steel, bearings, drive chain	
258						Positioning cylinders, parts washer, steel bench, bearings	
259						Hardware, air valves	
260						Spare machine parts, adhar's, stacker, screen, bench with vise	
261						Bushings, spare machine parts, center, bearing seals, slatber, vibratory conveyor, twin band chippers	
262						Oil seals, bearings	
263						Electric chain hoist and manual with trolleys, hand tools, belt splicing kits, wrenches, bench grinder, Eastman K24 hydraulic crimper, bearing warmer, flammable cabinet, vna, drill press, Enerpac power supplies, racks	
264						Hydraulic fittings, hydraulic drive parts, and supplies, bar fridge	
265						Hand tools, torch sets, torque wrenches, Milwaukee hand saw, skill saw, Nova-Pro 500 kit, Office, CPU monitors, safety harnesses, grease guns	
266						Lunch room contents	
267				BMS&I		Chip classifier, scale, oven	
268						(3) offices, desks, file cabinets, chairs, cop's flat screens, tablets, radios, BXT3-19 rechargeable bander	
269	34-20					35' 4 strand box chain conveyor, 7.5 hp Radicon drive	
270						Motor stores area, small drives, (4) pallets 2 hp-5 hp, (2) pallets 7.5 hp-10 hp, (2) pallets 15-20 hp, (2) pallets 25 hp, (3) pallets 30 hp, (24) motors 25 hp-400 hp	
271						Spare used parts by vibratory conveyor, winch, positioning cylinders, chain, shives, trolleys, hyd drives, wheels, power pack, ice melt	
272						(3) motors, spools of wire	
273						(2) 5 kva transformers, Hammond cabinet, 25 kva transformer, (2) System direction soft start cabinets 400 hp, (2) Hammond control cabinets	
274	34-61			Edem		13M X 18" vibratory conveyor, 7.5 hp, MDI metal detector	
275	34-84					60' single strand box chain conveyor, 6 hp	EU2577
276				CAE		Chipper, 85', 8 knives, a/c feed, a/c discharge, 250 hp, 1780 rpm drive, starter	
277	34-62					15' twin strand box chain conveyor, s-drive, 10 hp Radicon	93A097
278	34-90					15' 4 strand H78 transfer deck, 10hp Radicon drive	
279	34-77					12' 4 strand camelback transfer deck, Radicon drive	
280	34-78					10' (3) twin strand flyed unscrambler, Radicon drive	
281	34-74					25' (9) roll 20' rollcase Radicon drive, pop up stops	
282				QM		Haman edge, 30", 100 hp, 3 sav, splined arbour, twin top hold down rolls, 5 bed rolls, top opening, 10 hp feed drive, 3 feeder flants, push button control, electric, Allen Bradley plc	
283	34-69					20' X 16" belt conveyor, 5 hp drive, picker type diverting station, 6 1/2" X 24" belt conveyor 5 hp	
284						Plc #1, Westinghouse switch, TCT transformer, Square D & Allen Bradley electric	
285	34-11					35' X 24" belt conveyor with drive	
286	34-75					42' X 18" belt conveyor, 5 hp Rexnord drive	
287	35-11					42' X 17" belt conveyor, shaft mount drive	
288	34-113					10' 5 strand H150 camelback transfer deck, Radicon drive	
289						145' 4 strand H78 return transfer deck, Radicon drive, steel support standards and ratings	
290	34-24					52' 9 strand H130 camelback transfer deck, Radicon drive	
291						Disconnects in area	
292	34-27					18' 7 strand mixed chain transfer deck, Radicon drive	
293	34-28					12' 8 strand H130 camelback transfer deck	
294	35-10					35' 6 strand transfer deck 10 hp Radicon drive	
295	35-8					12' 6 strand transfer deck uhmw lined common drive	
296	35-12					12' (3) strand twin flyed unscrambler, 1/2 ton beam hoist, 20 hp drive	
297	PDC 18					Westinghouse and Square D electric	
298						8' (6) roll evenending rollcase, 8' butt ending station, 6' 6 strand transfer deck twin drives	
299				Cuttler Hammer		Mcc 5 section 22 switch	
300						Vfd drive controls, (2) Yaskawa Matrix U1000 (unscrambler), Toanba ESP-130 (packlog storage)	
301	35-200, 35-201					16' 6 strand 80 dx transfer deck, 6' 6 strand 80 dx transfer deck with drives	
302						Lug loader station with 6' 6 strand uhmw lined transfer 4 arm singulator, 6' 6 strand throughfeed, 8 arm singulator with anti backlash, 1 1/2' 5 arm roller chain outfeed transfer and drive	
303						Push button controls with Eaton switch	
304				Newnes		10' 8 strand lugged transfer, 18' 9 strand lugged uhmw lined scanner throughfeed transfer (6) even ending rolls, 23" dia over length and trim saw station	
305				Newnes/USNR	86ALGS120EP	20 pass scanner station USNR epu's	F93-034
306				Newnes		15' 6 strand lugged uhmw lined pre position transfer (3) pneumatic positioned and paddle positioners, (6) 10' 1/2" even ending rolls, (4) sets of 5 arm pop up singulators	
307	35-18			Newnes	TA-20-LH-99	Trimmer, 20 pass, 11 saw line shaft drive, approx 25 hp, 19' 10 strand lugged throughfeed transfer	93-C08-KA
308						Spare sprockets, saw blades, electric, torch set, Lincoln R3R-400 welder, 25 kva transformer with panel	
309						3 1/2' 8 arm roller chain transfer/diverting gate, 18' 10 strand lugged uhmw lined transfer with (10) 18" even ending rolls and drive	
310						2022 Sr cam systems & 13' 4 board length scanning raw data station, Northern Mittech Incorporated moisture meter frame (no sensors), 9' 4 strand lugged throughfeed transfer with drive	
311	35-35					50' 5 strand lugged 90 degree transfer common drive	
312						Trimmer control room, spare parts, Allen Bradley data liner, (2) Allen Bradley plc's, monitors	
313				Moore/Newnes		J bar sorter system, 71 bin with 22' 5 strand lugged transfer deck, Siemens cabinet with Yaskawa Matrix U1000 vfd, 12 sets of bin controls, 67 Moore bins (3) Newnes 36 1/4" bin width, Opon & Banner photo eyes, reader boards, (9) sets of 35' 5 strand s-drive uhmw lined take away transfer decks with 7.5 hp drives, 10' 4 strand transfer deck, 30 hp hydraulic powerpack, air receiving tank, Win Talix 6 1 cov	
314				Cuttler Hammer		5 section 18 switch mcc, (2) 25 kva transformers with switches, Cuttler Hammer 4 section 13 switch mcc	
315	35-89					22' 5 strand uhmw lined s-drive transfer deck, 7.5 hp	
316	35-67					6 1/2' (4) twin strand 3/8" unscrambler with drive, overhead beam and trolley	
317						45' box chain clean out conveyor, 3 hp	

