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COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PROCEEDING **IN THE MATTER OF THE *BANKRUPTCY AND  
INSOLVENCY ACT*, RSC 1985, c B-3**

**AND IN THE MATTER OF THE  
RECEIVERSHIP OF INDEPENDENT  
RENEWABLE RESOURCES CORP. and  
INDEPENDENT ENERGY HOLDINGS INC.**

APPLICANT **KSV RESTRUCTURING INC.** in its capacity as  
Court-appointed Receiver of INDEPENDENT  
RENEWABLE RESOURCES CORP. and  
INDEPENDENT ENERGY HOLDINGS INC.

DOCUMENT **BENCH BRIEF OF THE RECEIVER**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS  
DOCUMENT **BENNETT JONES LLP**  
Barristers and Solicitors  
4500 Bankers Hall East  
855 – 2nd Street SW, Calgary, AB

Attention: Sean Zweig / Chyna Brown  
Telephone No.: 416-777-6254 / 403-298-3244  
Fax No.: 416-863-1716 / 403-265-7219  
Email: [zweigs@bennettjones.com](mailto:zweigs@bennettjones.com) /  
[brownc@bennettjones.com](mailto:brownc@bennettjones.com)  
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Application Scheduled for April 29, 2026, at 2:00 p.m.  
before the Honourable Justice C.M. Jones in the Commercial List

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## I. INTRODUCTION

1. This Bench Brief is submitted by KSV Restructuring Inc. ("**KSV**"), solely in its capacity as the court-appointed receiver and manager (the "**Receiver**") over all the current and future assets, undertakings and properties (collectively, the "**Property**") of Independent Renewable Resources Corp. ("**IRRC**") and Independent Energy Holdings Inc. ("**IEH**", and together with IRRC, the "**Debtors**") in support of the Application seeking the following relief:

- (a) an Order substantially in the form attached as **Schedule "2"** to the Application, among other things:
  - (i) abridging the time for service of this Application and the supporting materials, if necessary, and deeming service thereof to be good and sufficient;
  - (ii) approving and authorizing the Receiver to complete the reorganization and the issuance of 100% of the Common Shares of IRRC, pursuant to a subscription agreement between the Receiver and Motoil Holdings Corporation (the "**Purchaser**") (the "**Subscription Agreement**", substantially in the form attached as Appendix "B" to the Second Report of the Receiver dated April 17, 2026 (the "**Second Report**"));
  - (iii) vesting the Transferred Assets and the Transferred Liabilities in the Creditor Trust;
  - (iv) approving certain relief, including, among other things, creating the Creditor Trust governed by the terms of the Creditor Trust Settlement, the appointment of the Receiver as Trustee of the Creditor Trust, and the removal of IRRC from these receivership proceedings;
  - (v) approving the proposed releases;
- (b) an Order substantially in the form attached as **Schedule "3"** to the Application, temporarily sealing **Confidential Appendix "1"** to the Second Report; and

(c) granting such further and other relief, advice and directions as counsel may advise and this Honourable Court deems just.

2. For the reasons set out herein, the Receiver is of the view that approval of the Transaction is in the best interests of the creditors of the Debtors. The Transaction is fair, reasonable and appropriate in the circumstances. It represents the highest purchase price and the greatest likelihood of closing a sale for the Debtors' Property.

3. Confidential Appendix "1" contains confidential and commercially sensitive information, the disclosure of which would cause serious harm to the Debtors and their stakeholders should the Transaction fail to close. This Order sealing Confidential Appendix "1" is necessary to prevent Confidential Appendix "1" from being publicly disclosed and is the least restrictive means available to prevent the disclosure of confidential and commercially sensitive information.

## II. FACTS

4. Capitalized terms not otherwise defined herein have meanings ascribed to them in the Receivership Order,<sup>1</sup> the First Report of the Receiver dated January 6, 2026 (the "**First Report**"),<sup>2</sup> or the Second Report,<sup>3</sup> as applicable.

### A. The Receivership Order

5. On November 13, 2025, the Honourable Justice M.H. Bourque granted an order (the "**Receivership Order**") appointing KSV as the Receiver over all of the Property of the Debtors.

6. The principal asset of the Debtors is a used motor oil feedstock modular refinery (the "**Echo Refinery**") located on 49.39 acres of land in the Regional Municipality of Bone Creek No. 108, in southwest Saskatchewan (the "**IRRC Lands**").

7. The application to appoint KSV as Receiver was made by Cortland Credit Lending Corporation ("**Cortland**"), the Debtors' largest and senior secured creditor. The principal purpose of these receivership proceedings is to create a stabilized environment in which the Echo Refinery

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<sup>1</sup> Receivership Order, filed November 13, 2025 [**Receivership Order**] [TAB A].

<sup>2</sup> First Report of the Receiver dated January 6, 2026 [**First Report**] [TAB B].

<sup>3</sup> Second Report of the Receiver dated April 17, 2026 [**Second Report**] [TAB C].

can continue to operate while the Receiver conducts a sale process to monetize the Property, for the benefit of the Debtors' stakeholders.

## **B. The Sale Process**

8. On January 15, 2026, this Court granted a sale process order (the "**Sale Process Order**"),<sup>4</sup> which, among other things:

- (a) authorized the Receiver to enter into the engagement letter agreement dated January 15, 2026, between the Receiver and Sayer Energy Services ("**Sayer**" or the "**Sales Agent**")
- (b) approved the sale process described in the First Report, with respect to the Property (the "**Sale Process**"), and authorized the Receiver and the Sales Agent to carry out the Sale Process in accordance with its terms and the Sale Process Order.

9. The Sale Process had a proposed two phase process, whereby Phase 1 contemplated a deadline to submit letters of intent ("**LOIs**"), which, among other things, reflected a reasonable prospect of culminating in a Qualified Bid in Phase 2, before the Final Bid Deadline.

10. Following the issuance of the Sale Process Order, the Sale Process commenced on January 23, 2026. The Sale Process was conducted by the Sales Agent and the Receiver, who undertook extensive efforts to market the Property.

11. With the assistance of the Sales Agent, the Receiver developed a list of Known Potential Bidders and prepared marketing materials, including a Teaser, bid process letter, and a form of non-disclosure agreement ("**NDA**"). Interested parties were required to execute an NDA to obtain access to a virtual data room ("**VDR**"), which contained detailed information regarding the Property, including financial information, material contracts, permits, and other diligence materials.

12. As part of these efforts, the Teaser was distributed to approximately 2,650 prospective purchasers and investors.<sup>5</sup> The opportunity was also advertised through industry publications and

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<sup>4</sup> Sale Process Order filed January 24, 2026 [**Sale Process Order**] [**TAB D**].

<sup>5</sup> Second Report at para 3.1(1)(a) [**TAB C**].

online platforms, including: (i) the *Daily Oil Bulletin* on January 26 and 27, 2026, which received 118 views; and (ii) the *BOE Report* on January 26, 2026, which received 1,900 views.<sup>6</sup>

13. The Receiver, in consultation with the Sales Agent, identified a number of Phase 1 Qualified Bidders and granted those parties access to the VDR. Several of these parties undertook meaningful due diligence, which the Receiver facilitated in a timely and responsive manner. The terms of the Sale Process required submission of non-binding letters of intent ("LOIs") by Phase 1 Qualified Bidders by February 26, 2026 (the "**LOI Deadline**").

