



COURT FILE NUMBER **2401-07852**

COURT **COURT OF KING'S BENCH OF ALBERTA**

JUDICIAL CENTRE **CALGARY**

PLAINTIFF **DRSEAMAN & CO. LIMITED**

DEFENDANT **CCR TECHNOLOGIES LTD.**

APPLICANT **KSV RESTRUCTURING INC.**, in its capacity as receiver of the
properties, assets and undertakings of CCR Technologies Ltd.

PROCEEDING **IN THE MATTER OF THE RECEIVERSHIP OF**
CCR TECHNOLOGIES LTD.

DOCUMENT **SECOND REPORT OF THE RECEIVER**
DECEMBER 3, 2024

ADDRESS FOR SERVICE
AND CONTACT
INFORMATION OF PARTY
FILING THIS DOCUMENT **RECEIVER**
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RECEIVER'S COUNSEL

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1.0 Introduction

1. On June 7, 2024, the Court of King's Bench of Alberta (the "**Court**") pronounced a consent receivership order (the "**Receivership Order**"), appointing KSV Restructuring Inc. as receiver (in such capacity, the "**Receiver**"), without security, of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, wherever situated and including all proceeds thereof (the "**Property**") of CCR Technologies Ltd. ("**CCR**" or the "**Company**"), provided that the appointment shall be limited with respect to the Excluded Property (as defined in the Receivership Order).
2. On October 7, 2024, the Receiver filed its first report to the Court (the "**First Report**") which recommended that the Court issue:
 - a) an approval and vesting order (the "**Unit 4 AVO**"):
 - i. approving the agreement of purchase and sale dated October 4, 2024 between the Receiver and Saskatchewan Power Corporation (the "**Unit 4 Purchaser**") and authorizing and directing the Receiver to complete the sale of the assets contemplated therein (the "**Unit 4 Purchased Assets**") (the "**Unit 4 Transaction**"); and
 - ii. following the Receiver's delivery of the Receiver's certificate substantially in the form of Schedule "A" to the proposed Unit 4 AVO, vesting CCR's and the Receiver's right, title, and interest in and to the Unit 4 Purchased Assets in the name of the Unit 4 Purchaser free and clear of all Claims and Encumbrances;
 - b) an approval and vesting order (the "**Unit 7 AVO**"):
 - i. approving the agreement of purchase and sale dated September 30, 2024 between the Receiver and Inuvialuit Energy Security Project (the "**Unit 7 Purchaser**") and authorizing and directing the Receiver to complete the sale of the assets contemplated therein (the "**Unit 7 Purchased Assets**") (the "**Unit 7 Transaction**", and together with the Unit 4 Transaction, the "**Equipment Transactions**"); and

- ii. following the Receiver's delivery of the Receiver's certificate substantially in the form of Schedule "A" to the proposed Unit 7 AVO, vesting CCR's and the Receiver's right, title, and interest in and to the Unit 7 Purchased Assets in the name of the Unit 7 Purchaser free and clear of all Claims and Encumbrances;
 - c) an order (the "**Sealing and Approval Order**");
 - i. sealing the offer summary and confidential versions of the Unit 4 APA and Unit 7 APA, respectively, until further order of the Court;
 - ii. approving the actions, conduct and activities of the Receiver described in the First Report; and
 - iii. approving the fees and disbursements of the Receiver and its legal counsel, Dentons Canada LLP ("**Dentons**"), as detailed in the First Report.
 - d) On October 15, 2024, the Court granted the Unit 4 AVO, the Unit 7 AVO and the Sealing and Approval Order.
3. The Unit 4 Transaction and the Unit 7 Transaction closed on October 22, 2024 and October 29, 2024, respectively.

1.1 Purposes of this Report

- 1. This Second Report is intended to provide the Court with further information specifically regarding:
 - a) an update on the sale process;
 - b) the activities, fees and disbursements of the Receiver and Dentons since the First Report;
 - c) a sale approval and vesting order (the "**Unit 1 & Facility AVO**"):
 - i. approving the agreement of purchase and sale dated November 29, 2024 (the "**Unit 1 & Facility APA**") between the Receiver and Carbon Capture and Reclaiming Services Ltd. (the "**Purchaser**") and authorizing and directing the Receiver to complete the sale of the assets contemplated therein (the "**Unit 1 &**

Facility Transaction", and together with the Equipment Transactions, the **"Transactions"**); and

- ii. following the Receiver's delivery of the Receiver's certificate substantially in the form of Schedule "E" to the proposed Facility AVO, vesting the Receiver's right, title, and interest in and to the purchased assets in the Purchaser free and clear of all claims and encumbrances;
- iii. an order (the **"Fee Approval Order"**) approving the activities, fees and disbursements of the Receiver and its legal counsel.

1.2 Scope and Terms of Reference

- 1. In preparing this Second Report, the Receiver has relied upon the Company's unaudited financial information, books and records, information available in the public domain and discussions with the Company's former management and legal counsel.
- 2. The Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the financial information relied on to prepare this Second Report in a manner that complies with Canadian Auditing Standards ("**CAS**") pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance contemplated under the CAS in respect of such information. Any party wishing to place reliance on the financial information should perform its own due diligence.
- 3. This Second Report should be read in conjunction with the materials filed by DCL, including the Affidavit of Alyssa Black, the Corporate Secretary of DCL, sworn June 6, 2024 (the **"Black Affidavit"**) and the First Report. Capitalized terms not defined in this Second Report have the meanings ascribed to them in the Black Affidavit and the First Report.

1.3 Currency

- 1. Unless otherwise noted, all currency references in this Second Report are in Canadian dollars.

2.0 Background

1. Prior to these proceedings, the Company was engaged in the business of chemical reclamation. CCR utilized proprietary technology for solvent reconditioning and reclamation in order to remove impurities from chemicals, without requiring an operational shut-down of its customers while performing its work.
2. Additional information about the Company and its background is set out in the Black Affidavit and the First Report. A copy of the Black Affidavit, the First Report and other materials filed in these proceedings can be found on the Receiver's website at www.ksvadvisory.com/experience/case/ccr (the "**Case Website**").

3.0 Sale Process

3.1 Initial Sale Process

1. As more fully described in the First Report, on July 3, 2024, the Receiver commenced a sale process (the "**Sale Process**"), with an initial deadline to submit an offer at 5:00 P.M. (EDT) on July 31, 2024 (the "**Offer Deadline**"). A number of parties signed a non-disclosure agreement ("**NDA**") and engaged in extensive due diligence of CCR's assets (the "**Interested Parties**"). Following a period of due diligence, the Receiver received several bids for certain of the Company's assets by the Offer Deadline, which ultimately culminated in the Equipment Transactions.
2. As the Equipment Transactions did not result in the sale of all of the Company's assets, the Receiver extended the sale process for purposes of identifying a buyer or buyers for the Company's remaining assets and intellectual property (the "**IP**") (the "**Remaining Assets**"). The material items included in the Remaining Assets are:
 - a) the Brooks Facility and physical assets located on the site;
 - b) unit 1 which is a chemical reclamation unit securely stored by the Receiver in Airdrie, AB with its associated equipment;
 - c) tractor 3 currently stored at a repair shop in Dallas, US;
 - d) intangible assets which include the domain name and telephone numbers;

- e) the IP, including certain patents (the “**Patents**”); and
 - f) other miscellaneous assets.
3. On August 21, 2024, the Receiver informed parties who had previously signed an NDA in the Sales Process of the extended sale process (the “**Extended Sale Process**”) for the Remaining Assets. Additionally, the Receiver engaged a former employee of CCR to identify and contact additional prospective purchasers. A copy of the notice of the Extended Sale Process sent to prospective parties is attached as Appendix “C” to the First Report. The revised Offer Deadline was initially September 30, 2024, and then subsequently extended to 5:00 P.M. (MST) on October 10, 2024 (the “**Revised Offer Deadline**”).

3.2 Extended Sale Process Results

1. Throughout the Extended Sale Process, various parties conducted extensive due diligence on the Remaining Assets and particularly on the Company’s IP assets. Several of the Company’s former employees assisted the Receiver addressing due diligence requests during the Extended Sale Process.
2. Offers were received prior to the Revised Offer Deadline for the Remaining Assets from certain Interested Parties (“**Offers**”). A summary of each of the Offers received (the “**Offers Summary**”) for the Remaining Assets are attached as **Confidential Appendix “1”**.
3. After completing a review of the Offers, the Receiver pursued one of the bids, which was for the Company’s remaining tangible assets (the “**Successful Bid**”) and certain of the Company’s IP assets. The Receiver proceeded with negotiating with the party that submitted the Successful Bid and ultimately the sale of the Patents was excluded from the Unit 1 & Facility APA. Instead, a Licensing Agreement (as defined herein) was agreed to as part of the Unit 1 & Facility APA. The Unit 1 & Facility Transaction, more fully described below, was negotiated and the Unit 1 & Facility APA was executed.
4. During the negotiations for the Unit 1 & Facility Transaction, it was unclear to the Receiver which IP assets would or would not be included in the transaction. As a result, the Receiver was unable to advance an IP sale to other parties in a material way, until the Unit 1 & Facility APA was negotiated. As the Unit 1 & Facility APA clearly defines that the Patents are excluded from the sale in the transaction, and instead the successful bidder will receive a License Agreement, the Receiver intends to continue to negotiate definitive transaction

documents for the sale of the Patents, and if a purchase and sale agreement can be agreed upon, intends to make a future Application to this Court to seek approval of a transaction for the same.