SUMMARY - SKEENA SAWMILLS LTD.							
Item #	Unit #	Qty	Year	Make	Model	Description	Serial Number
318	35-77					Wood 20 stacker system mech/hyd with 18' 6 strand roller chain feed transfer umhw lined, 3 1/2" butt even ending station, 4 arm stacker placer, 5 arm lowering hoist, 10 pocket auto drop stick placer, 2 3/4" X 5' X 3/4" stick, 40 5 strand package take out transfer with drive, 25 hp hydraulic power pack, push button control, 60 twin strand 80 dx sticker bin transfer with drive	
319						(2) 1/2 ton chain hoists, 60' of 1 beam	
320				Cuttler Hammer		Mcc 4 section 14 switch, 25 kva transformer with switch, Yaskawa Matrix U1000 vfd (incline chain) (2) Yaskawa Matrix U1000 vfd's (stacker)	
321						Trimmer/sorter pulling, 580' L X 40' W steel frame, metal clad bolt together, sprinklers, lights	
322						15' 4" X 10' steel sticker racks, (2) dunnage racks, length cut rack, sawsaw, banding, steel waste bin, (20) parts bin carts	
323						Mixed steel in area along wall	
324						(2) steel length cut racks, dunnage rack, (2) banding carts, (18) rolls of banding	
325						Reducers and motors in area	
326			2003			40 shipping container, welded steel feet	
327						Kiln carts parts and steel in area, belting and rail on container roof	
328			2010			40 shipping container, welded steel feet	
329						28 sections of 4 tier sheaves, shivs, pillow block bearings, bushings sprockets mixed pitch and reducer parts	
330						Sorter storage area, soaked rolls, (5) double cut saw blades, shafts, debarker ring parts	
331						2 section pallet rack two tier cylinders, reducers, sprockets, chain, conveyor rolls, carriage cable, Hydrostar hyd drive, blower	
332						Conveyor rolls, shafts, cylinders, reducers	
333						3 section pallet rack reducers, tyco dry valve, booster pump, edge water system pump kit (12K), feed rolls, shivs, positioning cylinders	
334						Wood bin, steel rack, mixed nav, steel, conveyor rolls, steel rack	
335						2 section steel rack with new chain and conveyor rolls	
336						2 section steel rack with conveyor chain, rolls, (3) pallets of chain, steel bin	
337						(13) Pallets of conveyor chain	
338						6' Dia cyclone (whole log chipper), Allied size 80 blower, 125 hp, 45' dia blower (mill roof), 500' of steel 16" blow pipe, 100' of 40' galvanized pipe	
339			2001			40 shipping container, lights and shelves	
340						Control spare electric parts	
341			91			Bundles of new 5' X 2 1/2' X 3/4" sticks	
342						Storage roof (20) 18' X 12' X 12' metal clad	
343			2010			40 shipping container, lights and shelves	
344						18 sections of new and used electric spare parts	
345						Tach cable trays, steel dump hopper, dunnage rack	
346			4			20 unit chip bins, common frame top leveling auger, 2 1/2" & 4 1/2" dia cyclones, 15hp hydraulic power pack	
347						Contents of container item 422, chain, air cylinders, radial arm saw, sprockets, cable, pressure washer	
348						Forklift blade, self dump hopper	
349				Sullair	28-100L AGAC	Roller screw air compressor, 100 hp, starter	003-02921
350			1993	Ball Technologies Inc	T400DH41-0100	Air dryer, air receiving tank, aftercooler	03-192-83