14. Following receipt of LOIs from three (3) Phase 1 Qualified Bidders, the Receiver and the Sales Agent, in consultation with Cortland, evaluated the proposals.<sup>7</sup> None of the LOIs provided for repayment of the Cortland Indebtedness in full or were otherwise acceptable to Cortland. Accordingly, the Receiver terminated the Sale Process, and Cortland exercised its right to submit a credit bid.<sup>8</sup>

15. As the Sale Process was terminated following the LOI Deadline, Phase 2 was not undertaken.<sup>9</sup> The Sales Agent subsequently prepared a comprehensive marketing report documenting the Sale Process and its results, which is appended to the Second Report as Confidential Appendix "1".<sup>10</sup>

16. The Transaction represents the highest and best offer available pursuant to the terms of the Sale Process, and provides for a full assumption of the Cortland Indebtedness.

### **C. The Transaction**

17. Following the termination of the Sale Process, the Receiver and Cortland, with the support of legal counsel, worked diligently together to finalize definitive documents respecting the Transaction, resulting in the substantially final form Subscription Agreement.

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<sup>6</sup> Second Report at para 3.1(1)(d) [TAB C].

<sup>7</sup> Second Report at para 3.2(2) [TAB C].

<sup>8</sup> Second Report at para 3.2(2) [TAB C].

<sup>9</sup> Second Report at para 3.2(3) [TAB C].

<sup>10</sup> Second Report, Confidential Appendix "1" [TAB C].

18. The key terms of the Subscription Agreement are set out in detail at paragraph 4.1(2) of the Second Report, and will be further referenced in the relevant portion of the Receiver's legal argument below regarding approval of the Transaction and RVO.

**D. The RVO**

19. The RVO provides for a reorganization of IRRC's capital structure and the transfer of certain assets and liabilities to the Creditor Trust to be established pursuant to the RVO. The Creditor Trust will be administered by the Receiver for the benefit of stakeholders in accordance with the terms of the proposed RVO.

20. Pursuant to the RVO, all existing Equity Interests in IRRC will be redeemed for nominal consideration and extinguished immediately prior to Closing. The Purchaser will subscribe for and acquire all of the issued and outstanding Common Shares of IRRC, such that it becomes the sole shareholder.

21. As part of the RVO structure, the Transferred Assets and Transferred Liabilities will be transferred to, and vest exclusively in, the Creditor Trust. The Transferred Assets will vest in the Creditor Trust subject to any existing Encumbrances, which will continue to attach with the same nature and priority as prior to the transfer.

22. The Transferred Liabilities will be assumed by, and vest in, the Creditor Trust and will be novated such that they cease to be obligations of the Debtors. Following Closing, the Creditor Trust will stand in the place of the Debtors with respect to such liabilities and will be subject to the ongoing supervision of this Court. IRRC will cease to be subject to the receivership proceedings and will be released from the scope of the Receivership Order and related Court orders.

23. The Creditor Trust, to be named the "Independent Renewable Resources Trust," will be governed by the Creditor Trust Settlement appended to the proposed RVO. The Receiver will act as Trustee of the Creditor Trust and will administer its affairs in accordance with the terms of the Creditor Trust Settlement and the oversight of this Court.

24. The RVO also provides for customary releases in favour of the Debtors, the Purchaser, the Receiver, and their respective current and former directors, officers, employees, and advisors, in respect of claims arising prior to closing, subject to standard carve-outs for fraud, gross negligence, or willful misconduct.

### **III. ISSUES**

25. The issues to be considered in this Application are whether this Honourable Court should:

- (a) approve the Transaction;
- (b) grant the RVO; and
- (c) temporarily seal Confidential Appendix "1" of the Second Report.

26. The Receiver is of the view this Court should grant the requested relief in respect of all of the issues above.

### **IV. LAW AND ARGUMENT**

#### **A. The Transaction Complies with *Soundair* Principles**

27. This Court's jurisdiction to approve the Transaction is found in section 243(1)(c) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 ("**BIA**"),<sup>11</sup> which provides that, on application by a secured creditor, a court may appoint a receiver to "take any other action that the court considers advisable" if it considers it to be just or convenient to do so.

28. Subparagraphs 3(h), (l)(ii), and (m) of the Receivership Order expressly authorizes the Receiver to:

- (h) execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;

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<sup>11</sup> [Bankruptcy and Insolvency Act](#), RSC 1985, c B-3 at Part XI [**BIA**] [**TAB 1**].

- (l) sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:
  - (ii) with the approval of this Court in respect of any transaction...
- (m) apply for any vesting order or other relief necessary to convey the Property or any part or parts thereof to a potential purchaser or purchasers.<sup>12</sup>

29. The Ontario Court of Appeal in *RBC v Soundair Corp* [*Soundair*],<sup>13</sup> described the criteria to be considered by this Court in reviewing a proposed sale transaction by a receiver:

- (a) whether the receiver has made a sufficient effort to get the best price and has not acted improvidently;
- (b) interests of all parties;
- (c) the efficacy and integrity of the process by which offers are obtained; and
- (d) whether there has been unfairness in the working out of the process.<sup>14</sup>

30. In *Soundair*, the Court acknowledged that a receiver's expertise in structuring and executing a sale process lies well beyond the institutional competence of the Court, and concluded accordingly:

...the court must place a great deal of confidence in the actions taken and in the opinions formed by the receiver. It should also assume that the receiver is acting properly unless the contrary is clearly shown. The second observation is that the court should be reluctant to second-guess, with the benefit of hindsight, the considered business decisions made by its receiver. The third observation which I wish to make is that the conduct of the receiver should be reviewed in the light of the specific mandate given to him by the court.<sup>15</sup>

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<sup>12</sup> Receivership Order at paras 3(h), (l)(ii), and (m) [TAB A].

<sup>13</sup> *Royal Bank of Canada v Soundair Corp*, [1991 CanLII 2727, 91 CBR \(5th\) 285](#) (ON CA) [*Soundair*] [TAB 2].

<sup>14</sup> *Soundair* at para 16 [TAB 2]; *Delta 9 Cannabis Inc (Re)*, [2025 ABKB 52](#) at para 46 [TAB 3]; *Long Run Exploration Ltd (Re)*, [2024 ABKB 710](#) at paras 11-12 [TAB 4]; *Sanjel Corporation (Re)*, [2016 ABQB 257](#) at paras 54-55 [TAB 5]; *Acerus Pharmaceuticals Corporation (Re)*, [2023 ONSC 3314](#) at paras 10-11 [TAB 6].

<sup>15</sup> *Soundair* at para 14 [TAB 2].

31. These criteria and principles have been adopted and applied by the Alberta Court of Appeal in several cases.<sup>16</sup>

32. In carrying out its duties and exercising its powers, a receiver must deal with the debtor's property in a commercially reasonable manner.<sup>17</sup> Courts afford significant deference to court-appointed receivers, and will presume that the receiver's proposed course of action and recommendations are appropriate unless the contrary is clearly established.<sup>18</sup>

33. As the Court in *Soundair* cautioned, approval should not be lightly withheld.<sup>19</sup>

*i. The Receiver acted providently and made sufficient efforts to receive the best price*

34. In assessing whether a receiver has acted providently, the Court must evaluate the receiver's conduct in light of the information available at the time the offer was accepted. The receiver's recommendation should be rejected only in exceptional circumstances.<sup>20</sup>

35. The Court may also consider whether the accepted offer is disproportionately low compared to the appraised value, whether the timeline for soliciting bids was sufficient, whether the sale process was adequately advertised, and whether the proposed transaction serves the interests of creditors and the debtor.<sup>21</sup>

36. As the Alberta Court of Appeal has emphasized, a court considering a receiver's recommended sale "is not engaged in a perfunctory, rubberstamp exercise," but neither should it reject the recommendation "absent special circumstances."<sup>22</sup> A receiver's advice is therefore entitled to significant weight.