4.0 Transaction¹

1. The following provides a summary of the Unit 1 & Facility APA. A copy of the Unit 1 & Facility APA, with the financial terms redacted, is attached as **Appendix “A”**. An unredacted copy of the Unit 1 & Facility APA is attached as **Confidential Appendix “2”**:
 - a) **Vendor**: the Receiver;
 - b) **Purchaser**: Carbon Capture and Reclaiming Services Ltd.;
 - c) **Purchased Assets**: the right, title, and interest in the personal and real property assets of CCR as set forth in Schedule “A” of the Unit 1 & Facility APA, but does not include the Excluded Assets.
 - d) **Excluded Assets**: includes:
 - i. all working capital, revenues, and benefits from the Purchased Assets prior to the Unit 1 & Facility Transaction; and
 - ii. the Patents.
 - e) **Representations and Warranties**: consistent with the standard terms of an insolvency transaction, i.e. on an “as is, where is” basis with limited representations and warranties.
 - f) **Material Conditions**: include, among other things, the Unit 1 & Facility AVO shall have been granted by the Court.
 - g) **Further Assurances**: as more fully described in the First Report, the Company formally operated certain business activity at a leased site located in Brooks, AB (the “**Brooks Facility**”). On April 26, 2012, the Government of Alberta – Environment and Protected Areas (the “**EPA**”) issued permit #11442-02-00 for the construction and

¹ Capitalized terms used but not defined in this section have the meaning provided to them in the Unit 1 & Facility APA.

operation of the Brooks Facility (the “**Brooks Facility Permit**”). EPA holds a \$255,000 letter of credit issued by CIBC pursuant to the financial security requirements specified in the Brooks Facility Permit. CCR has provided cash collateral in the form of a GIC to CIBC as security for the letter of credit. The Unit 1 & Facility Transaction includes certain assurances that the Receiver will, if necessary, exercise reasonable efforts to cooperate with and assist the Purchaser with the transfer of the Brooks Facility Permit issued by Alberta Environment; however, aside from providing reasonable efforts, the Receiver does not provide any representation or warranty that the Brooks Facility Permit will ultimately be transferred.

h) **Environmental Indemnity:** if Closing occurs, the Purchaser:

- i. shall be liable and responsible for the Losses and Liabilities suffered, sustained, paid or incurred by the Vendor in connection with the Assets and Brooks Facility; and
- ii. as a separate covenant, shall indemnify and save the Vendor harmless from and against all Claims that may be brought against the Vendor, or which they may suffer, sustain, pay, or incur,

as a result of any act, omission, matter, or thing related to any Environmental Liabilities, however and whenever arising or accruing, and the Purchaser shall assume, perform, pay, and discharge all Environmental Liabilities.

i) **Licence Agreement:** a licensing agreement (the “**License Agreement**”) is included in the APA and grants the Purchaser, among other things:

- i. a non-exclusive, perpetual, and irrevocable right and license to use CCR’s patent number CCR-50 US10213705B2 (“**CCR-50**”) for the purpose of operating and making use of, building or constructing and selling the Purchase Assets;
- ii. the exclusive right to sell, transfer, or otherwise dispose of the Purchaser’s right to use CCR-50, provided prior notice is provided to the Licensor; and

- iii. an option for the Licensor to sell the Patent Rights for a price of \$1.00. This clause allows the Receiver to transfer the Patent Rights to the Purchaser in the event the Receiver cannot complete a sale of the Patent Rights and allow the Purchaser to take ownership of the Patent Rights and maintain them in good standing with the various global patent registration bodies.
- j) **Closing Date:** the closing of the Unit 1 & Facility Transaction shall take place on the latest of:
 - i. five business days following the granting of the Unit 1 & Facility AVO; or
 - ii. such other date as agreed to by the parties.

4.1 Transaction Recommendations

1. In determining its recommendation on the Unit 1 & Facility Transaction to this Court, the Receiver considered whether it met the “Soundair” principles established by this Court from *Royal Bank of Canada v. Soundair Corp. (1991), 4 O.R. (3d) 1 (CA), at para. 16*. The Soundair principles, and the Receiver’s responding comments, are listed below:

- a) *Whether the party made a sufficient effort to obtain the best price and did not act improvidently.*

The Company’s assets were actively marketed for 99 days as part of the Initial Sale Process and Extended Sale Process, with over 100 parties receiving notice of the process. In addition, notice of the Initial Sale Process was posted in a copy of the BOE Report which received over 1,000 reads or repeat readers. In addition, the Receiver engaged former employees of CCR to assist in the sales process during the Initial Sale Process and Extended Sale Process.

- b) *The interests of all parties.*

If successful, the proceeds from the Unit 1 & Facility Transaction, together with the Equipment Transactions, will result in a distribution being made to the Secured Lenders. Additionally, the Receiver understands the Purchaser intends to restart operations at the Brooks Facility and will assume all past and future environmental

liability obligations, benefiting the Company's other stakeholders, including the Government of Alberta.

c) *The efficacy and integrity of the process by which the party obtained offers.*

The Receiver supports the Unit 1 & Facility Transaction as the transaction structure is practical, cost-effective, and consistent with other similar transactions, while providing a recovery to the Company's stakeholders.

d) *Whether the working out of the process was unfair.*

There is no indication that the process leading to the Unit 1 & Facility Transaction was unfair, and the Receiver is not aware of any stakeholder objections.

2. Based on the foregoing, the Receiver is of the view the Soundair principals have been met and recommends this Court approve the Unit 1 & Facility Transaction.

4.2 Sealing

1. The Receiver is requesting a sealing order (the "**Sealing Order**") in respect of the Offers Summary and the Unit 1 & Facility APA (collectively, the "**Confidential Documents**") until the earlier of: (i) the discharge of the Receiver; or (ii) further Order of this Court, as the documents contain confidential information, including with respect to value. Making this information publicly available prior to closing could have a detrimental impact on the outcome of the Receiver's negotiations with respect to the future sale of the Patents or sale of the assets subject to the Unit 1 and Facility APA, in the event this transaction does not close. Sealing **Confidential Appendices "1" and "2"** is necessary due to the risk that the public disclosure of the information contained in the same could cause irreparable prejudice to creditors and other stakeholders.
2. The salutary effects of sealing such information from the public record greatly outweigh the deleterious effects of doing so under the circumstances. The Receiver is not aware of any party that will be prejudiced if the information in **Confidential Appendices "1" and "2"** is sealed or any public interest that will be served if such details are disclosed in full. The Receiver is of the view that the sealing of the Confidential Documents is consistent with the decision in *Sherman Estate v. Donovan*, 2021 SCC 25. Accordingly, the Receiver believes the proposed sealing of the Confidential Documents is appropriate in the circumstances.

5.0 Estate Receipts and Disbursements

1. The receipts and disbursements (the “**Receipts and Disbursements**”) of these proceedings since the commencement of these proceedings to November 30, 2024 are as follows:

(CAD)	Note	
Receipts		
Transaction Proceeds and Deposits	A	2,747,500
Accounts Receivable	B	485,358
Receiver's Borrowings	C	300,000
Chalmette Reserve	D	206,285
Cash in Bank	E	48,660
Miscellaneous Receipts	F	24,189
Total Receipts		3,811,992
Disbursements		
Receiver's Fees		351,642
Personnel and Contractor Fees	G	251,794
Insurance		108,485
Repairs and Maintenance	H	96,410
Miscellaneous Expenses	I	32,524
GST		28,086
Total Disbursements		868,941
Balance in Receiver's Trust Account		2,943,052

2. The Receiver notes the following regarding the Receipts and Disbursements:
 - A. **Transaction Proceeds and Deposits:** represents proceeds from the Equipment Transactions and deposits received from counterparties to the Unit 1 & Facility Transaction and other Offers. The deposits are not disclosed and not included in the balance of the Receiver's Trust Account to protect information with respect to the Offers and the Unit 1 & Facility Transaction as a sale process is ongoing;
 - B. **Accounts Receivable:** represents collection of AR outstanding and due to the Company from completing certain pre-filing projects, more fully described in the First Report.

- C. **Receiver's Borrowing**: the Receivership Order authorizes the Receiver to, among other things, borrow, by way of revolving credit or otherwise, amounts the Receiver considers necessary to administer the receivership proceedings, provided the outstanding principal amount does not exceed \$500,000 (or such greater amount as the Court may further authorize) (the "**Receiver's Borrowing Charge**"). As at the date of this Second Report, DCL has advanced \$300,000 to the Receiver pursuant to the Receiver's Borrowing Charge, for the purposes of funding the receivership administration;
- D. **Chalmette Reserve**: represents funds collected for work completed for Chalmette Refining LLC and more fully described in the First Report. The Receiver continues to reserve these amounts, at the request of legal counsel for CCR, net of applicable excise taxes. The Receiver understands that CCR Technologies Inc. ("**CCR Inc.**"), a wholly owned US subsidiary of CCR, is currently being wound-up by the directors of CCR Inc. and there remains a question to what extent these collected funds are the property of CCR Inc. versus CCR. For the time being, the Receiver has agreed to hold these funds in reserve. The Chalmette Reserve will form a portion of the Reserve (defined below);
- E. **Cash In Bank**: represents the funds available in the Company's bank accounts at the commencement of these proceedings;
- F. **Miscellaneous Receipts**: represents interest earned on funds in the estate account and refunds issued by the Company's vendors;
- G. **Personnel and Contractor Fees**: represents payments made to employees retained by the Receiver as contractors to assist with the wind-down of operations, the sale process, and commissions owed to a former employee for the collection of outstanding AR;
- H. **Repairs and Maintenance**: includes costs incurred for general maintenance, chemical disposals, and asset repair costs; and
- I. **Miscellaneous Expenses**: includes costs associated with utilities and security services for the Brooks Facility, IT services, and other administrative expenses.

6.0 Receiver's Activities

1. The Receiver's activities since the First Report have included:
 - a) corresponding with the Company's creditors and Secured Lenders;
 - b) closing the Equipment Transactions;
 - c) conducting the Extended Sale Process;
 - d) extensively corresponding with interested parties during the Extended Sale Process and reviewing bids submitted in connection with same;
 - e) maintaining the Company's insurance coverage over the Company's assets;
 - f) maintaining the Company's remaining assets and facilitating the complete repair of the damaged T3 tractor, the circumstances for which are more fully described in the First Report;
 - g) holding numerous discussions with the Company's IP lawyer located in USA on the status of the IP and attending to various matters to keep the IP in good standing with registration authorities;
 - h) corresponding with the EPA regarding the transferability of the Brooks Facility Permit;
 - i) reviewing, negotiating and entering into the Unit 1 & Facility APA with support from Dentons;
 - j) maintaining the Case Website for these proceedings; and
 - k) preparing this Second Report.

7.0 Fee Approval

7.1 Professional Fees

1. Pursuant to paragraph 19 of the Receivership Order, the Receiver and its counsel are to be paid their reasonable fees and disbursements at their standard rates and charges, incurred both before and after the making of the Receivership Order. Pursuant to the Receivership Order, the Receiver and its counsel shall pass their accounts from time to time.
2. The Receiver seeks to have its fees and disbursements, including those of its legal counsel, approved by the Court. The Receiver and its counsel have maintained detailed records of their professional time and cost.
3. The total fees and disbursements for the Receiver from September 1 to November 30, 2024 are \$170,062.50, plus disbursements of \$41.58 and GST of \$8,505.20.
4. The total fees for Dentons from October 1 to November 30, 2024 are \$82,974.50, plus disbursements of \$4,268.73 and GST of \$4,356.92.
5. A summary of the accounts rendered by the Receiver and its legal counsel since September 1, 2024, is attached hereto as **Appendix “B”**. Detailed accounts are available for review by the Court upon request. The fees are based on the hourly rates of the professionals involved in this matter multiplied by actual time spent on this matter.
6. It is the Receiver’s opinion that the fees and disbursements of the Receiver and Dentons accurately reflect the work done by the Receiver, and on behalf of the Receiver by Dentons, in connection with the receivership and the administration of the receivership for the dates of their respective invoices.
7. It is also the Receiver’s opinion that the fees and disbursements of Dentons are fair and reasonable and justified in the circumstances. The Receiver is of the view that Dentons’ hourly rates are consistent with the rates charged by other law firms practicing in the area of insolvency in the Calgary market, and that its fees are reasonable and appropriate in the circumstances. The Receiver recommends approval of Dentons’ accounts by this Court.