351						Planer microstat pump system, Control panel with Allen Bradley Panelview, 1000 touch screen control, (2) stainless steel filter pots, 3/4 hp pump, Stainless steel storage tank, (3) chemical dosing pumps, Mason 30 1/2" mod K501-00 vibratory screen, stainless steel spare spray head, Chip chum pump, skid approx 5 hp, spare Baum 8X17 high pressure blower	
352						32' 4 strand s-drive transfer deck, 10 hp Radicon	
353						4 arm 5' mechanical tilt hoist, 10 hp drive	
354	01-06					12' 6 strand transfer deck	
355	07-01, 07-02					35' X 24' belt conveyor, shaft mount drive, 18' X 47' 1/2" belt conveyor 5 hp	
356				Cuttler Hammer		Mcc 3 section 12 switch, push button control, Yaskawa Matrix U1000 vfd	
357						Spare chain, shivs, sprockets, rollers, a frame, roller chain, Lincoln Idealarc 250 welder	
358						32' 5 strand umhw lined transfer deck, 4 arm singulator, common drive	
359						65' X 14' belt conveyor with shaft mount drive	
360						10' 6 strand transfer deck, 25 (7) roll 30' pineapple infed rollcase, (4) top hold down rolls, push button control with monitor, 16' (6) roll 6 1/2" & 14 1/2" bridge rollcase, top guide	
361				Stalson Ross	614-D1	Planer, 5 head, 20 knife top, 16 knife bottom, twin side profile, push button controls, 40 hp & 50 hp hydraulic power pack, overhead tows, Frank brake	
362						Spare parts in area, gears, fan blade	
363	07-06					65' X 14' belt conveyor shaft mount drive	
364	07-16					60' box chain chain out conveyor, 7.5 hp Radicon drive	
365			2019		USNR	Color grade mark reading system, version 3.0.5, cpu, monitors, Raptor integration system, Hope touch screen control, (works with the sorter)	
366	6			Yaskawa	Matrix U1000	Vfd's (slow down belt, wrap scan belt, fence)	
367				Skravco Technologies		Stainless steel spray box, 20' X 14' X 39" multiple head, 22" dia spray scrubber system	
368	01-28					15' X 5' slow down belt conveyor with drive	
369						Bench, vise, planer set up stand, (2) 20 knife heads, (6) profile stands with heads, bench grinder, (6) planer heads monitor and pans	
370				Stalson Ross		Side head profile grinder, Splitting wald station, Jet drill press	
371				Reform	AR15	Traveling head knife grinder grinding length 1520 mm	2428-82
372						1 ton electric hoist, fan, cpu, 55' tv, vbelts	
373						Mcc 10 section 27 switch	
374				Cuttler Hammer		Mcc 5 section 19 switch	
375				Nelson	50	Blower, 60 hp, abort gate (planer roof)	
376				Anderson	100	Blower, 200 hp, 1780 rpm (planer roof)	
377						14' dia cyclone (rough), galvanized blow pipe to chip bin	
378				Fort Donaldson		Planer mill baghouse dust collector, 15' dia, abort gate, blast doors, Anderson size #00B 150 hp motor, Gardner Denver GAEBHSA 15 hp blower	
379						Planer parts room, bearings, hardware, air cylinders, pins, hydraulic positioning cylinders, roller chain, shafts, sorter parts, compressor parts, chain hoists, bushings	
380	02-01					5 strand 40' transfer deck with Radicon drive (re-entry)	
381						1' 4" twin strand fixed unscrambler with drive	
382						18' 6 strand camelback transfer deck, 8' butt even ending station, (3) 6' & (2) 4' even ending rolls with drive	
383						16' 6 strand mixed chain transfer deck	
384						Singulating lug loader station, 6 1/2' 5 strand lugged transfer, throughfeed, 8 arm singulator with anti kick back, 6 strand 18' roller diverting transfer, (7) roll over arm, npld downs	
385						Control room, 55' tv, laptop, cpu, desks, chairs, spare monitors, printers, ButtonKap stapler, hand tools	