37. In this case, the Receiver acted diligently and in a commercially reasonable manner to expose the assets to the market and maximize value. The Receiver acted promptly on its mandate and engaged the Sales Agent, to assist in running the Court-approved Sale Process.<sup>23</sup> Sayer has

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<sup>16</sup> *PricewaterhouseCoopers Inc v 1905393 Alberta Ltd*, 2019 ABCA 433 at paras 10-12 [*PricewaterhouseCoopers*] [TAB 7]; *1705221 Alberta Ltd v Three M Mortgages Inc*, 2021 ABCA 144 at para 2 [*Three M*] [TAB 8].

<sup>17</sup> *PricewaterhouseCoopers* at para 13 [TAB 7], citing *Skyepharama PLC v Hyal Pharmaceutical Corp*, 2000 CanLII 5650 at para 4 [TAB 9].

<sup>18</sup> *Soundair* at para 46-48 [TAB 2].

<sup>19</sup> *Soundair* at para 29-30 [TAB 2].

<sup>20</sup> *Soundair* at para 21 [TAB 2]; *PricewaterhouseCoopers* at para 14 [TAB 7].

<sup>21</sup> *PricewaterhouseCoopers* at para 14 [TAB 7] citing *Bank of Montreal v River Rentals Group Ltd*, 2010 ABCA 16 at para 13 [TAB 10].

<sup>22</sup> *Three M* at para 22 [TAB 8].

<sup>23</sup> First Report, s 4.1 [TAB C].

experience in marketing comparable assets as a leading oil and natural gas mergers and acquisition advisory firm with experience across the upstream, midstream, and downstream sectors.<sup>24</sup>

38. Pursuant to the Sale Process Order, on January 23, 2026, the Receiver and Sayer commenced the Sale Process by distributing an interest solicitation letter to 2,650 potential purchasers and investors and advertising in industry publications, ensuring wide market exposure and a meaningful opportunity for competitive participation. As detailed in the Second Report, a number of parties executed non-disclosure agreements, were provided with access to the virtual data room, and conducted extensive due diligence procedures. Three parties submitted LOIs prior to the LOI Deadline.

39. Ultimately, in reviewing and evaluating the Qualified LOIs, none of the Qualified LOIs contemplated a fulsome repayment of the Cortland Indebtedness or were otherwise acceptable to Cortland. Pursuant to paragraph 26 of the Sale Process, Cortland informed the Receiver that it would proceed with the credit bid, and the Sale Process was subsequently terminated.<sup>25</sup>

40. The Receiver recommends the Transaction, given that it represents the strongest bid when considering all of price, conditionality, status of financing, and likelihood of closing.

***ii. The Transaction is in the interests of all parties***

41. In considering the interests of the parties, the Court's primary concern is the position of a debtor's creditors. A receiver must have regard to the interests of all creditors and act for the benefit of the creditor body as a whole.<sup>26</sup>

42. Cortland is the Debtors' largest secured creditor, holding approximately 98% of the total indebtedness. The Transaction was proposed by Cortland in furtherance of achieving full recovery of the Cortland Indebtedness. Given the results of the Sale Process, no other creditors (with the exception of the Priority Amounts, which will be paid in cash) have an economic interest in the Debtors.

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<sup>24</sup> First Report, s 4.2 [TAB C].

<sup>25</sup> Sale Process Order, Schedule "A" – Sale Process at para 26 [TAB D].

<sup>26</sup> [Soundair](#) at para 39–40 [TAB 2]; *Alberta Treasury Branches v Elaborate Homes Ltd*, [2014 ABQB 350](#) at para 61 [*Elaborate Homes*] [TAB 11].

43. The Receiver is of the view that the Transaction represents the best available outcome in the circumstances. The Transaction preserves the Debtors as a going concern, thereby maximizing value for creditors as a whole and maintaining continuity for other stakeholders.

*iii. The efficacy and integrity of the Receiver's process was appropriate*

44. The Court is not required to scrutinize every element of a receiver's sales process when assessing whether to approve an accepted offer.<sup>27</sup> It is "neither logical nor practical" to compare current results to what might have been recovered in some other set of circumstances.<sup>28</sup>

45. Courts should exercise caution before interfering with a receiver's chosen sale process. It is essential to the integrity of the receivership process that bona fide purchasers who have negotiated in good faith and entered into an agreement with a receiver can rely on the court not lightly interfering with the receiver's commercial judgment.

46. In the absence of clear evidence to the contrary, courts will proceed on the basis that a receiver has properly carried out its duties in relation to the debtor's property.<sup>29</sup>

47. The Receiver implemented a fair and transparent solicitation and assessment of offers, and the integrity of the Sale Process was maintained throughout. All interested parties were afforded meaningful opportunities to conduct due diligence and submit LOIs for the Receiver's and Sales Agent's consideration.

48. The Second Report and Confidential Appendix "1" containing Sayer's marketing summary, provide a comprehensive and clear basis for this Court's evaluation of the Sale Process, and demonstrate the efficacy and integrity of the process therein. Accordingly, the Receiver submits that the Court should protect the integrity of the Sale Process approved in this case and approve the Transaction generated through the Sale Process.

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<sup>27</sup> *Crown Trust Co et al v Rosenberg et al*, [1986 CanLII 2760](#) at paras 65-66 [*Crown Trust*] [TAB 12].

<sup>28</sup> *Soundair* at para 45 [TAB 2].

<sup>29</sup> *Soundair* at para 14 [TAB 2].

*iv. The Receiver's process was fair*

49. It is only in exceptional circumstances that a court will find a receiver's sale process to be unfair or depart from the receiver's recommendation.<sup>30</sup> Courts are to avoid unduly scrutinizing the minutia of the process or second-guessing the receiver's commercial strategy, while remaining satisfied that the process was conducted in a fair and commercially reasonable manner.<sup>31</sup>

50. There is no basis to suggest that the Sale Process was unfair. The Sale Process was approved by the Court. The Receiver engaged in ongoing and transparent communication with stakeholders throughout the Sale Process, including bidders and creditors, and consistently provided clear rationale for its decisions and steps taken in administering the process. At all material times, the Receiver conducted the Sale Process in a fair and commercially reasonable manner and appropriately brought the Transaction forward for Court approval.

51. Considering all of the *Soundair* factors, this Court should approve the Transaction.

**B. The Reverse Vesting Order is Appropriate and Complies with *Harte Gold***

52. This Court has jurisdiction to approve the RVO pursuant to sections 183 and 243 of the BIA.<sup>32</sup> The issue before the Court is whether the relief sought is appropriate in the circumstances and whether it treats stakeholders fairly and reasonably.<sup>33</sup>

53. It has been recognized that reverse vesting orders are not the norm.<sup>34</sup> Courts must be satisfied that the circumstances warrant such relief.<sup>35</sup>

54. Reverse vesting orders may be appropriate where:

- (a) the debtor operates in a highly-regulated environment in which its existing permits, licenses or other rights are difficult or impossible to reassign to a purchaser;

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<sup>30</sup> *Crown Trust* at paras 67 and 77 [TAB 12].

<sup>31</sup> *Three M* at para 47 [TAB 8], citing *Soundair* at para 49 [TAB 2].

<sup>32</sup> BIA, ss 183 and 243 [TAB 1].

<sup>33</sup> *Harte Gold Corp (Re)*, 2022 ONSC 653 at para 29 [*Harte Gold*] [TAB 13].

<sup>34</sup> *Just Energy Group Inc et al v Morgan Stanley Capital Group Inc et al*, 2022 ONSC 6354 at para 33 [*Just Energy*] [TAB 14].

<sup>35</sup> *Just Energy* at para 33 [TAB 14]; *Harte Gold* at para 38 [TAB 13].