8.0 Conclusion and Recommendation

1. For the reasons set out in this Second Report, the Receiver is of the view that the relief requested is reasonable and appropriate in the circumstances and respectfully recommends that this Honorable Court issue the orders granting the Receiver's requested relief.

* * *

All of which is respectfully submitted,

A handwritten signature in blue ink that reads "KSV Restructuring Inc." in a cursive, flowing script.

**KSV RESTRUCTURING INC.,
in its capacity as Receiver of
CCR Technologies Ltd.,
and not in its personal capacity**

Appendix “A”

ASSET PURCHASE AGREEMENT

BETWEEN:

**CCR TECHNOLOGIES LTD. by and through its court-appointed receiver and manager
KSV RESTRUCTURING INC., solely in its capacity as court-appointed receiver and
manager of the assets, properties, and undertakings of CCR Technologies Ltd., and not
in its personal capacity**

- AND -

CARBON CAPTURE AND RECLAIMING SERVICES LTD.

Effective [●] 2024

A handwritten signature in blue ink, located in the bottom right corner of the page. The signature is stylized and appears to be a combination of initials and a surname.

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ASSET PURCHASE AGREEMENT

THIS AGREEMENT made effective as of the ____ day of ____, 2024.

BETWEEN:

CCR TECHNOLOGIES LTD. ("CCR" or the "Debtor") by and through its court-appointed receiver and manager **KSV RESTRUCTURING INC.** (the "Receiver"), solely in its capacity as court-appointed receiver and manager of the assets, properties, and undertakings of CCR Technologies Ltd. and not in its personal capacity (the "Vendor")

- and -

CARBON CAPTURE AND RECLAIMING SERVICES LTD., an Alberta corporation with an office in 113 44 Gateway Drive NE Airdrie, Alberta (the "Purchaser")

WHEREAS the Receiver was appointed as receiver and manager of all of CCR's current and future assets, undertakings, properties, and all proceeds thereof pursuant to the terms of the Receivership Order granted on June 7, 2024;

AND WHEREAS the Vendor wishes to sell the Assets to the Purchaser and the Purchaser wishes to purchase the Assets from the Vendor, at arms' length, all upon and subject to the terms and conditions set forth in this Agreement;

AND WHEREAS the Vendor wishes to license the IP Rights to the Purchaser and the Purchaser wishes to be licensed the IP Rights, all upon and subject to the terms and conditions set forth in the Agreement and the License Agreement;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the premises, mutual covenants, agreements and warranties in this Agreement, the Parties covenant and agree as follows:

ARTICLE 1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement, including the recitals, this Section 1.1 and the Schedules attached hereto, unless the context otherwise requires, or unless otherwise defined herein, the following words and phrases shall have the following meanings:

- (a) **"Affiliate"** means any Person that controls, is controlled by or is under common control with a Party, or which controls, is controlled by or under common control with a Person which controls such Party; for the purposes of this definition, the term **"controls"** and **"controlled by"** means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person whether through the ownership of voting securities or by contract,



partnership agreement, trust arrangement or other means, either directly or indirectly, that results in control in fact, provided that direct or indirect ownership of shares of a corporation carrying not less than fifty (50%) percent of the voting rights shall constitute control of such corporation. For certainty, a partnership which is a Party and which is comprised of corporations which are Affiliates shall be deemed to be an Affiliate of each such corporation and its other Affiliates.

- (b) **"Agreement"** means this Asset Purchase Agreement including the recitals hereto and the Schedules attached hereto.
- (c) **"Applicable Laws"** means, in relation to any Person, asset, transaction, event or circumstance:
 - (i) statutes (including regulations enacted thereunder);
 - (ii) judgments, decrees and orders of courts of competent jurisdiction;
 - (iii) regulations, orders, ordinances and directives issued by Government Authorities; and
 - (iv) the terms and conditions of all permits, licenses, approvals and authorizations,

which are applicable to such Person, asset, transaction, event or circumstance.

- (d) **"Assets"** means all the Debtor's right, title, and interest in the personal and real property assets of CCR that Receiver has possession and control of as set forth in Schedule "A" attached hereto but does not include the Excluded Assets, and for further clarification, shall include all CCR assets located within the perimeter of the fence line of the Brooks location as well as those in Schedule "A".
- (e) **"Bill of Sale"** means the bill of sale in the form attached as Schedule "B".
- (f) **"Business Day"** means any day other than a Saturday, Sunday or statutory holiday in Calgary, Alberta.
- (g) **"CCR Domain Name"** means the domain name, "reclaim.com".
- (h) **"Claim"** means any claim, actions, causes of action, demand, lawsuit, proceeding, judgment, awards, decrees, determinations, adjudications, writs, orders, pronouncements, audits, arbitration, mediation, hearings, investigations, governmental investigation or actions of every kind, nature or description, in each case, whether asserted, threatened, pending, contingent or existing, and whether based on contract, tort, statute or other legal or equitable theory of recovery.
- (i) **"Closing"** means the transfer of possession, risk, beneficial and legal ownership of the Assets from the Vendor to the Purchaser, payment of the Purchase Price by the Purchaser to the Vendor, and all other items and consideration required to be delivered on the Closing Date pursuant hereto.
- (j) **"Closing Date"** has the meaning provided in Section 4.1.



- (k) **"Closing Payment"** has the meaning provided in Section 3.4.
- (l) **"Court"** means the Court of King's Bench of Alberta.
- (m) **"Court Approval"** means the approval of the Transaction by the Court and the vesting of the Assets in the name of the Purchaser free and clear of any Encumbrances and providing for the sealing of certain terms of this Agreement, substantially in the form attached hereto as Schedule "C".
- (n) **"Data Room Information"** means all information provided to the Purchaser in electronic form in relation to the Debtor and/or the Assets.
- (o) **"Debtor"** is as defined in the preamble.
- (p) **"Deposit"** has the meaning provided in Section 3.3(a).
- (q) **"dollar"** and **"\$"** mean a dollar of the lawful money of Canada.
- (r) **"Effective Time"** means 12:01 a.m. on the Closing Date.
- (s) **"Encumbrance"** means all security interests (whether contractual, statutory, or otherwise), hypothecs, caveats, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, royalties, pledges, options, privilege, interests, assignments, actions, executions, levies, taxes, judgments, writs of execution, lease, reservation of ownership, rights of pre-emption, claims (whether financial, monetary or otherwise) or charges, 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, and encumbrances or charges created by the Receivership Order or any other order in the Receivership Proceedings and all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system;
- (t) **"Environment"** means the components of the earth, alone or in combination, and includes ambient air, land, surface and sub-surface strata, groundwater, surface water, all layers of the atmosphere, all organic and inorganic matter and living organisms, including plants, animals and humans, and the interacting natural systems that include such components and **"Environmental"** means relating to or in respect of the Environment.
- (u) **"Environmental Liabilities"** means all past, present and future Losses and Liabilities, and Claims whatsoever (including liabilities to compensate Third Parties for Losses and Liabilities resulting therefrom), whether under common law, in equity, under Applicable Laws or otherwise in respect of the Environment that relate to or arise by virtue of the Assets or the ownership thereof or any past, present or future operations and activities conducted in connection with the Assets or the Lease, related to or arising from: (i) abandonment and reclamation obligations; (ii) the transportation, storage, holding, handling, use or disposal of any hazardous substances or any other substance or waste; (iii) the compliance with or consequences of any non-compliance with, or violation or breach of, any Applicable Laws relating to the Environment; (iv) a release, spill, escape, emission,

leak, discharge, migration or dispersal of any hazardous substances or any other substance or waste; or (v) pollution or contamination of or damage or injury to the Environment.

- (v) **"Excluded Assets"** means all of the following assets, property and interests of the Vendor, including any assets, property or interest of Vendor or any of its respective Affiliates that are not expressly included in the Assets;
 - (i) all working capital, revenues, and benefits from the ownership or operation of the Assets by the Debtor and the Vendor relating to the period prior to the Effective Time;
 - (ii) the Patents; and
 - (iii) the assets listed in Part 2 of Schedule "A".
- (w) **"GAAP"** means generally accepted accounting principles as applied in Canada as of the Effective Time.
- (x) **"Government Authority"** means any federal, national, provincial, territorial, municipal or other government, any political subdivision thereof, and any ministry, sub-ministry, agency or sub-agency, court, board, bureau, office, or department, including any government-owned entity, having jurisdiction over a Party, the Assets or the Transaction.
- (y) **"GST"** the goods and services tax required to be paid pursuant to the *Excise Tax Act* (Canada) and in accordance with Section 3.5(a).
- (z) **"IP Rights"** are those intellectual property rights licensed to Purchaser in accordance with the License Agreement.
- (aa) **"Lease"** means collectively, the ground lease dated September 19, 1991, between G.W. Murray Ranches Ltd., as landlord, and Canadian Chemical Reclaiming Ltd., as tenant, as amended by the lease amendment agreement dated August 11, 2015 between G.W. Murray Ranches Ltd., and CCR Technologies., as tenant, appended to the settlement agreement dated August 11, 2025 between G.W. Murray Ranches Ltd., and CCR Technologies Ltd.
- (bb) **"License Agreement"** means the license agreement in the form attached as Schedule "D".
- (cc) **"Losses and Liabilities"** means, in relation to a matter, any and all:
 - (i) losses, costs, damages, expenses and charges (including all penalties, assessments and fines) which a Party suffers, sustains, pays or incurs, directly or indirectly, in connection with such matter and includes costs of legal counsel (on a full indemnity basis) and other professional advisors and reasonable costs of investigating and defending Claims arising from the matter, regardless of whether such Claims are sustained and includes taxes payable on any settlement payment or damage award in respect of such matter; and



- (ii) liabilities and obligations (whether under common law, in equity, under Applicable Law or otherwise; whether tortious, contractual, vicarious, statutory or otherwise; whether absolute or contingent; and whether based on fault, strict liability or otherwise) which a Party suffers, sustains, pays or incurs as a result of or in connection with such matter;

but excluding indirect, incidental, consequential, exemplary, special or punitive losses or damages or loss of profits suffered, sustained, paid or incurred by a Party.