386						27' 10 strand lugged trimmer, throughfeed transfer deck (8) 78" even ending rolls, pneumatic and positioners	
387			1993	YAM		Trimmer, 20' pass, 11' saw line shaft drive, approx 25 hp	7752-20TR??
388		2		Yaskawa	Matrix U1000	Vfd's	
389						18' 6 strand umhw lined lugged transfer deck, custom made 1 station cut in two splitter system, (7) 10' even ending rolls	
390			2021	Z-Tec Automation Systems Inc	WinJet II	Link jet printing, barcode application and vision verification system, barcode/label end print, Microcontroller, PC/104 real time operating system, Ptc control, 250+ pins, user input touch screen, custom 2-dr, built delivery vision system, air knife	
391			1983	Nawnes		J-bar sorting system, Scan mag link detection station, 12' 6 strand lugged umhw lined transfer, Nawnes 22 bin, 27" bin with soft drops, (4) sets of bin controls, Cutler Hammer 4 section 14 switch mcc, 10 slot remote I/O rack, Yaskawa Matrix U1000 vfd, 30 hp & 25 hp hydraulic power packs, (2) 35' 6 strand umhw lined floor sweep transfers with Radicon drives, 12' 6 strand umhw lined incline transfer, crows, disconnects	
392						6' (4) twin strand fixed unscrambler with Radicon drive	
393			1983	Newnas		Stacker system 20', 15' 5 strand camelback throughfeed transfer, 5 arm stacker Rexnord drive, 5 arm lowering hoist, Allen Bradley plc, 3 1/2" butt even ending stat on, 5 pocket placer 41 1/2" X 3/4", Hydraulic power pack with (3) 15 hp drives, push button control electronics, 22' 4 strand umhw lined transfer deck	
394		5		Yaskawa	Matrix U1000	Plc's (stacker), network switch, APC backup	
395						32' 5 strand umhw lined transfer deck s-drive, 4 arm pop up singulator, Radicon drive, overhead hydraulic package end squeeze station, 20' opening, 20 hp hydraulic power pack	
396						32' (6) roll 60' rollcase 5 hp Radicon drive	
397						42' 4 strand umhw lined transfer deck, Radicon drive	
398						Strapping system 25' (8) roll 60' rollcase, Signode strapping station, top and side squeeze, auto dunnage angle placer, MHT-50 plastic strapping head, 20 hp hydraulic power pack, push button control, monitors, camera's, Allen Bradley panel-view 600 display, Allen Bradley plc	
399				Cuttler Hammer		Mcc 7 section 29 switch	
400						30' (1) roll 4' straws, rollcase	
401						30' twin strand umhw lined transfer deck, 9' twin strand transfer deck, 20' twin strand transfer deck with drive	
402						(2) Sato CL608E label printers, flammable storage cabinet, Ack-ands N-250 welder, overhead lumber wrap dispenser, 1/2 ton electric hoist	
403						Overhead lumber wrap station, 2 ton overhead hoist, wrap spreader bar, 10' 1/2" twin roll wrap positioner with flying cut off blade, hydraulic drives	
404						52' 3 strand transfer deck, Radicon drive	
405						15 hp hydraulic power pack, 10 hp hydraulic power pack, push button control	
406						32' twin strand transfer deck hydraulic drive	
407		3		Lemmar	6552/40.52	Paint pumps, self dump hopper	
408						(2) rolls of banding, 6' sized scrap chopper	
409		10				Bundles of new stickers	
410		12				Heading double cut bandsaw blades	
411		52				Rolls of plastic banding	
412		97				Dunnage bundles 43" X 3 1/2"	
413		27				Rolls of 54" lumber wrap	
414		16				Rolls of 101 1/2" lumber wrap	