- (b) the debtor is a party to certain key agreements that would be similarly difficult or impossible to assign to a purchaser; or
- (c) maintaining the existing legal entities would preserve certain tax attributes that would otherwise be lost in a traditional vesting order transaction.<sup>36</sup>

55. Beyond the *Soundair* principles, *Harte Gold* establishes four additional questions relevant to the approval of a reverse vesting order:

- (a) Why is the RVO necessary?
- (b) Does the RVO structure produce an economic result that is at least as favourable as any other viable alternative?
- (c) Is any stakeholder worse off under the RVO structure than they would have been under another viable alternative? and
- (d) Does the consideration being paid reflect the value of the intangible assets being preserved under the RVO.<sup>37</sup>

56. The principles of *Harte Gold* have been applied in the context of reverse vesting orders in receivership. For example, *MCAP Financial Corporation v QRD (Willoughby) Holdings Inc.*, the Supreme Court of British Columbia adopted the *Harte Gold* framework and held that the following factors are relevant to the granting of an RVO:

- (a) whether the process leading to the proposed sale or disposition was reasonable in the circumstances;
- (b) whether the monitor approved the process leading to the proposed sale or disposition;

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<sup>36</sup> *Just Energy* at para 34 [TAB 14]; *Invico Diversified Income Limited Partnership v NewGrange Energy Inc.*, [2024 ABKB 214](#) at paras 21-22 [Invico] [TAB 15].

<sup>37</sup> *Harte Gold* at para 38 [TAB 13]; *Invico* at para 20 [TAB 15].

- (c) whether the monitor filed with the court a report stating that in their opinion the sale or disposition would be more beneficial to the creditors than a sale or disposition under a bankruptcy;
- (d) the extent to which the creditors were consulted;
- (e) the effects of the proposed sale or disposition on the creditors and other interested parties; and
- (f) whether the consideration to be received for the assets is reasonable and fair, taking into account their market value.<sup>38</sup>

57. The proposed RVO provides that any Losses and Encumbrances will be transferred from the Debtors to the Independent Renewable Resources Trust, to be administered by the Receiver as Trustee of the Creditor Trust.

58. Although reverse vesting transactions have typically been structured to transfer assets to an existing debtor entity or to a newly incorporated "ResidualCo," courts have recognized and approved the use of creditor trusts administered by a Court-appointed receiver in the receivership context.<sup>39</sup>

59. Courts have recognized that reverse vesting orders may be structured using flexible tools available in insolvency proceedings, including the use of creditor trusts to hold residual assets and liabilities.<sup>40</sup> In approving such a structure, courts have accepted that a creditor trust administered by a court-appointed receiver can effectively mirror the rights and obligations that would otherwise exist within the receivership framework.

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<sup>38</sup> *Peakhill Capital Inc v Southview Gardens Limited Partnership*, 2023 BCSC 1476 at paras 21-22 [*Peakhill*] [TAB 16]; *MCAP Financial Corporation v QRD (Willoughby) Holdings Inc*, 2024 BCSC 1654 at para 12, citing *Harte Gold* at para 23 [TAB 17].

<sup>39</sup> *CWB Maxium Financial Inc v FGC Health et al*, Approval and Vesting Order granted October 9, 2024, Court File No. 2401-08064 at paras 4, 8(e)-(g), 9-11 and 18-22 [TAB 18]; *KW Capital Partners Limited v Vert Infrastructure Ltd*, Approval and Vesting Order granted June 8, 2021, Court File No. CV-20-00642256-00CL at paras 4, 7 and 9 [TAB 19] [*Vert Infrastructure*].

<sup>40</sup> *Vert Infrastructure*, Endorsement of Madam Justice Conway dated June 8, 2021 [TAB 20].

60. Courts have also accepted that reverse vesting orders may appropriately preserve tax attributes or avoid adverse tax consequences, where doing so enhances overall value in an insolvency process.<sup>41</sup>

61. In this case, the Debtors operate in a highly regulated industry, and the RVO structure allows the Purchaser to acquire the necessary regulatory authorizations without the delay and uncertainty associated with transferring such rights. At the same time, the structure preserves valuable tax attributes, thereby enhancing the value of the Transaction for the benefit of stakeholders.

62. The Receiver supports the use of the RVO structure and is of the view that it represents the most effective and practical means of implementing the Transaction. In the circumstances, and in conjunction with the considerations outlined above, the proposed RVO is appropriate and no stakeholder is worse off as a result of its implementation.

*i. The RVO is necessary in the present case*

63. The RVO is necessary to preserve valuable tax attributes, including tax loss pools, which would not be available under a traditional asset sale structure. These attributes are of material value to the Purchaser and form a key component of the overall consideration offered in the Transaction. Absent the RVO structure, this value would be lost, resulting in a diminished outcome. The preservation of tax attributes favours approval of an RVO structure.<sup>42</sup>

64. The RVO also preserves the Land Agreements, Licenses, and Permits required to continue operations at the Echo Refinery. This structure allows for the seamless preservation of these regulatory authorizations and avoids the delay, cost, and risk associated with transferring them to the Purchaser outside of an RVO structure.

65. In addition, the Purchaser wishes to pursue the Transaction through an RVO structure and approval of the RVO is a condition to closing.

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<sup>41</sup> *Peakhill* at para 61 [TAB 16].

<sup>42</sup> *Just Energy* at para 34 [TAB 14]; *PaySlate Inc (Re)*, [2023 BCSC 977](#) at paras 4 and 11 [TAB 21].

***ii. The RVO produces a favourable economic result***

66. The RVO results in the most favourable economic outcome reasonably available in the circumstances. The preservation of tax attributes enhances the value of the Transaction to the Purchaser and, in turn, improves the overall recovery available to stakeholders.

67. The Court-approved Sale Process did not yield any superior proposals, and there is no evidence that an alternative transaction structure would generate a better result for the Debtors' stakeholders.

68. In the absence of the RVO, the Transaction would be subject to delay, cost, and execution risk associated with transferring the Land Agreements, Licences, and Permits. The RVO is therefore integral to the completion of the Transaction.

***iii. No stakeholders are worse off under the RVO***

69. The Receiver is of the view that no stakeholder will be prejudiced or materially worse off by the issuance of the RVO. The Transaction will result in the assumption of the Cortland Indebtedness, which is owed to the Debtors' primary secured creditor and largest stakeholder.

70. In these circumstances, and in the absence of any superior alternative, the RVO structure does not leave any stakeholder in a worse position than under other reasonably available options.

***iv. The consideration being paid reflects the importance and value of the permits and licenses***

71. A key factor supporting the RVO structure is the preservation of value associated with the Land Agreements, Licences, Permits, and tax attributes. These assets were extensively marketed by the Sales Agent, in consultation with the Receiver, during the Sale Process. The resulting Transaction reflects the best available outcome following that process.

72. The consideration provided under the Transaction appropriately reflects the value of the Debtors' business, including the benefit of the preserved tax attributes. In particular, the assumption and treatment of the Cortland Indebtedness form a material component of the overall

consideration and supports the conclusion that the Transaction is fair and reasonable in the circumstances.

73. Accordingly, the Receiver respectfully submits that the RVO should be granted. The Debtors operate in a highly regulated environment, and the Transaction ensures continuity of operations while providing for the expected satisfaction of the Debtors' primary secured obligation.

### **C. The Releases in the RVO Should be Granted**

74. The RVO provides for IRRC, the Purchaser and the Receiver and each of their current and former directors, officers, employees, contractors, executive team, agents, representatives, and all of their respective advisors, including financial advisors and legal counsel (collectively, the "**Released Parties**"), to be released from the Released Claims (as defined in the proposed RVO).