- (dd) **"Patents"** means the following patents: CCR-28 US9522834; CCR-48 US9205370; CCR-50 US10213705B2; CCR-57 US18/246180, and other related patent applications filed or patents issued in any country in the world and falling within each such patent family.
- (ee) **"Party"** means the Vendor or the Purchaser, and **"Parties"** means the Vendor and the Purchaser.
- (ff) **"Person"** means any individual, company, corporation, limited or unlimited liability company, sole proprietorship, joint venture, partnership (limited or general), trust, trustee, executor, Government Authority or other entity.
- (gg) **"Place of Closing"** means the offices of Dentons Canada LLP at 4:00pmMT in the City of Calgary in the Province of Alberta, or as otherwise agreed to in writing by the Parties.
- (hh) **"Purchase Price"** has the meaning given in Section 3.1.
- (ii) **"Receivership Order"** means the order issued by the Court in the Receivership Proceedings on June 7, 2024, as amended, modified or supplemented from time to time.
- (jj) **"Receivership Proceedings"** means the proceedings before the Court and identified as Court File No. 2401-07852.
- (kk) **"Representatives"** means, with, respect to any Party, the respective directors, officers, servants, agents, advisors, employees, consultants and representatives of that Party.
- (ll) **"Third Party"** means any Person other than the Parties, their Affiliates or their respective Representatives.
- (mm) **"Transaction"** means the transaction for the purchase and sale of the Assets as contemplated by this Agreement.
- (nn) **"Vendor Entity"** means the Vendor and its Representatives, and each of their respective successors and assigns.



1.2 Interpretation

The following rules of construction shall apply to this Agreement unless the context otherwise requires:

- (a) the headings in this Agreement are inserted for convenience of reference only and shall not affect the meaning, interpretation or construction of this Agreement;
- (b) all documents executed and delivered pursuant to the provisions of this Agreement are subordinate to the provisions hereof and the provisions hereof shall govern and prevail in the event of a conflict;
- (c) any reference to a statute shall include and shall be deemed to be a reference to such statute and to the regulations made pursuant thereto, and all amendments made thereto and in force at the date hereof;
- (d) whenever the singular or masculine or neuter is used in this Agreement, the same shall be construed as meaning plural or feminine or referring to a body politic or corporate, and *vice versa*, as the context requires;
- (e) the words "hereto", "herein", "hereof", "hereby", "hereunder" and similar expressions refer to this Agreement and not to any particular provision of this Agreement;
- (f) reference to any Article, Section or Schedule means an Article, Section or Schedule of this Agreement unless otherwise specified;
- (g) if any provision of a Schedule hereto conflicts with or is at variance with any provision in the body of this Agreement, the provisions in the body of this Agreement shall prevail to the extent of the conflict; and
- (h) "include" and derivatives thereof shall be read as if followed by the phrase "without limitation".

1.3 Schedules

The following schedules are attached to and form part of this Agreement:

<u>Schedule</u>	
Schedule "A"	
Part 1	Assets
Part 2	Excluded Assets
Schedule "B"	Form of Bill of Sale
Schedule "C"	Form of Court Approval Order
Schedule "D"	Form of License Agreement
Schedule "E"	Form of Officer's Certificate



1.4 Interpretation If Closing Does Not Occur

If Closing does not occur, each provision of this Agreement which presumes that the Purchaser has acquired the Assets shall be construed as having been contingent upon Closing having occurred.

1.5 Knowledge or Awareness

References to a Party's knowledge or awareness and similar references contained in Sections 7.1 and 7.3 mean the actual knowledge or awareness, as the case may be, of the officers and employees with management or supervisory responsibilities of such Party who are primarily responsible for the matters in question, and does not include knowledge and awareness of any other Person or any other Person or any constructive or imputed knowledge. A Party shall not have any obligation to make inquiry of any Person or the files and records of any Person or of any Government Authority in connection with any representations and warranties herein that are made to its knowledge, information, belief or awareness.

ARTICLE 2 PURCHASE AND SALE

2.1 Purchase and Sale

Subject to the terms and conditions of this Agreement, the Vendor hereby agrees to sell, assign, transfer, convey and set over the Assets to the Purchaser, and the Purchaser agrees to purchase and accept the Assets from the Vendor, at and for the Purchase Price.

2.2 Transfer of Assets

Provided that Closing occurs, and subject to the terms and conditions of this Agreement, possession, risk, beneficial and legal ownership of the Assets shall transfer from the Vendor to the Purchaser on the Closing Date.

2.3 Excluded Liabilities

Except for the Environmental Liabilities, which will be assumed by the Purchaser, the Purchaser shall not assume any liabilities or obligations of the Vendor or the Debtor other than as may be specifically provided in this Agreement, and specifically the Purchaser shall not assume any liabilities or obligations of the Debtor or the Vendor with respect to the Excluded Assets.

ARTICLE 3 PURCHASE PRICE AND PAYMENT

3.1 Purchase Price

The purchase price to be paid by the Purchaser to the Vendor for the Assets shall be [REDACTED] (the "Purchase Price").

3.2 Allocation of the Purchase Price

The Purchase Price shall be allocated among the Assets as follows:

- (a) to the Assets [REDACTED]



- (b) to the CCR Domain name [REDACTED]
- (c) to the IP Rights [REDACTED]

3.3 Deposit

- (a) The Purchaser has paid to the Vendor, by electronic transfer of funds, a deposit of [REDACTED] on 24 of October, 2024 (the "Deposit"). The Deposit received by the Vendor pursuant to this Section 3.3(a) shall be held in trust by the Receiver or the Receiver's counsel and shall be releasable in accordance with this Agreement.
- (b) If Closing occurs in accordance with the terms and conditions of this Agreement, the Deposit and any interest earned thereon received by the Vendor shall be paid to the Vendor and credited against the Purchase Price, in partial satisfaction of the Purchaser's obligation to pay the Purchase Price at Closing.
- (c) If Closing does not occur:
 - (i) due to the conditions precedent in favour of the Purchaser set forth in Section 6.2 of this Agreement not having been satisfied or waived in accordance with the terms of this Agreement, the Deposit, and any interest earned thereon, received by the Vendor shall be returned by the Receiver or the Receiver's counsel, as applicable, to the Purchaser, this Agreement shall thereupon terminate, and each Party shall be released from all obligations and liabilities under or in connection with this Agreement; or
 - (ii) due to the Purchaser being in default of its obligations pursuant to Sections 6.1 (a), (b), (c), or (d) of this Agreement, and such default not having been waived in accordance with the terms of this Agreement, the Vendor shall be entitled to the Deposit and any interest earned thereon, the Deposit and any interest earned thereon shall be forfeited to the Vendor, and the Vendor shall be entitled to terminate this Agreement.
- (d) The Purchaser and the Vendor hereby acknowledge and agree that, should Closing not occur for any reason provided in Section 3.3(c)(ii), the Vendor will suffer and incur damages that cannot be precisely calculated, and will therefore be entitled to retain the Deposit and any interest earned thereon pursuant to Section 3.3(c)(ii) as liquidated damages, and not as a penalty, the Deposit being a genuine pre-estimate of the damages that will be suffered by the Vendor as contemplated by this Section 3.3(d) and the Vendor shall not be entitled to recover from the Purchaser any amounts that are in excess of the Deposit as a result of Closing not occurring.

3.4 Closing Payment

The Purchaser shall pay to the Vendor at Closing, by electronic wire transfer, the Purchase Price plus any taxes and fees (including GST) payable under Section 3.5 (the "Closing Payment").



3.5 Taxes and Fees

- (a) The Purchase Price does not include GST. At Closing, the Purchaser shall pay to the Vendor an amount equal to the statutory rate of GST on the portion of the Purchase Price allocated pursuant to Section 3.2 and on the amount attributable to any other Assets or expenses to which GST may apply. The Purchaser shall be liable for the payment and remittance of any additional amount of GST payable in respect of the purchase of the Assets pursuant hereto, including any interest, penalties, or any other costs payable in respect of such additional GST, and shall indemnify and save harmless the Vendor in respect thereof. The GST Registration Number of CCR is RT0001 897051165. The GST Registration Number of the Purchaser is 736190026RT0001.
- (b) The Purchaser shall also be liable for and shall pay any and all federal or provincial sales taxes and all other taxes, duties or other similar charges properly payable upon and in connection with the transfer of the Assets by the Vendor to the Purchaser and the Purchaser shall be responsible for all recording charges and registration fees payable in connection therewith.
- (c) The Parties agree to make such elections (including, without limitation, with respect to GST or taxes) as prudent and available to minimize taxes payable as a result of the Transaction. Purchaser, acting reasonably, shall prepare, and each Party agrees to execute and file, any such elections in the form and within the time periods prescribed or specified under Applicable Laws.

ARTICLE 4 CLOSING

4.1 Closing

The Closing of the Transaction shall take place at the Place of Closing or such other place as the Parties may agree on the latest of:

- (a) five Business Days following the day the Court Approval is obtained; or
- (b) such other date the Parties may mutually agree,

(the "Closing Date").

ARTICLE 5 INTERIM PROVISIONS

5.1 Assets to be Maintained

Until the Closing Date, the Vendor shall:

- (a) subject to the terms of the Receivership Order, cause the Assets to be maintained in a proper and prudent manner in accordance with generally accepted industry practices and all Applicable Laws; and



- (b) not sell, transfer, assign, encumber any of the Assets or any interest therein.

ARTICLE 6

CONDITIONS PRECEDENT TO CLOSING

6.1 Vendor's Closing Conditions

The obligation of the Vendor to complete the sale of the Assets pursuant to this Agreement is subject to the satisfaction at or prior to the Closing Date of the following conditions precedent:

- (a) **Representations and Warranties True:** All representations and warranties of the Purchaser contained in this Agreement shall be true in all material respects as of the date of this Agreement and as of the Closing Date, and the Vendor shall have received a certificate from an officer of the Purchaser substantially in the form attached hereto as Schedule "E" dated as of the Closing Date;
- (b) **Purchaser's Obligations:** The Purchaser shall have, in all material respects, timely performed and satisfied all obligations and covenants required by this Agreement to be performed and satisfied by the Purchaser on or prior to the Closing Date;
- (c) **Bill of Sale:** The Purchaser shall have executed and delivered to the Vendor the Bill of Sale;
- (d) **IP Rights:** The Purchaser shall have executed and delivered to the Vendor the License Agreement;
- (e) **No Injunction:** There will not be any judicial restraining order or injunction, preliminary or otherwise, in effect prohibiting the Closing or the Transaction; and
- (f) **Court Approval:** The Court Approval shall have been obtained.

The foregoing conditions shall be for the benefit of the Vendor and may, without prejudice to any of the rights of the Vendor hereunder excluding reliance on or enforcement of any representations, warranties or covenants dealing with the subject of or similar to the condition waived, be waived by it in writing, in whole or in part, at any time, provided that the Vendor is not entitled to waive the Court Approval condition contained in Section 6.1(f). The Vendor shall proceed diligently and in good faith and use all commercially reasonable efforts to fulfill and assist in the fulfillment of the foregoing conditions in case any of the said conditions shall not be complied with, or waived by the Vendor, at or before the Closing Date, the Vendor may terminate this Agreement by written notice to the Purchaser and the Deposit shall be governed by Section 3.3.