SUMMARY - SKEENA SAWMILLS LTD.							
Item #	Unit #	Qty	Year	Make	Model	Description	Serial Number
415						31 concrete block blocks and steel bin	
416						Custom bundle saw system: (2) 12' main strand transfers in and out feed, 8' L&M bar type saw, laser light, 3 hp hydraulic power pack with hydraulic drives, Allen Bradley switch	
417						Lumber wrap station, 101' 12" twin roll wrap positioner with flying cut off blade, hydraulic drives	
418						48' (13) roll 48' bypass rolloack with drive, 8' 5 strand camelback landing deck	
419						28' 5 strand 4' belt machine transfer deck with drive, 12' 5 strand transfer deck 5 hp Radicon drive	
420						6 roll 80' even ending rolloack, 5 1/2' butt even ending station, 85' 5 strand greenchain transfer deck with drive and side rollofts	
421		8				20 (6) roll 52' lumber rollofts	
422	03-08					50' X 14' belt conveyor with drive	
423	07-09					80' box chain clean out conveyor with Radicon drive	
424	07-11			CAE		50' X 12' vibratory conveyor, Rens metal detector, drive and push button control	
425						Chipper, 85' 8 knife, Corfec knife system, side feed bottom discharge, P.W. 260 hp drive	
426	07-17					18' box chain clean out conveyor, s-drive with Radicon	
427	07-18					75' box chain clean out conveyor, s-drive with Radicon	
428						Eaton and Westinghouse switches	
429	08-08					10 Twin auger, Radicon drive	
430	08-08					Holmes 8X17 s/n 29369 high pressure 75 hp blower, Approx 24" X 30" 10 hp feeder	
431					Cuttler Hammer	Mcc 11 section 25 switch	
432						Push button control, relay cabinet, capacitors	
433				CAE		Chip screen 6' X 12' double deck, 7.5 hp drive	16063
434						Spare parts, 90' of camelback chain, sprockets	
435						Holmes high pressure 160 hp blower, silencer, Rader 25" X 30' ESW 5 hp feeder	
436						Main pdc, 1 section 8 switch distribution panel, Skyway 1750 kva 25 000 hv480V277 transformer, single main switch	
437						Westinghouse 2 section 8 switch pdc	
438		20				Hes 30 kva transformer, Beaver 45 kva transformer, (2) Westinghouse 37.5 kva transformers, Cuttler Hammer 8 switch pdc, (2) Westinghouse switches, (1) Square D switch, Delta 37.5 kva transformer	
439						Steel frame dunnage racks	
440						Cat transmission, automotive parts, steel bin, man basket	
441						20 shipping container with oils and lube	
442						Spare blower impellers, sprockets, hose, planar roll, signode strapping head, sawhorses, torch set Miller SRH333 welder, hydraulic drive, steel rack, Signode reel	
443						Chop saw with gravity rolloack	
444						Parts washer, DP grinder, Vices, Miller SRH-333 welder fittings bins, flammable cabinet, Makita chop saw, steel shafts, 14" band saw, chop saw, steel welding table, hydraulic drives	
445		2		Regal		75 ton adjustable hydraulic shop press, fittings bin with hardware, hydraulic cylinder, signode parts strappers	
446	2018			Westeel	HFV26000	9 000 L cap fuel tanks with pumps	
447						24 900L fuel tank	
448		2003				Forklift cherry pickers, warehouse stairs, steel bin, tires with rack	
449						40 shipping container	
450						Contents, portable gas pumps, tires, hose, site boxes, ramps	
451						Torch set, Miller SRH 333 welder, radio, steel bench, vice, drill press, steel hydraulic shop press adjustable, Parker crimper, Snap-On MT1500 tester, hvd jack	