75. The claims to be released include any claims arising in respect of:

- (a) the Transferred Assets or Transferred Liabilities;
- (b) any and all Losses and Encumbrances other than the Retained Liabilities against or relating to the Receiver, the Transferred Assets or the Retained Assets existing immediately prior to Closing;
- (c) the insolvency of the IRRC prior to Closing;
- (d) the commencement or existence of the Receivership Proceedings; or
- (e) the completion of the Transactions.

76. In *Re Lydian International Limited*, the Ontario Superior Court set out factors to be considered in granting releases, which have been reiterated in *Harte Gold*:

- (a) whether the parties to be released from claims were necessary and essential to the restructuring efforts of the debtor;
- (b) whether the claims to be released were rationally connected to the purpose of the plan of arrangement and necessary for it;

(c) whether the plan of arrangement could succeed without the releases; whether the parties being released contributed to the plan of arrangement; and

(d) whether the release benefits the debtors as well as creditors more broadly.<sup>43</sup>

77. The Released Parties have been integral to these receivership proceedings, including the conduct of the Sale Process and the negotiation and implementation of the Transaction. The Purchaser requires the proposed releases as a condition of the Transaction, which as previously noted provides for the highest and best realization of the Property for the benefit of all stakeholders.

78. The Receiver submits that the scope of the Released Claims is reasonable in the circumstances. The proposed releases are fair and reasonable in the circumstances and rationally connected to the Transaction and RVO. The Released Parties were necessary to the Debtors' restructuring and contributed materially to the conduct of the Sale Process, which culminated in the Transaction.

79. As a result of the Released Parties' efforts during these receivership proceedings, the Debtors obtained the highest and best value for their assets. Given the pivotal role of the proposed releases in both the Transaction and the RVO, if the releases are not granted there is a risk that the Purchaser does not proceed to closing or reduces the Purchase Price.

80. At this time, the Released Parties are not aware of any claims against them or their advisors in relation to the within receivership proceedings. Given the lack of pending claims, the Debtors' creditors are unlikely to be materially prejudiced if the releases are granted.

81. The releases of the claims noted above in favour of the Released Parties will assist in the closing of the Transaction and completion of the administration of the estate for which reserves or charges might otherwise be required.

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<sup>43</sup> *Harte Gold* at paras 80-86 [TAB 13]; *Lydian International Limited (Re)*, [2020 ONSC 4006](#) at para 54 [TAB 22].

#### D. The Temporary Sealing Order Should be Granted

82. Subparagraph 3(m) of the Receivership Order grants the Receiver the authority to apply for a temporary sealing order.

83. This Court has broad discretion to grant a temporary sealing order.<sup>44</sup> A temporary sealing order may be granted when:

- (e) an order is required to prevent serious risk to an important interest because reasonable alternative measures will not prevent the risk; and
- (f) the salutary effects of the order outweigh its deleterious effects, including the effects on the right to free expression, which includes public interest in open and accessible court proceedings.<sup>45</sup>

84. The Supreme Court of Canada restated the test an applicant must satisfy to obtain a temporary sealing order in *Sherman Estate v Donovan*.<sup>46</sup> An applicant must demonstrate:

- (a) court openness poses a serious risk to an important public interest;
- (b) the order sought is necessary to prevent this serious risk to the identified interest because reasonably alternative measures will not prevent this risk; and
- (c) as a matter of proportionality, the benefits of the order outweigh its negative effects.<sup>47</sup>

85. In insolvency proceedings, it is common for the Court to seal confidential documents containing commercially sensitive information.<sup>48</sup> Such a step is necessary where a further bidding process or subsequent sale may be required if the proposed transaction does not close. A sealing order ensures fair play so that competitors do not obtain an unfair advantage through access to court filings.<sup>49</sup>

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<sup>44</sup> *Alberta Rules of Court*, Alta Reg 124/2010, s 6.28 [TAB 23].

<sup>45</sup> *Sierra Club of Canada v Canada (Minister of Finance)*, 2002 SCC 41 at para 53 [TAB 24].

<sup>46</sup> *Sherman Estate v Donovan*, 2021 SCC 25 [*Sherman Estate*] [TAB 25].

<sup>47</sup> *Sherman Estate* at para 38 [TAB 25].

<sup>48</sup> *Elaborate Homes* at para 54 [TAB 11]; *Look Communications Inc v Look Mobile Corporation*, 2009 CanLII 71005 at para 17 [*Look Communications*] [TAB 27].

<sup>49</sup> *Elaborate Homes* at para 54 [TAB 11]; *Look Communications* at para 17 [TAB 27]; *Maxtech Manufacturing Inc (Re)*, 2010 ONSC 1161 at para 30 [TAB 28].

86. The Receiver seeks a temporary sealing order with respect to Confidential Appendix "1" to the Second Report, being Sayer's comprehensive marketing summary of the Sale Process. The Transaction has not yet closed, and Confidential Appendix "1" contains commercially sensitive information relating to the LOIs received, bidder participation, and valuation dynamics. The Receiver is of the view that the disclosure of this information could prejudice any further efforts to market and sell the Debtors' assets should the Transaction not close.

87. The Receiver submits that all three requirements of the *Sherman Estate* test have been met in the circumstances.

88. The important public interest is the integrity of the Sale Process and the preservation of commercially sensitive information relating to the marketing of the Debtors' assets, including the identity of prospective purchasers and the terms of LOIs received. Confidential Appendix "1" contains Sayer's detailed marketing summary of the Sale Process, including information that reflects bidder interest, valuation dynamics, and transaction-specific details that are not publicly available.

89. Public disclosure of this information would create a real risk of prejudice to any further marketing or sale efforts in the event the Transaction does not close.

90. The salutary effects of sealing Confidential Appendix "1" outweigh any deleterious impact on the open court principle. The requested sealing order is narrow and targeted, and the Receiver has sought to limit confidentiality to only those materials that contain sensitive commercial information, while ensuring that all non-sensitive information remains publicly accessible.

91. Accordingly, the Receiver seeks a temporary sealing order which may be lifted upon the earlier of the closing of the Transaction or further order of the Court, which is a proportionate and appropriate measure to prevent any risk of harming the Transaction. Notice of this application was provided in accordance with the Court's requirements via the Court's website, and confirmation of such notice was received by email dated April 16, 2026.

**V. CONCLUSION**

92. The Receiver respectfully requests that this Honourable Court grant the Orders, substantially in the forms attached to the Application, for the following relief:

- (a) approval of the Transaction;
- (b) grant the RVO; and
- (c) temporarily seal Confidential Appendix "1" of the Second Report.

**ALL OF WHICH IS RESPECTFULLY SUBMITTED**, this 17<sup>th</sup> day of April, 2026.

**BENNETT JONES LLP**



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Sean Zweig / Chyna Brown  
Counsel to the Receiver, KSV Restructuring Inc.