6.2 Purchaser's Closing Conditions

The obligation of the Purchaser to complete the purchase of the Assets pursuant to this Agreement is subject to the satisfaction, at or prior to the Closing Date, of the following conditions precedent:

- (a) **Representations and Warranties True:** All representations and warranties of the Vendor contained in this Agreement shall be true in all material respects as of the date of this Agreement and as of the Closing Date;



- (b) **Vendor's Obligations:** The Vendor shall have, in all material respects, timely performed and satisfied all obligations and covenants required by this Agreement to be performed and satisfied by the Vendor (and shall have caused the Debtor to perform and satisfy in a timely manner all of its obligations hereunder) on or prior to the Closing Date;
- (c) **Bill of Sale:** The Vendor shall have executed and delivered to the Purchaser the Bill of Sale;
- (d) **IP Rights:** The Vendor shall have executed and delivered to the Purchaser the License agreement;
- (e) **No Injunction:** There will not be any judicial restraining order or injunction, preliminary or otherwise, in effect prohibiting the Closing or the Transaction; and
- (f) **Court Approval:** The Court Approval shall have been obtained.

The foregoing conditions shall be for the benefit of the Purchaser and may, without prejudice to any of the rights of the Purchaser hereunder (excluding reliance on or enforcement of any representations, warranties or covenants dealing with the subject of or similar to the condition waived), be waived by it by notice to the Vendor in writing, in whole or in part, at any time, provided that the Purchaser is not entitled to waive the Court Approval condition contained in Section 6.2(f). The Purchaser shall proceed diligently and in good faith and use all commercially reasonable efforts to fulfill and assist in the fulfillment of the foregoing conditions. In case any of the said conditions shall not be complied with, or waived by the Purchaser at or before the Closing Date, the Purchaser may terminate this Agreement by written notice to the Vendor and the Deposit shall be governed by Section 3.3.

6.3 Parties to Exercise Diligence and Good Faith with respect to Conditions

Each Party covenants to the other that it will proceed diligently, honestly, and in good faith, and use commercially reasonable efforts with respect to all matters within its reasonable control to satisfy its respective conditions in Sections 6.1 and 6.2.

ARTICLE 7 REPRESENTATIONS AND WARRANTIES

7.1 Vendor's Representations and Warranties

The Vendor hereby represents and warrants to the Purchaser that:

- (a) the Receiver has been appointed by the Court as receiver of the assets, properties, and undertakings of the Debtor, in accordance with the Receivership Order, and such appointment is valid and subsists;
- (b) the Receiver's authority to enter into this Agreement and the other documents and agreements executed and delivered hereunder is derived from the Receivership Order and the Court Approval;



- (c) the Receiver has not incurred any obligation or liability, contingent or otherwise, for broker's or finder's fees in respect of the Transaction for which the Purchaser shall have any obligations or liability;
- (d) the Receiver has not, as at the date hereof, received notice of any Claims in existence, contemplated, pending or threatened against the Receiver or the Debtor seeking to prevent the consummation of the Transaction;
- (e) provided the Court Approval is obtained:
 - (i) this Agreement has been and all documents and agreements to be executed and delivered by the Vendor at Closing pursuant to this Agreement shall be, duly executed and delivered by it; and
 - (ii) upon execution by the Purchaser and the Vendor, this Agreement constitutes, and all documents and agreements required to be executed and delivered by the Vendor at Closing will constitute, legal, valid and binding obligations of the Vendor enforceable against the Vendor in accordance with their respective terms, subject to the provisions of the Receivership Order and any other orders of the Court in the Receivership Proceedings, bankruptcy, insolvency, preference, reorganization, moratorium and other similar laws affecting creditor's rights generally and the discretionary nature of equitable remedies and defences;
- (f) provided the Court Approval is obtained, the Receiver is not aware that any authorization or approval or other action by, and no notice to or filing with, any Government Authority exercising jurisdiction over the Assets is required by them or on their behalf for the due execution and delivery of this Agreement; and
- (g) the Debtor is not a non-resident of Canada for the purposes of the *Income Tax Act* (Canada).

7.2 No Additional Representations and Warranties by the Vendor

- (a) Notwithstanding anything to the contrary in this Agreement, the Vendor makes no representations or warranties except as expressly set forth in Section 7.1 and in particular, and without limiting the generality of the foregoing, the Vendor disclaims and shall not be liable for any representation or warranty express or implied, of any kind, at law or in equity, which may have been made or alleged to be made in any instrument or document relative hereto, or in any statement or information made or communicated to the Purchaser in any manner including any opinion, information, or advice which may have been provided to the Purchaser by the Debtor, the Receiver or their Representatives in connection with the Assets or in relation to the Transaction. For greater certainty, the Vendor makes no representation or warranty, express or implied, of any kind, at law or in equity, with respect to:
 - (i) the accuracy or completeness of the Data Room Information or any other data or information supplied by the Vendor or the Debtor or any of its Representatives in connection with the Assets;



- (ii) the ability of the Purchaser to obtain any necessary approval from any Government Authority in order for the Purchaser to operate the Assets;
- (iii) the quality, condition (Environmental or otherwise), fitness, suitability, serviceability or merchantability of any of the Assets; or
- (iv) the title of the Debtor to the Assets.

The Purchaser acknowledges and confirms that it is relying on its own investigations concerning the Assets and it has not relied on advice from the Vendor or any of its Representatives with respect to the matters specifically enumerated in the immediately preceding paragraphs in connection with the purchase of the Assets pursuant hereto. The Purchaser further acknowledges and agrees that it is acquiring the Assets on an "as is where is basis and "without recourse" basis. The Purchaser acknowledges and agrees that it is familiar with the condition of the Assets, that the Vendor has provided the Purchaser with a reasonable opportunity to inspect the Assets at the sole cost, risk and expense of the Purchaser (insofar as the Vendor could reasonably provide such access) and that the Purchaser is not relying upon any representation or warranty of the Vendor as to the condition, environmental or otherwise, of the Assets, except as expressly contained in Section 7.1 of this Agreement.

- (b) Except for its express rights under this Agreement and as expressly contained in Section 7.1 of this Agreement, the Purchaser hereby waives all rights and remedies (whether now existing or hereinafter arising and including all equitable, common law, tort, contractual and statutory rights and remedies) against the Vendor or Vendor Entity in respect of the Assets or the Transaction or any representations or statements made, direct or indirect, express or implied, or information or data furnished to the Purchaser or its Representatives, in connection herewith (whether made or furnished orally or by electronic, faxed, written or other means).

7.3 Purchaser's Representations and Warranties

The Purchaser hereby represents and warrants to the Vendor that:

- (a) it is and at the Closing Date shall continue to be a valid and subsisting corporation under the laws of its jurisdiction of registration;
- (b) except for the Court Approval, it has taken all action and has full power and absolute authority to enter into this Agreement and the other documents and agreements executed and delivered hereunder and it has taken all necessary action to consummate the Transaction and to perform its obligations hereunder and the other documents and agreements executed and delivered hereunder;
- (c) it has not incurred any obligation or liability, contingent or otherwise, for broker's or finder's fees in respect of the Transaction for which the Vendor or the Debtor shall have any obligations or liability;
- (d) it has not received notice of any Claims in existence, contemplated, pending or threatened against it seeking to prevent the consummation of the Transaction;



- (e) provided the Court Approval is obtained, this Agreement has been, and all documents and agreements to be executed and delivered by it at Closing pursuant to this Agreement shall be, duly executed and delivered by it, and upon execution by the Vendor and it, this Agreement constitutes, and all documents and agreements required to be executed and delivered by it at Closing will constitute legal, valid and binding obligations of it enforceable against it in accordance with their respective terms, subject to bankruptcy, insolvency, preference, reorganization, moratorium and other similar laws affecting creditor's rights generally and the discretionary nature of equitable remedies and defences;
- (f) to its knowledge, and provided that Court Approval is obtained, no authorization or approval or other action by, and no notice to or filing with, any Government Authority exercising jurisdiction over the Assets is required by it or on its behalf for the due execution and delivery of this Agreement;
- (g) provided the Court Approval is obtained, the consummation of the Transaction will not constitute or result in a material violation, breach or default by it under any provision of any agreement or instrument to which it is a party or by which it is bound or any judgment, law, decree, order or ruling applicable to it;
- (h) it has sufficient funds available to it to enable it to pay in full the Purchase Price to the Vendor as herein provided and otherwise to fully perform its obligations under this Agreement;
- (i) to the Purchaser's knowledge, having made do enquiry, no insider of the Purchaser is also an insider of the Vendor or the Debtor; and
- (j) the Purchaser is not a non-resident of Canada for the purposes of the *Investment Canada Act* (Canada).

7.4 Enforcement of Representations and Warranties

- (a) Notwithstanding anything to the contrary herein expressed or implied and notwithstanding the Closing or deliveries of covenants and/or representations and warranties in any other agreements at Closing or prior or subsequent thereto, the representations and warranties set forth in Article 7 and all certificates, documents and agreements delivered pursuant to this Agreement shall survive Closing, provided that no Claim in respect of such representations and warranties shall be made or be enforceable unless written notice of such Claim, if provided by the Vendor to the Purchaser, is given within twelve (12) months of the Closing Date, and if provided by the Purchaser to the Vendor, is given within twelve (12) months of the Closing Date or before the Receiver is discharged by order of the Court, whichever is earlier. In respect of the Purchaser, effective on the expiry of such twelve (12) month period, the Vendor hereby releases and forever discharges the Purchaser from any breach of any representations and warranties set forth in Article 7 hereof and all certificates, documents and agreements delivered pursuant to this Agreement, except in respect of those Claims in which notice has been given in accordance with this Section 7.4. In respect of the Vendor, effective on the expiry of such twelve (12) month period, or shorter period should the Receiver be discharged by order of the Court, the Purchaser hereby releases and forever discharges the Vendor from any breach of any representations and warranties set



forth in Article 7 hereof and all certificates, documents and agreements delivered pursuant to this Agreement, except in respect of those Claims in which notice has been given in accordance with this Section 7.4. No Claim shall be made against a Party in respect of the representations and warranties in this Agreement made by the other Party except pursuant to and in accordance with this Section 7.4;

- (b) There shall not be any merger of any covenant, representation or warranty in any assignment, conveyance, transfer or document delivered pursuant hereto notwithstanding any rule of law, equity or statute to the contrary and all such rules are hereby waived; and
- (c) The representations and warranties of the Vendor and the Purchaser made herein or pursuant hereto are made for the exclusive benefit of the Purchaser or the Vendor, as the case may be, and are not transferable and may not be made the subject of any right of subrogation in favour of any other Person.