452						Transformer and electric	
453						Hydraulic hoses, Devilbiss 5 hp air compressor, hydraulic jacks, tire jack, rechargeable grease guns, jack stands, warehouse stairs, fitting bins, bench top drill press	
454						Jet 12" band saw, floor jacks, chop saw, Rolling hoist frame with atec chain hoist, chains, vice, hand tools, parts washer, Flammable cabinet, storage shelves, pullers, etc hvd power pack	
455						Retract-a-reels lube pumps, floor jack, oils, sockets, hand tools, new filters, seals, fitting bins, hydraulic cylinders, fittings bins, chains	
456						Metal detector, filters, puller parts, shop vac's, file cabinets, time clock	
457						Steel rack with parts, box car, 20 forklift forks, tires, oil tanks	
458						DeeWoo bucket, brush guard, loader arm	
459	2	1997		New West Industries	4 stage	14 new barrels SAE205, SAE205L, Dexron 111, 15W40, SAE 10W oils and lube	
460	5					Stop feeders, mechanical 24' 4 tier	
461	5					Steel log punks	
462						10' X 16' wood bridge decks	
463	2003			Stinger Welding		32L X 126 1/2" steel bridge frame	
464					NCT-08-1	50L X 150" steel bridge frame (13 925 lb)	
465						Modular steel bridge deck, (2) 5W X 50' sections	
466						30' X 13' belt conveyor 10 hp Rexnord, parts augers	
467				Pacific	P&P0114-100	Steel log bunk	
468						Load cell truck scale, 3 section steel deck, 100 000 kg cap, Avery ZM405 dno, cpu, printer, monitors	8338-V
469						42' box chain conveyor	
470						50' V-type chain transfer conveyor, Rexnord 25hp drive, soars Rexnord drive	
471						12' 9 strand camelback transfer deck	
472						32' V-type chain transfer conveyor, 15 hp Rexnord drive	
473						(2) dunnage racks	
474		23				Nicholson parts debarker, 6 arm, (4) front and rear twin rolls, 50 hp ring drive	
475						Bonvard hydraulic power packs, motors, electric, conveyor rolls, silencers	
476						60' X 14' belt conveyor with kickers, spare return sections	
477						Conveyor troughed rolls, conveyor sections, feeder, landing deck, control booth, blower fans, rolloack, reducers, self dump hopper	
478						Steel log bunk, old diesel back up fire pump, transfer switch, transformer and electric	
479						Main plant power transmission line, power poles, stiches, fence enclosure	
480						Tech cable in sawmill and planer mill	
481						Yard camera security camera system, monitors, recorder	
482						(45) single cut Porano sawblades, feed head saw drive (needs rebuild), General mod 50-200RNF-M1 table saw, 3 ton overhead crane, 3hp vac	
483						Office trailer 40'	
484						Contents, DelValt chop saw stand, moisture meter, Campbell 6 gal compressor, file cabinets, Buick snow tires, misc parts	
485						Office trailer 40' (reserving)	
486						Contents, paints, ink, fan, lawnmower, new gloves, eye glasses, hard hats, tape measures	
487						Main plant offices, desks, chairs, cpus, printers, storage cabinets, file cabinets, meeting room tables, flat screen tvs, paper shredders, Dell server with rack switches and APC backup ups, copiers, boardroom, lunch room, label printers, radios, binders, laminator, cleaning supplies, storage shelves, snowshoes, marking hammers, nails, stationary supplies	
488		6				40 shipping containers with wood truss, metal clad roof structure	