## VI. TABLE OF AUTHORITIES

1. [\*Bankruptcy and Insolvency Act\*, RSC 1985, c B-3](#)
2. *Royal Bank of Canada v Soundair Corp*, [1991 CanLII 2727, 91 CBR \(5th\) 285](#) (ON CA)
3. *Delta 9 Cannabis Inc (Re)*, [2025 ABKB 52](#)
4. *Long Run Exploration Ltd (Re)*, [2024 ABKB 710](#)
5. *Sanjel Corporation (Re)*, [2016 ABQB 257](#)
6. *Acerus Pharmaceuticals Corporation (Re)*, [2023 ONSC 3314](#)
7. *PricewaterhouseCoopers Inc v 1905393 Alberta Ltd*, [2019 ABCA 433](#)
8. *1705221 Alberta Ltd v Three M Mortgages Inc*, [2021 ABCA 144](#)
9. *Skyepharama PLC v Hyal Pharmaceutical Corp*, [2000 CanLII 5650](#)
10. *Bank of Montreal v River Rentals Group Ltd*, [2010 ABCA 16](#)
11. *Alberta Treasury Branches v Elaborate Homes Ltd*, [2014 ABQB 350](#)
12. *Crown Trust Co et al v Rosenberg et al*, [1986 CanLII 2760](#)
13. *Harte Gold Corp (Re)*, [2022 ONSC 653](#)
14. *Just Energy Group Inc et al v Morgan Stanley Capital Group Inc et al*, [2022 ONSC 6354](#)
15. *Invico Diversified Income Limited Partnership v NewGrange Energy Inc*, [2024 ABKB 214](#)
16. *Peakhill Capital Inc v Southview Gardens Limited Partnership*, [2023 BCSC 1476](#)
17. *MCAP Financial Corporation v QRD (Willoughby) Holdings Inc*, [2024 BCSC 1654](#)

18. *CWB Maxium Financial Inc v FGC Health et al*, Approval and Vesting Order granted October 9, 2024, Court File No. [2401-08064](#)
19. *KW Capital Partners Limited v Vert Infrastructure Ltd*, Approval and Vesting Order granted June 8, 2021, Court File No. [CV-20-00642256-00CL](#)
20. [Vert Infrastructure](#), Endorsement of Madam Justice Conway dated June 8, 2021.
21. *PaySlate Inc (Re)*, [2023 BCSC 977](#)
22. *Lydian International Limited (Re)*, [2020 ONSC 4006](#)
23. [Alberta Rules of Court](#), Alta Reg 124/2010
24. *Sierra Club of Canada v Canada (Minister of Finance)*, [2002 SCC 41](#)
25. *Sherman Estate v Donovan*, [2021 SCC 25](#)
26. *Alberta Treasury Branches v Elaborate Homes Ltd*, [2014 ABQB 350](#)
27. *Look Communications Inc v Look Mobile Corporation*, [2009 CanLII 71005](#)
28. *Maxtech Manufacturing Inc (Re)*, [2010 ONSC 1161](#)

## **VII. COMPENDIUM OF DOCUMENTS**

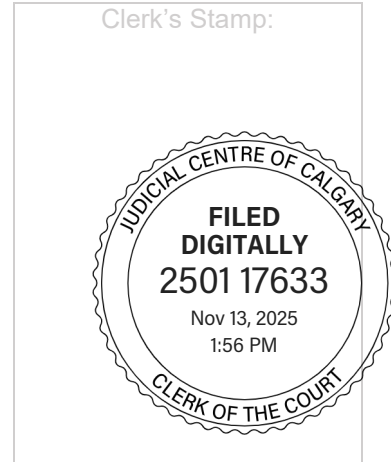
- A. Receivership Order, filed November 13, 2025
- B. First Report of the Receiver dated January 6, 2026
- C. Second Report of the Receiver dated April 17, 2026
- D. Sale Process Order filed January 24, 2026

# TAB A

COURT FILE NO.: 2501-17633  
COURT COURT OF KING'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY

*IN THE MATTER OF THE BANKRUPTCY  
AND INSOLVENCY ACT, RSC 1985, c B-3*

*IN THE MATTER OF THE RECEIVERSHIP  
OF INDEPENDENT RENEWABLE  
RESOURCES CORP. and INDEPENDENT  
ENERGY HOLDINGS INC.*



PLAINTIFF CORTLAND CREDIT LENDING CORPORATION  
DEFENDANTS INDEPENDENT RENEWABLE RESOURCES CORP. and INDEPENDENT  
ENERGY HOLDINGS INC.

DOCUMENT **RECEIVERSHIP ORDER**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT  
Cassels Brock & Blackwell LLP  
Suite 3700, Bankers Hall West  
888 3<sup>rd</sup> Street SW  
Calgary, Alberta, T2P 5C5  
Telephone 403-351-2921  
Facsimile 403-648-1151  
Email: [joliver@cassels.com](mailto:joliver@cassels.com) / [kwiest@cassel.com](mailto:kwiest@cassel.com)

File No. 57175-21

**Attention: Jeffrey Oliver / Kamryn Wiest**

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DATE ON WHICH ORDER WAS PRONOUNCED: **NOVEMBER 13, 2025**  
LOCATION OF HEARING: **CALGARY, AB**  
NAME OF JUSTICE WHO GRANTED THIS ORDER: **JUSTICE BOURQUE**

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**UPON** the application (the "**Application**") of Cortland Credit Lending Corporation ("**Cortland**" or the "**Plaintiff**") in respect of Independent Renewable Resources Corp. ("**IRRC**") and Independent Energy Holdings Inc. ("**IEH**", and together with IRRC, the "**Debtors**"); **AND UPON** having read the Application, the Affidavit of Deepak Alappat, sworn on November 3, 2025, and the Affidavit of Service of Gaby Kurta sworn November 12, 2025; **AND UPON** reading Cortland's brief of law filed November 3, 2025, the Debtor's brief filed November 6, 2025 and Cortland's reply brief filed November 10, 2025; **AND UPON** reading the consent of KSV Restructuring Inc. ("**KSV**") to act as receiver and manager (in such capacity, the "**Receiver**") of the

Debtors, filed November 6, 2025; **AND UPON** hearing counsel for the Plaintiff, counsel for the Debtors, counsel for the proposed Receiver and any other counsel or other interested parties present on November 12, 2025; **AND UPON** judgement of the Application being reserved until November 13, 2025;

**IT IS HEREBY ORDERED AND DECLARED THAT:**

**SERVICE**

1. The time for service of the Application for this order (the "**Order**") is hereby abridged and deemed good and sufficient and this application is properly returnable today.

**APPOINTMENT**

2. Pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3 (the "**BIA**") and section 13(2) of the *Judicature Act*, RSA 2000, c J-2, KSV is hereby appointed Receiver, without security, of all of the Debtors' current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the "**Property**").

**RECEIVER'S POWERS**

3. The Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
  - (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property, which shall include the Receiver's ability to abandon, dispose of, or otherwise release any interest in any of the Debtors' real or personal property, or any right in any immovable property;
  - (b) to receive, preserve, protect, and maintain control of the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of the Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
  - (c) to manage, operate and carry on the business of the Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtors;
  - (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a

temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;

- (e) to purchase or lease machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors, and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to or by the Debtors;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtors;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding, and provided further that nothing in this Order shall authorize the Receiver to defend or settle the action in which this Order is made unless otherwise directed by this Court;
- (k) to market any or all the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:
  - i. without the approval of this Court in respect of any transaction not exceeding \$500,000, provided that the aggregate consideration for all such transactions does not exceed \$1,000,000; and
  - ii. with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 60(8) of the *Personal Property Security Act*, RSA 2000, c. P-7 or any other similar legislation in any other province or territory shall not be required.

- (m) to apply for any vesting order or other orders (including, without limitation, confidentiality or sealing orders) necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting the Property;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (o) to register a copy of this Order and any other orders in respect of the Property against title to any of the Property, and when submitted by the Receiver for registration this Order shall be immediately registered by the Registrar of Land Titles of Alberta, Saskatchewan Land Titles Registry, or any other similar government authority, notwithstanding Section 191 of the *Land Titles Act*, RSA 2000, c. L-4, *The Land Titles Act, 2000*, SS 2000, c L-5.1, or the provisions of any other similar legislation in any other province or territory and notwithstanding that the appeal period in respect of this Order has not elapsed and the Registrar of Land Titles of Alberta, Saskatchewan Land Titles Registry, or any other similar government authority shall accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver and not in its personal capacity;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of any of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (r) to retain for the unexpired term, assign, surrender, renegotiate or terminate any lease or agreement related to the Property;
- (s) to collect the rents, profits, and other receipts arising from the Property or any part thereof;
- (t) to exercise any shareholder, partnership, joint venture, or other rights which the Debtors may have; and

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

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

#### **DUTY TO PROVIDE ACCESS AND CO-OPERATIONS TO THE RECEIVER**

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

may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names, and account numbers that may be required to gain access to the information.