ARTICLE 8 CLOSING DELIVERIES

8.1 Vendor Closing Deliveries

At Closing, the Vendor shall table the following:

- (a) a certified copy of the Court Approval;
- (b) a receipt for the Closing Payment duly executed by the Vendor;
- (c) the Bill of Sale, fully executed by the Vendor; and
- (d) the License Agreement, fully executed by the Vendor.

8.2 Purchaser's Closing Deliveries

At Closing, Purchaser shall table the following:

- (a) the Closing Payment;
- (b) a duly executed certificate of a senior officer of Purchaser substantially in the form attached hereto as Schedule "E" dated as of the Closing Date;
- (c) the Bill of Sale, fully executed by Purchaser; and
- (d) the License Agreement fully executed by the Purchaser.

ARTICLE 9 LIABILITIES AND INDEMNITIES

9.1 General Indemnity

If Closing occurs the Purchaser shall, without any further necessary action on the part of the Vendor or the Purchaser:



- (a) assume, perform, pay, discharge and be liable to the Vendor for; and
- (b) as a separate covenant, save and hold harmless and indemnify the Vendor and each other Vendor Entity from and against;

all Losses and Liabilities suffered, sustained, paid or incurred by any of them to the extent arising or accruing on or after the Effective Time and which relate to the Assets, including but not limited to all Losses and Liabilities attributable to the maintenance of the Assets arising or accruing on or after the Effective Time. The Purchaser's indemnity obligation set forth in this Section Article 9 shall survive the Closing Date indefinitely.

9.2 Environmental Indemnity

If Closing occurs, the Purchaser:

- (a) shall be liable and responsible for all Losses and Liabilities suffered, sustained, paid or incurred by the Vendor in connection with the Assets purchased by the Purchaser and the Lease; and
- (b) as a separate covenant, shall indemnify and save the Vendor harmless from and against all Claims that may be brought against Vendor, or which they may suffer, sustain, pay, or incur,

as a result of any act, omission, matter or thing related to any Environmental Liabilities, however and whenever arising or accruing, and the Purchaser shall assume, perform, pay, and discharge all Environmental Liabilities.

9.3 IP Indemnity

The Parties acknowledge and agree that any Losses and Liabilities arising or accruing on or after the Effective Time which relate to the IP Rights, shall be governed by the License Agreement.

9.4 No Merger

There shall not be any merger of any liability or indemnity hereunder in any assignment, conveyance, transfer or document delivered pursuant hereto notwithstanding any rule of law, equity or statute to the contrary and all such rules are hereby waived.

9.5 Holding of Indemnities

The Vendor will hold the indemnities contained in Sections Article 9 in trust on behalf of all of the other Vendor Entities and may enforce the same on their behalf.

ARTICLE 10 TERMINATION

10.1 Grounds for Termination

This Agreement may be terminated at any time prior to Closing;

- (a) by mutual written agreement of the Vendor and the Purchaser;



- (b) by either the Vendor or the Purchaser pursuant to the provisions of Articles 6.1 or 6.2, as applicable; or
- (c) in accordance with Section 3.3(c).

10.2 Effect of Termination

If this Agreement is terminated by the Vendor or the Purchaser as permitted under Section 10.1, then Article 11 and Section 16.2 shall remain in full force and effect following any such permitted termination, and the remedies available to the Parties in respect of such termination shall be governed by Section 3.3, if applicable.

ARTICLE 11 CONFIDENTIALITY, PUBLIC ANNOUNCEMENTS AND SIGNS

11.1 Confidentiality

Each Party agrees to keep in strict confidence:

- (a) subject to Section 11.2, all information regarding the terms of this Agreement; and
- (b) any information exchanged or received in connection with:
 - (i) the performance of due diligence by the Purchaser prior to or after the date hereof (including due diligence conducted under or in connection with this Agreement); or
 - (ii) negotiation or drafting of this Agreement;

provided that, except as otherwise agreed by the Parties, a Party shall be entitled to disclose all information as may be required or desirable in connection with obtaining the Court Approval. The Parties agree that this Agreement shall be filed with the Court on a confidential basis such that the Deposit, Purchase Price, Purchase Price allocation and such other sensitive terms as the Parties may agree shall be sealed, kept confidential and not form part of the public record, and that the Receiver shall seek a sealing order to that effect in respect of this Agreement. If this Agreement is terminated, each Party upon request will promptly return to the other Party all documents, contracts, records or other information received by it that disclose or embody confidential information of the other Party.

11.2 Public Announcements

- (a) If a Party intends to issue a press release or other public disclosure of this Agreement, the terms hereof or the Transaction post-Closing, the disclosing Party shall provide the other Party with an advance copy of any such press release or other public disclosure with sufficient time to enable the other Party to review such press release or other public disclosure and provide its written consent to such press release or other public disclosure, not to be unreasonably withheld.



- (b) Notwithstanding Section 11.1 or 11.2(a), a Party may release or provide information about the Transaction insofar as is required by Applicable Laws (including as may be required to obtain Court Approval) or stock exchange requirements applicable to the disclosing Party; provided that such disclosing Party shall make reasonable commercial efforts to provide the other Party with the details of the nature and substance of such required disclosure as soon as practicable and in any event prior to such disclosure. A Party may provide information about the Transaction to a bank or other financial institution to obtain financing on any required consent of the bank or other financial lender of such Party. A Party may also disclose such information pertaining to this Agreement, including the identity of the Parties, insofar as is required to enable such Party to fulfil its obligations under this Agreement, including obtaining any approvals or consents to the Transaction required from Government Authorities (including Court Approval) or Third Parties.

ARTICLE 12

GOVERNING LAW AND DISPUTE RESOLUTION

12.1 Governing Law

This Agreement shall, in all respects, be subject to and be interpreted, construed and enforced in accordance with the laws in effect in the Province of Alberta and to the laws of Canada applicable therein.

12.2 Resolution of Disputes

- (a) Each Party hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Court, and waives any defences it might have regarding jurisdiction in any action or proceeding arising out of or relating to this Agreement or any ancillary agreement to which it is a Party, or for recognition or enforcement of any judgment in respect thereof, and each Party hereto hereby irrevocably and unconditionally agrees that all Claims in respect of any such action or proceeding may be heard and determined by the Court.
- (b) Each Party hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Agreement or any ancillary agreement to which it is a Party in any court of competent jurisdiction in the Province of Alberta. Each of the Parties hereto hereby irrevocably waives, to the fullest extent permitted by Applicable Law, the defence of an inconvenient forum to the maintenance of such action or proceeding in any such court.

ARTICLE 13

NOTICES

13.1 Service of Notices

The addresses for service of the Parties shall be as follows:



the Purchaser: Kraft & Co. Law
113, 44 Gateway Drive N.E.
Airdrie, Alberta T4B0J6

Attention: Shawn Kraft
Email: skraft@kcolaw.ca

with a copy to Dennis Schmidt
50 Edgevalley View NW
Calgary, Alberta T3A5N9

Email: Dennis@balisardo.ca

the Vendor: KSV Restructuring Inc.
1165, 324 - 8th Avenue SW,
Calgary, Alberta, T2P 2Z2
Canada

Attention: Eli Brenner
Email: ebrenner@ksvadvisory.com
Fax: 416.932.6266

with a copy to: Dentons Canada LLP
Legal counsel to the Receiver
1500, 850 - 2 Street SW
Calgary, Alberta, T2P 0R8
Canada

Attention: Derek Pontin
Email: derek.pontin@dentons.com
Fax: 403.268.3100

Any of the Parties may from time to time change its address for service herein by giving written notice to the other. Any notice may be served by personal service upon the above person specified by a Party, or if no person is specified, upon any officer of a Party, by mailing the same by prepaid post in a properly addressed envelope addressed to the Party at its respective address for service hereunder, or by email to such Party at the email address specified hereunder. Any notice personally served upon an office or the person specified by a Party, as the case may be, shall be deemed to be given on the date of such service, any notice served by mail shall be deemed to be given to and received by the addressee on the fourth Business Day, after the mailing thereof and any notice given by email shall be deemed to be given and received on the day when it is sent, if it is sent during normal business hours (8:00 a.m. to 4:00 p.m.) and, otherwise, on the next following normal Business Day. No notices shall be served by mail during times of interruption or threat of interruption of mail service due to strikes, lockout or other causes.



**ARTICLE 14
PERSONAL INFORMATION**

14.1 Personal Information

The Purchaser covenants and agrees to use and disclose any personal information contained in any of the books, records or files transferred to the Purchaser or otherwise obtained by the Purchaser in connection with the Transaction only for those purposes for which it was initially collected from or in respect of the individual to which such information relates or as otherwise permitted or authorized by Applicable Law. The Purchaser's obligations set forth in this Section 14.1 shall survive the Closing Date indefinitely.

**ARTICLE 15
ASSIGNMENT**

15.1 Assignment

- (a) Neither Party may assign their interest in or under this Agreement or to the Assets prior to Closing without the prior written consent of the other Party, which consent may be withheld in such other Party's sole and unfettered discretion.
- (b) No assignment, transfer, or other disposition of this Agreement or the Assets or any portion of the Assets shall relieve the Purchaser from its obligations to the Vendor herein. The Vendor shall have the option to claim performance or payment of the obligations from the Purchaser or the assignee or transferee, and to bring proceedings in the event of default against either or all of them, provided that nothing herein shall entitle the Vendor to receive duplicate performance or payment of the same obligation.

**ARTICLE 16
MISCELLANEOUS**

16.1 Remedies Cumulative

No failure on the part of any Party to exercise any right or remedy will operate as a waiver thereof. Except as provided for in Section 3.3(d), a Party will not be precluded from exercising any right available to it at law, equity or by statute because of its exercise of any single or partial right, and a Party may exercise any such remedies independently or in combination.

16.2 Costs

Except as otherwise specified in this Agreement, each Party shall pay its respective costs incurred in connection with the preparation, negotiation and execution of this Agreement and the consummation of the Transaction.

16.3 No Waiver

No waiver by any Party of any breach of any of the terms, conditions, representations or warranties in this Agreement shall take effect or be binding upon that Party unless the waiver is expressed in writing under the authority of that Party and any waiver so given shall extend only

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to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.

16.4 Entire Agreement

This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof, and the Parties agree and confirm that this Agreement cancels and supersedes any prior understandings and agreements between the Parties hereto with respect to the subject matter hereof. No modification of or amendment to this Agreement shall be valid or binding unless set forth in writing and duly executed by the Parties.

16.5 Further Assurances

From time to time, as and when reasonably requested by the other Party, a Party shall execute and deliver or cause to be executed and delivered all such documents and instruments and shall take or cause to be taken all such further or other actions to implement or give effect to the Transaction, provided such documents, instruments or actions are consistent with the provisions of this Agreement. All such further documents, instruments or actions shall be delivered or taken at no additional consideration other than reimbursement of any expenses reasonably incurred by the Party providing such further documents or instruments or performing such further acts, by the Party at whose request such documents or instruments were delivered or acts performed. In furtherance of the foregoing, Vendor will, if necessary, exercise reasonable efforts to cooperate with and assist Purchaser with the transfer of the permit to operate issued by Alberta Environment.