Schedule "C"

(Receiver's Certificate)

No. S236214
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

1392752 B.C. LTD.

PETITIONER

AND:

SKEENA SAWMILLS LTD., SKEENA BIOENERGY LTD.
and ROC HOLDINGS LTD.

RESPONDENTS

RECEIVER'S CERTIFICATE

- A. By order made September 20, 2023, this Court appointed Alvarez & Marsal Canada Inc. as Receiver (the "**Receiver**") of the assets, undertakings and property of Skeena Sawmills Ltd., Skeena Bioenergy Ltd. and ROC Holdings Ltd. (collectively, the "**Companies**").
- B. Pursuant to an order of the Court dated March 8, 2024 (the "**Approval and Reverse Vesting Order**"), the court approved the Retention Agreement entered into by the Receiver and Cui Family Holdings Ltd. ("**Cui Holdings**"), and provided for the retention of the Retained Assets (as defined in the Retention Agreement) effective upon delivery by the Receiver to the Purchaser of a certificate confirming: (i) receipt of the full amount of the Price (as defined in the Retention Agreement); and (ii) the transaction contemplated by the Retention Agreement has been completed to the satisfaction of the Receiver.

THE RECEIVER HEREBY CERTIFIES the following:

1. The Receiver has received the full amount of the Price.

2. The transaction contemplated by the Retention Agreement has been completed to the satisfaction of the Receiver.

This Certificate was delivered by the Receiver at _____ on _____, 2024.

ALVAREZ & MARSAL CANADA INC., in
its capacity as Receiver of Skeena Sawmills
Ltd., Skeena Bioenergy Ltd. and ROC
Holdings Ltd., and not in its personal capacity

Per: _____
Name:

Schedule "D"

(Permitted Encumbrances)

- PID: 011-691-042
 - Legal Notations:
 - This title may be affected by a permit under Part 14 of the Local Government Act, see CA8395265
 - Charges, Liens and Interests:
 - Receiver's Charge
 - Mortgage CB458433
 - Assignment of Rents CB458434

- PID: 011-691-051
 - Legal Notations:
 - Hereto is annexed Easement CA7183199 over Lot A Plan EPP78423 as TP Art shown on Plan EPP82278
 - Charges, Liens and Interests:
 - Receiver's Charge
 - Mortgage CB458433
 - Assignment of Rents CB458434

- PID: 030-631-700
 - Legal Notations:
 - Hereto is annexed Easement BB1131385 over Lot 1 Plan BCP43227
 - This title may be affected by a permit under Part 14 of the Local Government Act, see CA6825838
 - Charges, Liens and Interests:
 - Statutory Right of Way BB1131384
 - Easement CA7183199
 - Statutory Right of Way CA7224665
 - Receiver's Charge
 - Mortgage CB458433
 - Assignment of Rents CB458434

- PID: 011-768-398
 - Legal Notations:
 - NIL
 - Charges, Liens and Interests:
 - Receiver's Charge
 - Mortgage CB458433
 - Assignment of Rents CB458434

- PID: 009-426-833
 - Legal Notations:

- NIL
- Charges, Liens and Interests:
 - Receiver's Charge
 - Mortgage CB458433
 - Assignment of Rents CB458434
- As to all Retained Assets:
 - Receiver's Charge
 - The financing statement registered in the B.C. Personal Property Registry charging certain personal property of Bioenergy under base registration no. 294189P
 - The financing statement registered in the B.C. Personal Property Registry charging certain personal property of Sawmills under base registration no. 294187P
 - The financing statement registered in the B.C. Personal Property Registry charging certain personal property of ROC under base registration no. 294186P