#### **NO PROCEEDINGS AGAINST THE RECEIVER**

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

#### **NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY**

8. No Proceeding against or in respect of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors or the Property are hereby stayed and suspended pending further Order of this Court, provided, however, that nothing in this Order shall: (i) prevent any Person from commencing a proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such proceeding is not commenced before the expiration of the stay provided by this paragraph; and (ii) affect a Regulatory Body's investigation in respect of the Debtors or an action, suit or proceeding that is taken in respect of the Debtors by or before the Regulatory Body, other than the enforcement of a payment order by the Regulatory Body or the Court. **"Regulatory Body"** means a person or body that has powers, duties or functions relating to the enforcement or administration of an Act of Parliament or of the legislature of a Province.

#### **NO EXERCISE OF RIGHTS OR REMEDIES**

9. All rights and remedies of any Person, whether judicial or extra-judicial, statutory or non statutory (including, without limitation, set-off rights) against or in respect of the Debtors or the Property, the Receiver, or affecting the Property are hereby stayed and suspended and shall not be commenced, proceeded with or continued except with leave of this Court, provided, however, that nothing in this Order shall:
  - (a) empower the Receiver to carry on any business which the Debtors are not lawfully entitled to carry on;
  - (b) prevent the filing of any registration to preserve or perfect a security interest;
  - (c) prevent the registration of a claim for lien; or
  - (d) exempt the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment.

10. Nothing in this Order shall prevent any party from taking an action against the Debtors or the Property where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such party except in accordance with the other provisions of this Order, and notice in writing of such action be given to the Receiver at the first available opportunity.

#### **NO INTERFERENCE WITH THE RECEIVER**

11. No Person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtors, including, without limitation, insurance coverage, except with the written consent of the Receiver, or leave of this Court. Nothing in this Order shall prohibit any party to an eligible financial contract (as defined in the BIA) from terminating such contract or exercising any rights of set-off, in accordance with its terms.

#### **CONTINUATION OF SERVICES**

12. All persons having:
- (a) statutory or regulatory mandates for the supply of goods and/or services; or
  - (b) oral or written agreements or arrangements with any of the Debtors, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Debtors,

are hereby restrained until further order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the Debtors or exercising any other remedy provided under such agreements or arrangements. The Receiver shall be entitled to the continued use of the Debtors' current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the usual prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with the payment practices of the Debtors, or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

#### **RECEIVER TO HOLD FUNDS**

13. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale or disposition of all or any of the Property and the collection of any accounts

receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

## **EMPLOYEES**

14. Subject to employees' rights to terminate their employment, all employees of the Debtors shall remain the employees of the applicable Debtor until such time as the Receiver, on the applicable Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, SC 2005, c. 47 ("**WEPPA**").
15. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, SC 2000, c. 5, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any of the Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

## **LIMITATIONS ON ENVIRONMENTAL LIABILITIES**

16. Notwithstanding anything in any federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arose or environmental damage that occurred:
  - i. before the Receiver's appointment; or

- ii. after the Receiver's appointment unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.
- (a) Nothing in sub-paragraph 16 exempts a Receiver from any duty to report or make disclosure imposed by a law referred to in that sub-paragraph.
  - (b) Notwithstanding anything in any federal or provincial law, but subject to sub-paragraph 16 hereof, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, the Receiver is not personally liable for failure to comply with the order, and is not personally liable for any costs that are or would be incurred by any person in carrying out the terms of the order,
    - i. if, within such time as is specified in the order, within 10 days after the order is made if no time is so specified, within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, or during the period of the stay referred to in clause (**Error! Reference source not found.**) b below, the Receiver:
      - A. complies with the order, or
      - B. on notice to the person who issued the order, abandons, disposes of or otherwise releases any interest in any real property affected by the condition or damage;
    - ii. during the period of a stay of the order granted, on application made within the time specified in the order referred to in clause (i) above, within 10 days after the order is made or within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, by:
      - A. the court or body having jurisdiction under the law pursuant to which the order was made to enable the Receiver to contest the order; or
      - B. the court having jurisdiction in bankruptcy for the purposes of assessing the economic viability of complying with the order; or
    - iii. if the Receiver had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.

## LIMITATION ON THE RECEIVER'S LIABILITY

17. Except for gross negligence or wilful misconduct, as a result of its appointment or carrying out the provisions of this Order, the Receiver shall incur no liability or obligation that exceeds an amount for which it may obtain full indemnity from the Property. Nothing in this Order shall derogate from any limitation on liability or other protection afforded to the Receiver under any applicable law, including, without limitation, sections 14.06, 81.4(5) or 81.6(3) of the BIA.

## RECEIVER'S ACCOUNTS

18. The Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case, incurred at their standard rates and charges. The Receiver and counsel to the Receiver shall be entitled to the benefits of and are hereby granted a charge (the "**Receiver's Charge**") on the Property as security for their professional fees and disbursements incurred at the normal rates and charges of the Receiver and such counsel, both before and after the making of this Order in respect of these proceedings, and the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person but subject to section 14.06(7), 81.4(4) and 81.6(2) of the BIA. The Receiver and its legal counsel shall pass their accounts from time to time.
19. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including the legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

## FUNDING OF THE RECEIVERSHIP

20. The Receiver shall be at liberty and is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$2,000,000 (or such greater amount as this Court may by further order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person,

but subordinate in priority to the Receiver's Charge and the charges set out in sections 14.06(7), 81.4(4) and 81.6(2) of the BIA.

21. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
22. The Receiver is at liberty and authorized to issue certificates substantially in the form annexed as **Schedule "A"** hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.
23. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.
24. The Receiver shall be authorized to repay any amounts borrowed by way of Receiver's Certificates out of the Property or any proceeds, including any proceeds from the sale of any assets without further approval of this Court.

#### **ALLOCATION**

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

#### **GENERAL**

26. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
27. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, unless otherwise ordered by this Court, the Receiver will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence. The Receiver's reports shall be filed by the Court Clerk notwithstanding that they do not include an original signature.
28. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of either of the Debtors.
29. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any foreign jurisdiction to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such

orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Receiver in any foreign proceeding, or to assist the Receiver and its agents in carrying out the terms of this Order.

30. The Receiver shall be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
31. The Plaintiff shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis, including legal costs on a solicitor-client full indemnity basis, to be paid by the Receiver from the Debtors' estate with such priority and at such time as this Court may determine.
32. Any interested party may apply to this Court to vary or amend this Order on not less than 7 days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

## **FILING**

33. The Receiver shall establish and maintain a website in respect of these proceedings at <https://www.ksvadvisory.com/experience/case/IRRC> (the "**Receiver's Website**") and shall post there as soon as practicable:
  - (a) all materials prescribed by statute or regulation to be made publicly available; and
  - (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, or served upon it, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.
34. Service of this Order shall be deemed good and sufficient by:
  - (a) serving the same on:
    - i. the persons listed on the service list created in these proceedings or otherwise served with notice of these proceedings;
    - ii. any other person served with notice of the application for this Order;

- iii. any other parties attending or represented at the application for this Order; and
- (b) posting a copy of this Order on the Receiver's Website

and service on any other person is hereby dispensed with.

35. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.