16.6 Time of the Essence

Time shall be of the essence in this Agreement.

16.7 Enurement

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

16.8 Severability

In the case any of the provisions of this Agreement should be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

16.9 Counterpart Execution

This Agreement may be executed in counterpart and all executed counterparts together shall constitute one agreement. This Agreement shall not be binding upon any Party unless and until executed by all Parties.

16.10 Electronic Execution

Delivery of an executed signature page to this Agreement by any Party by electronic transmission will be as effective as delivery of a manually executed copy of the Agreement by any Party.



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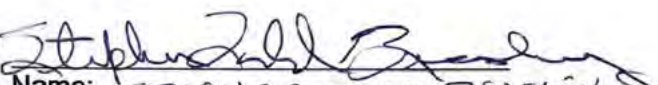
IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written

CCR TECHNOLOGIES LTD. by and through its court-appointed receiver and manager **KSV RESTRUCTURING INC.**, solely in its capacity as court-appointed receiver and manager of the assets, properties and undertaking of CCR Technologies Ltd., and not in its personal capacity



Per: _____
Name: Andrew Basi
Title: Managing Director

CARBON CAPTURE AND RECLAIMING SERVICES LTD.

Per: 
Name: STEPHEN TODD DEASLEY
Title: PRESIDENT

This is the execution page to the Asset Purchase Agreement dated effective _____, 2024 between CCR Technologies Ltd., by and through its court-appointed receiver and manager KSV Restructuring Inc., solely in its capacity as court-appointed receiver and manager of the assets, properties and undertakings of CCR Technologies Ltd, and not in its personal capacity, and Carbon Capture and Reclaiming Services Ltd..



SCHEDULE "A"

Attached to and made a part of that Asset Purchase Agreement effective [_____, 2024]

Part 1 – Assets

1. The CCR Domain Name reclaim.com
2. To the extent the Receiver has possession and control, the following assets:
 - (a) All telephone and fax numbers; and
 - (b) the assets outlined in the appendices attached hereto and labelled:
 - Unit 1 Details
 - Equipment
 - Brooks Lab Equipment
 - Office
 - Hoses
 - Miscellaneous Assets
 - Fittings
 - Instrument and Controls
 - Gaskets
 - Tools
 - Pumps

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Part 2 – Excluded Assets

The Patents.

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SCHEDULE "B"
BILL OF SALE

Attached to and made part of that Asset Purchase Agreement effective ____, 2024

BILL OF SALE

This Bill of Sale made this □ day of □, 2024.

BETWEEN:

CCR TECHNOLOGIES LTD. ("CCR" or the "Debtor") by and through its court-appointed receiver and manager **KSV RESTRUCTURING INC.** (the "Receiver"), solely in its capacity as court-appointed receiver and manager of the assets, properties, and undertakings of CCR Technologies Ltd. and not in its personal capacity (the "Vendor")

- and -

CARBON CAPTURE And- RECLAIMING SERVICES LTD., a corporation incorporated under the laws of Alberta (the "Purchaser")

WHEREAS the Vendor and the Purchaser entered into that Asset Purchase Agreement dated [INSERT DATE] (the "Agreement");

AND WHEREAS the Vendor has agreed to sell and convey the Debtor's entire right, title and interest in the Assets to the Purchaser and the Purchaser has agreed to purchase and accept all of the Debtor's rights, title and interest in and to the Assets in accordance with the terms and conditions contained in the Agreement;

NOW THEREFORE in consideration of the premises hereto and the covenants and agreements hereinafter set forth and contained, the Parties hereto covenant and agree as follows:

1. Definitions

All capitalized terms not defined herein shall have the same meaning as set out in the Agreement.

2. Closing

The Vendor and the Purchaser each hereby certify that it has performed and satisfied all agreements and obligations that it was required to perform or satisfy pursuant to the Agreement on or prior to the date hereof, that the representations and warranties made by it as contained in the Agreement are true in all material respects at and as of the Effective Time and the Closing Date, that all closing conditions in its favour have either been satisfied or are hereby waived, and Closing is hereby completed.



3. "As is, Where is" Basis

The Assets are being purchased by the Purchaser on an "as is, where is" and "without recourse" basis and without representation or warranty of any nature, kind or description by the Vendor or its directors, officers, employees, agents or counsel other than provided for in the Agreement. Without limiting the generality of the foregoing, the Vendor makes no representation or warranty with respect to (a) the value of the Assets, (b) the quality or condition of the Assets or (c) the Debtor's compliance with any Applicable Laws pertaining to the Assets. The covenants, representations and warranties contained in the Agreement are incorporated herein as fully and effectively as if they were set out herein and there shall not be any merger of any covenant, representation or warranty contained in the Agreement by virtue of the execution and delivery hereof, any rule of law, equity or statute to the contrary notwithstanding.

4. Conveyance

The Vendor, for the consideration provided for in the Agreement, the receipt and sufficiency of which is acknowledged by the Vendor, hereby sells, assigns, transfers and conveys the entire right, title, benefit and interest of the Debtor (whether absolute or contingent, legal or beneficial) in and to the Assets to the Purchaser, its successors and assigns, and the Purchaser purchases and accepts such interests from the Vendor, TO HAVE AND TO HOLD the same absolutely, subject to the terms of the Agreement.

5. Effective Time

This Bill of Sale and the transfer of title to and possession of the Debtor's interest in and to the Assets will, subject to the terms of the Agreement, be effective as of the Closing Date.

6. Subordinate Document

This Bill of Sale is executed and delivered by the Parties pursuant to the Agreement for the purposes of the provisions of the Agreement, and the terms hereof shall be read on conjunction with the terms of the Agreement. If there is a conflict between the provisions of the Agreement and this Bill of Sale, the provisions of the Agreement shall prevail to the extent of the conflict.

7. Enurement

This Bill of Sale enures to the benefit of and is binding upon the Parties and their respective administrators, trustees, receivers, successors and permitted assigns.

8. Further Assurances

Each Party shall, after the date of this Bill of Sale, at the request of the other Party and without further consideration, do all further acts and execute and deliver all further documents which are reasonably required to perform and carry out the terms of this Bill of Sale.

9. Governing Law



This Bill of Sale will be governed by and construed in accordance with the laws of the Province of Alberta.

IN WITNESS WHEREOF the Parties have duly executed this Bill of Sale.

CCR TECHNOLOGIES LTD. by and through its court-appointed receiver and manager **KSV RESTRUCTURING INC.**, solely in its capacity as court-appointed receiver and manager of the assets, properties and undertaking of CCR Technologies Ltd., and not in its personal capacity

- **Carbon Capture and Reclaiming Services Ltd.** An alberta incorporated company

Per: _____
 Name: _____
 Title: _____

Per: Stephen J. Reasberry
 Name: STEPHEN J. REASBERRY
 Title: PRESIDENT

SCHEDULE "C"
FORM OF COURT ORDER

[NTD: To be inserted.]

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SCHEDULE "D"
FORM OF LICENSE AGREEMENT

LICENSE AGREEMENT

THIS LICENSE AGREEMENT (the "**Agreement**") is made effective the ____ day of _____, 20____, (the "**Effective Date**") by and between:

CCR TECHNOLOGIES LTD., ("**CCR**") by and through its court-appointed receiver and manager **KSV RESTRUCTURING INC.**, solely in its capacity as court-appointed receiver and manager of the assets, properties, and undertakings of CCR Technologies Ltd. and not in its personal capacity (hereinafter referred to as "**LICENSOR**"),

- and -

CARBON CAPTURE AND RECLAIMING SERVICES LTD., an Alberta corporation, with principal offices at Airdrie Alberta (hereinafter referred to as "**LICENSEE**"),

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

WHEREAS, CCR is the owner of the Patent Rights, hereafter defined, used for reclaiming and/or purifying glycols and other gas treating chemicals;

AND WHEREAS, LICENSEE is purchasing one or more Units (hereafter defined) and associated assets pursuant to an Asset Purchase Agreement between the Parties, dated [●] (the "**Asset Purchase Agreement**"), and desires to acquire a non-exclusive license in perpetuity to use the Patent Rights for the purposes of operation of each Unit and associated assets, as well as any new units or other equipment that may be constructed for the benefit of LICENSEE and its customers (the "**Assets**");

AND WHEREAS, LICENSOR is willing, upon the terms and conditions contained hereafter, to grant LICENSEE a non-exclusive right and license to so use the Patent Rights for such purpose;

NOW THEREFORE, for the consideration hereinafter set out and the covenants and agreements hereinafter contained, it is mutually agreed by and between LICENSOR and LICENSEE as follows:

1. Definitions

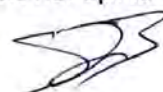
- (b) "**Assets**" shall mean the assets purchased by LICENSEE pursuant to the Asset Purchase Agreement, which assets include the Unit(s) and associated hardware, parts, components, and equipment as well as any units or other equipment that subsequent to Effective Date are constructed by LICENSEE using any part of or with reference to the Assets for its own use or for the use of LICENSEE 's customers.



- (c) **"Licensed Process"** shall mean the proprietary process used in reclaiming or purifying amines and glycols production and practiced through use of each Unit, as described by the Patent Rights.
- (d) **"Patent Rights"** shall mean patent number CCR-50 US10213705B2, and any other related patent application filed or patent issued in any country in the world and falling within such patent family.
- (e) **"Unit"** shall mean a mobile process unit purchased pursuant to the Asset Purchase Agreement.