Schedule "E"

(Claims to be deleted/expunged from title to Retained Assets)

SECURED PARTY	PERSONAL PROPERTY REGISTRY REGISTRATION NO.
Delta Cedar Specialties Ltd.	282094N
Timber Baron Contracting Ltd.	903702N, 903703N
Deuce Creek Contracting Ltd.	350830P, 350833P
Infinity West Enterprises Inc.	427844P, 427848P
Antler Creek Contracting Ltd.	507680P, 507684P, 757548P, 757558P
L & J Logging Ltd.	771796P, 771821P
D.R. Holtom Ltd.	777413P, 777418P
Daudet Creek Contracting Ltd.	788822P, 788843P, 788873P, 788895P, 788922P, 788941P, 788955P, 788978P
Silvicon Services Inc.	795469P, 797967P
K'Alii AKS Timber Corporation	795470P, 797968P
Round Lake Transport Ltd.	830654P, 830659P
Dynamic Capital Equipment Finance Inc.	144761N, 154648N, 184908N, 184963N
Caterpillar Financial Services Limited	007610M, 984133L, 632901M, 941146M
CWB National Leasing Inc.	170285N, 545347N
Corley Manufacturing Company	820477P
Microtec Inc.	120833Q
The Bank of Nova Scotia	436815P, 608762K

SECURED PARTY	PERSONAL PROPERTY REGISTRY REGISTRATION NO.
Her Majesty the Queen in the Right of the Province of British Columbia	313007P
Timber Tracks Inc.	541647P
Bank of Montreal/Banque de Montreal	660141P
Stardust Contracting Ltd.	323463P

SCHEDULE "D"
DRAFT INCREASED BORROWINGS ORDER

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

1392752 B.C. LTD.

AND:

SKEENA SAWMILLS LTD.
SKEENA BIOENERGY LTD. and
ROC HOLDINGS LTD.

RESPONDENTS

ORDER MADE AFTER APPLICATION

))	
BEFORE)	THE HONOURABLE MADAM JUSTICE)	March 8, 2024
)	BLAKE)	
))	
))	

ON THE APPLICATION of Alvarez & Marsal Canada Inc. in its capacity as court-appointed receiver (in such capacity, the “**Receiver**”) of Skeena Sawmills Ltd., Skeena Bioenergy Ltd. and ROC Holdings Ltd. coming on for hearing at Vancouver, British Columbia on March 8, 2024, AND ON HEARING Kibben Jackson and Mishaal Gill, and those other counsel listed in Schedule “A” hereto, and no one else appearing, although duly served

THIS COURT ORDERS that:

1. The order of this court made herein on September 20, 2024 is hereby amended so that paragraph 25 reads as follows:

25. The Receiver is authorized and empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$1,000,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as the Receiver deems advisable for such period or periods of time as it may arrange, for the purpose of

funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is charged by way of a fixed and specific charge (the “**Receiver’s Borrowings Charge**”) as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to: (i) the Caterpillar Equipment Charges; (ii) the Receiver’s Charge; and (iii) the charges as set out in Sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

2. The Receiver is hereby authorized to pay:
 - (a) \$83,743.91 to IWA - Forest Industry Pension and LTD Plans in respect of the amounts due for payment of contributions owing from certain unionized employees, which payment shall be effected from the segregated trust account held by the Receiver in accordance with the order of the Honourable Madam Justice Blake made herein October 30, 2023; and
 - (b) the amounts, which shall be confirmed by the Receiver prior to payment, owing to Service Canada in respect of the amounts due and owing under the *Wage Earner Protection Program Act*, S.C. 2005, c. 47, s. 1.

3. Endorsement of this Order by counsel appearing on this application, other than counsel for the Receiver, is hereby dispensed with.

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

Signature of Kibben Jackson
Lawyer for ALVAREZ & MARSAL CANADA
INC., in its capacity as Receiver of Skeena
Sawmills Ltd., Skeena Bioenergy Ltd. and ROC
Holdings Ltd.

BY THE COURT

REGISTRAR