2. Grants

- (a) LICENSOR hereby grants to LICENSEE a non-exclusive, perpetual, and irrevocable right and license to use the Patent Rights for the purpose of operating and making use of, building or constructing, and selling, Assets that embed or include the Licensed Process or otherwise require use of the Patent Rights, in connection with LICENSEE's own business. LICENSEE acknowledges and agrees that the grant of license contained in this Section 2(a) is made to enable LICENSEE's use of the Assets, and that accordingly, it shall have no right to and agrees that it will not use, apply, or offer the Patent Rights for the purpose of offshore hydrate inhibition and flow assurance applications, whether in or via a Unit or other Assets, or otherwise. LICENSEE further acknowledges that the license granted in this AGREEMENT does not create any ownership interest in the Patent Rights.
- (b) Notwithstanding any provision to the contrary in this Agreement, during the Term of this Agreement LICENSOR retains the exclusive right to sell, transfer, or otherwise dispose of the Patent Rights in whole or in part (the **"Sale Right(s)"**). This Sale Right includes, but is not limited to, the ability to sell or license the Patent Rights to third parties, without limitation or restriction.
- (c) The rights of LICENSEE under this Agreement shall not be diminished, altered or affected by LICENSOR's exercise of the Sale Rights. In the event of a sale, transfer, or other disposal of the Patent Rights, in whole or in part, LICENSEE's rights under this Agreement shall remain in effect, and LICENSOR shall ensure that any purchaser, successor, or assignee of the Patent Rights assumes the obligations of LICENSOR under this Agreement. For further clarity, in the event of a sale, transfer or disposal of the Patent Rights, in whole or in part, to a third-party, LICENSEE shall have the right to continue to use the Patent Rights as granted under this Agreement.
- (d) LICENSEE agrees that any sale, transfer, or disposition of the Patent Rights by LICENSOR shall not constitute a breach of this Agreement by LICENSOR, and LICENSEE shall not have any claims against LICENSOR in connection with the exercise of the Sale Rights by LICENSOR.
- (e) In the event that LICENSOR decides to offer the Patent Rights for sale, LICENSOR will provide LICENSEE with notice of such intent to sell and the first option to purchase the Patent Rights on the same terms as they are being offered to third parties, which option shall be exercisable for a period of 30 days following the delivery of such notice to LICENSEE. In the event that LICENSEE does not opt to



purchase the Patent Rights on such terms within the 30 day period referenced above, LICENSOR shall be free to sell the Patent Rights to any third party in its sole discretion.

- (f) LICENSOR reserves the right, but not the obligation, to require LICENSEE to purchase the Patent Rights for a price of \$1.00 CDN. In the event that LICENSOR exercises such right via written notice to LICENSEE, the Parties shall enter into an Assignment Agreement to effect the sale, assignment, and transfer of the Patent Rights, and shall record the assignment with the relevant patent office(s), and this Agreement shall automatically terminate upon full assignment and transfer of the Patent Rights to LICENSEE.
- (g) LICENSEE shall not be required to make any additional payments to LICENSOR any the new owner(s) of the Patent Rights as a result of the sale, transfer, or disposition of the Patent Rights, except as otherwise stated in this Agreement or as may be required in connection with Section 2(e) or (f).

3. License Fee

- (a) The consideration for the grant made herein shall be the purchase price of the Assets as specified in the Asset Purchase Agreement. No additional fee or payment shall be due from LICENSEE in relation to the Patent Rights.

4. Indemnities

(a) Personal Injury

LICENSEE shall hold harmless, defend and indemnify LICENSOR and CCR, and their respective directors, employees, stockholders, parent and subsidiary companies and its contractors and co-ventures against all claims, liability, causes of action and expenses including attorney's fees and other costs of litigation (including fees and costs to enforce this provision of the contract) on account of personal injury or death of employees of LICENSEE, including employees of any of LICENSEE's affiliated companies, parent or subsidiaries or contractors of LICENSEE, caused by, arising out of or in connection with the use of the Patent Rights and the Assets, or any operations conducted pursuant to this AGREEMENT, including but not limited to vessel and cargo operations, whether caused or contributed to in whole or in part by the sole or concurrent fault, negligence or strict liability of LICENSEE, LICENSOR, CCR or another party.

(b) Property Damage

LICENSEE shall hold harmless, defend and indemnify LICENSOR and CCR, and their respective directors, employees, stockholders, parent and subsidiary companies and its contractors and co-ventures against all claims, liability, causes of action and expenses including attorney's fees and other costs of litigation (including fees and costs to enforce this provision of the contract) on account of loss or damage to property of LICENSEE, including employees of any affiliated company, parent company or subsidiary of LICENSEE caused by, arising out of or in connection with the use of the Patent Rights and the Assets, or any operations conducted pursuant to this Agreement, including but not limited to vessel and cargo operations, whether caused or contributed to in whole or in part by the sole



or concurrent fault, negligence or strict liability of LICENSEE, LICENSOR, CCR or another party.

- (c) LICENSOR shall not settle or compromise any such suit or action without the consent of LICENSEE if the settlement or compromise by LICENSOR obligates LICENSEE to make any payment or assume any obligation by reason of such settlement compromise.

5. Warranties and Guarantees

- (a) LICENSOR makes no warranties or guarantees regarding the Patent Rights, or the Assets, and access to and use of same is provided to LICENSEE on an as-is, where-is basis.
- (b) Pursuant to this section, the provision of data or information by LICENSOR to LICENSEE will not be construed, in any manner, to create, enlarge or in any way affect LICENSOR'S express rejection of all warranties and guarantees.

6. Improvements

- (a) Modifications, improvements, or alterations to the Patent Rights developed either by LICENSOR or its associates, or LICENSEE or its associates, solely or jointly, shall be considered part of the Patent Rights and shall become the sole intellectual property of LICENSOR, and shall automatically be subject to this Agreement and form part of the Patent Rights licensed hereunder.
- (b) If LICENSEE or its associates makes, has made, or acquires any modification, improvement, or alteration to the Patent Rights, then LICENSEE shall: (i) promptly, fully, and accurately disclose same to LICENSOR, with such disclosure being an enabling disclosure sufficient to allow LICENSOR to reproduce, develop, practise and test the disclosed modification, improvement, or alteration; and (ii) promptly transfer all right, title, and interest therein, including related intellectual property rights, to LICENSOR as may be required or requested by LICENSOR.

7. Access

- (a) Physical access to LICENSEE's premises for any reason, such as to inspect, monitor and review LICENSEE's use of the Patent Rights, shall be granted to LICENSOR, or LICENSOR's designee upon written notice to the president of LICENSEE, provided that LICENSOR or its designee must be accompanied by a representative of LICENSEE at all times during any physical access to LICENSOR's premises.

8. Governing Law

- (a) This Agreement shall be construed in accordance with and pursuant to the laws of the Province of Alberta and the federal laws of Canada applicable therein.



9. Notices

- (a) Any notice required or permitted to be delivered hereunder shall be in writing and personally delivered sent by prepaid registered mail, transmitted by facsimile, or sent by email, addressed to the relevant Party at the address set forth below for such Party, or at any other address as any Party may at any time advise the other by notice given or made in accordance with this Article 11:

LICENSOR: **CCR TECHNOLOGIES LTD.**
 c/o KSV Restructuring Inc.
 1165, 324 - 8th Avenue SW,
 Calgary, Alberta, T2P 2Z2, Canada

Attention: **Eli Brenner**
Email: ebrenner@ksvadvisory.com
Fax: 416.932.6266

LICENSEE: **Carbon Capture and Reclaiming Services Ltd.**
 44 Gateway Drive NE. Unit 113
 Airdrie AB T4B 0J6

Attention:  **Todd Beasley**
Email: beasleymarineengineering@gmail.com

- (b) Any notice delivered personally or by courier to the Party to whom it is addressed will be deemed to have been given or made and received on the day it is delivered at that Party's address, provided that if that day is not a business day then the notice will be deemed to have been given or made and received on the next business day. Any notice sent by prepaid registered mail will be deemed to have been given or made and received on the fifth (5th) business day after which it is mailed. Any notice transmitted by facsimile or e-mail will be deemed to have been given or made and received on the day on which it is transmitted; but if the notice is transmitted on a day which is not a business day or after 5:00pm (local time of the recipient Party), the notice will be deemed to have been given or made and received on the next business day.

10. Miscellaneous

- (a) This Agreement constitutes the sole and entire agreement of the Parties with respect to the license to use the Patent Rights granted herein, and supersedes any prior understandings or agreements, written or oral, between the Parties respecting license(s) in the Patent Rights.
- (b) This Agreement enures to the benefit of and is binding upon the Parties and their respective heirs, executors, administrators, estate trustees, trustees, personal or legal representatives, successors and permitted assigns.
- (c) Each Party shall, at the requesting Party's cost and expense, execute and deliver any further agreements and documents and provide any further assurances,



undertakings and information as may be reasonably required by the requesting Party to give effect to this Agreement.

- (d) This Agreement may be executed and delivered by the Parties in one or more counterparts, each of which will be an original, and each of which may be delivered by facsimile, e-mail or other functionally equivalent electronic means of transmission, and those counterparts will together constitute one and the same instrument.

IN WITNESS WHEREOF the parties have duly executed this Agreement as of the date first written above.

KSV RESTRUCTURING INC., solely in its capacity as court-appointed receiver and manager of the assets, properties, and undertakings of CCR Technologies Ltd. and not in its personal capacity

Per: 

Name: Andrew Basi

Title: Managing Director

CARBON CAPTURE AND RECLAIMING SERVICES LTD.

Per: 

Name: STEPHEN TODD DRASKEW

Title: PRESIDENT



SCHEDULE "E"
FORM OF OFFICERS CERTIFICATE

Attached to and made part of that Asset Purchase Agreement effective _____, 2024

Re: Section 6.1(a) of the Asset Purchase Agreement ("**Agreement**") dated _____, between KSV Restructuring Inc., in its capacity as court-appointed receiver of the assets, properties and undertakings of CCR Technologies Ltd., and not in its personal capacity as the Vendor and [●] as the Purchaser.

Unless otherwise stated, the definitions provided for in the Agreement are adopted in this Certificate.

I, **Todd Beasley, President**, hereby certify on behalf of the Purchaser and not in any personal capacity that:

1. Each of the representations and warranties of the Purchaser contained in Section 7.3 of the Agreement is true and correct in all material respects as of the Closing Date.
2. All Closing conditions for the benefit of the Purchaser, pursuant to Section 6.2 of the Agreement, have been satisfied or waived.
3. This Certificate is made for and on behalf of the Purchaser and is binding upon it, and I am not incurring and will not incur any personal liability whatsoever with respect to it.
4. This Certificate is made with full knowledge that the Vendor is relying on the same for the Closing of the Transaction.

Dated this **29th** day of **November**, 2024.



Per: Carbon Capture And Reclaiming
 Services Ltd.

Name: Todd Beasley (STEPHEN)
 Title: President



Appendix “B”

CCR Technologies Ltd.
Schedule of Professionals' Fees

Invoice #	Date	Professional Fees (\$)	Disbursements (\$)	GST (\$)	Total Fees (\$)
Receiver's Fees:					
KSV Restructuring Inc. Invoice #3999	October 31, 2024	63,861.00	22.26	3,194.16	67,077.42
KSV Restructuring Inc. Invoice #4059	November 25, 2024	63,178.50	19.32	3,159.89	66,357.71
KSV Restructuring Inc. Invoice #4067	December 3, 2024	43,023.00	-	2,151.15	45,174.15
Total Receiver's Fees		170,062.50	41.58	8,505.20	178,609.28
Receiver's Legal Counsel Fees:					
Dentons LLP	October 1 to November 30, 2024	82,974.50	4,268.73	4,356.92	91,600.15
Total Receiver's Legal Counsel Fees		82,974.50	4,268.73	4,356.92	91,600.15