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Justice of the Court of King's Bench of Alberta

**SCHEDULE "A"**  
**RECEIVER CERTIFICATE**

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

1. THIS IS TO CERTIFY that KSV Restructuring Inc., the receiver and manager (in such capacity, the "**Receiver**") of all of the current and future assets, undertakings and properties of **INDEPENDENT RENEWABLE RESOURCES CORP. and INDEPENDENT ENERGY HOLDINGS INC.** appointed by Order of the Court of King's Bench of Alberta and Court of King's Bench of Alberta in Bankruptcy and Insolvency (collectively, the "**Court**") dated the 12<sup>th</sup> day of November, 2025 (the "**Order**") made in action number [●], has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$[●], being part of the total principal sum of \$[●], that the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily / monthly not in advance on the [●] day of each month] after the date hereof at a notional rate per annum equal to the rate of [●] per cent above the prime commercial lending rate of [●] from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at [●].
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.
7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the [●] day of [●], 202\_

**KSV RESTRUCTURING INC.**, solely in its capacity as Receiver of **INDEPENDENT RENEWABLE RESOURCES CORP. and INDEPENDENT ENERGY HOLDINGS INC.** and not in its personal capacity or corporate capacity

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

Name:

Title:

**TAB B**



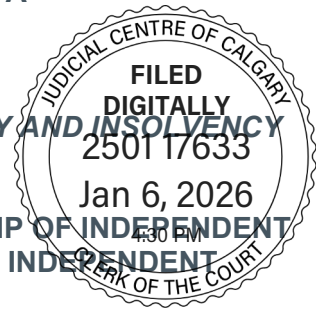
COURT FILE NUMBER           **2501-17633**

COURT                               **COURT OF KING’S BENCH OF ALBERTA**

JUDICIAL CENTRE               **CALGARY**

PROCEEDINGS                   **IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY* ACT, RSC 1985, c B-3**

**IN THE MATTER OF THE RECEIVERSHIP OF INDEPENDENT RENEWABLE RESOURCES CORP. and INDEPENDENT ENERGY HOLDINGS INC.**



DOCUMENT                       **FIRST REPORT OF THE RECEIVER  
JANUARY 6, 2026**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT                       **RECEIVER**  
KSV Restructuring Inc.  
Suite 1165, 324 – 8<sup>th</sup> Avenue SW  
Calgary, Alberta  
T2P 2Z2

Attention:           Noah Goldstein / Jason Knight / Ross Graham  
Telephone:       416.932.6207 / 587.287.2605 / 587.287.2750  
Facsimile:       416.932.6266  
Email:             ngoldstein@ksvadvisory.com /  
                          jknight@ksvadvisory.com /  
                          rgraham@ksvadvisory.com

**RECEIVER’S COUNSEL**

Bennett Jones LLP  
4500 Bankers Hall East  
855 – 2<sup>nd</sup> Street SW  
Calgary, Alberta  
T2P 4K7

Attention:           Sean Zweig / Chyna Brown  
Telephone:       416.777.6254 / 403.298.3244  
Facsimile:       403.265.7219  
Email:             zweigs@bennettjones.com /  
                          brownnc@bennettjones.com

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## 1.0 Introduction

1. On November 13, 2025, the Court of King's Bench of Alberta (the "**Court**") granted an order (the "**Receivership Order**") pursuant to subsection 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**"), and subsection 13(2) of the *Judicature Act*, R.S.A. 2000, c J-2, as amended, appointing KSV Restructuring Inc. ("**KSV**") as the receiver and manager (in such capacity, the "**Receiver**") over all the current and future assets, undertakings, and properties (collectively, the "**Property**") of Independent Renewable Resources Corp. ("**IRRC**") and Independent Energy Holdings Inc. ("**IEH**", and together with IRRC, the "**Companies**"). A copy of the Receivership Order is attached as **Appendix "A"**.
2. The principal asset of the Companies is a used motor oil feedstock modular refinery (the "**Echo Refinery**") located on 49.39 acres of land in the Regional Municipality of Bone Creek No. 108, in southwest Saskatchewan<sup>1</sup> (the "**IRRC Lands**").
3. The application to appoint KSV as Receiver was made by Cortland Credit Lending Corporation ("**Cortland**"), the Companies' largest and senior secured creditor. As discussed below, the principal purpose of these proceedings is to create a stabilized environment in which the Echo Refinery can continue to operate while the Receiver conducts a sale process to monetize the Property, for the benefit of the Companies' stakeholders.

### 1.1 Purposes of this First Report

1. The purposes of this report (the "**First Report**") are to update the Court on the receivership proceedings and to provide information to the Court in support of the Receiver's application for:
  - a) an order (the "**Sale Process Order**"), among other things:
    - i. authorizing and empowering the Receiver to enter into the engagement letter agreement dated January 15, 2026 (the "**Sales Agent Agreement**"), between the Receiver and Sayer Energy Services ("**Sayer**" or the "**Sales Agent**"); and

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<sup>1</sup> Legal Description: Surface Parcel #149547055; Reference Land Description: NW Sec 08 Twp 09 Rge 17 W3 Extension 30.

- ii. approving the sale process described in Section 5 of this First Report with respect to the Property (the “**Sale Process**”), and authorizing the Receiver and the Sales Agent to carry out the Sale Process in accordance with its terms and the terms of the Sale Process Order;
- b) an order (the “**Sealing Order**”) sealing a confidential version of the Sales Agent Agreement, attached as **Confidential Appendix “1”**, which contains commercially sensitive information; and
- c) an order (the “**Ancillary Order**”), among other things:
  - i. increasing the Receiver’s maximum permitted borrowings under the Receivership Order from \$2.00 million to \$3.20 million, and granting a corresponding increase to the second-ranking super-priority charge (the “**Receiver’s Borrowings Charge**”) over the Property for the purpose of funding the exercise of the powers and duties conferred upon the Receiver pursuant to the Receivership Order; and
  - ii. approving the Receiver’s activities since the date of the Receivership Order, as set out in this First Report.

## 1.2 Scope and Terms of Reference

1. In preparing this First Report, the Receiver has relied upon the Companies’ unaudited financial information, books and records, information available in the public domain, and discussions with Cortland, the Sales Agent, Kurt Hausen (“**Hausen**”), the Companies’ contract Chief Restructuring Officer (“**CRO**”), and RuthAnn Clarke (“**Clarke**”), the Companies’ contract bookkeeper.
2. The Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the financial information relied on to prepare this First 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.

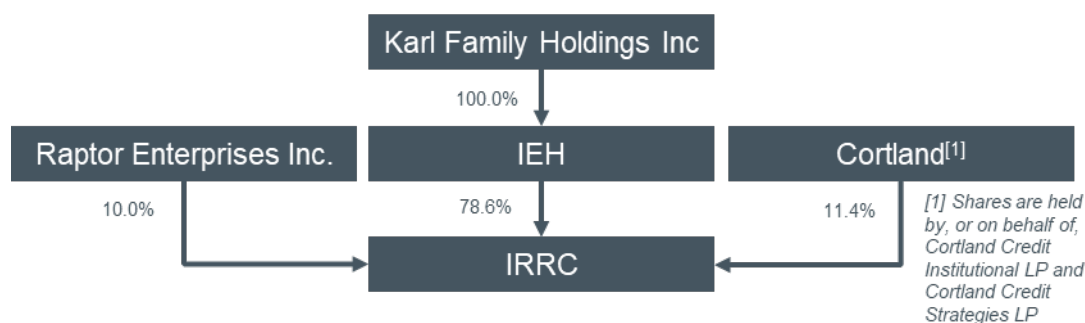
3. An examination of the Cash Flow Forecast (defined below) as outlined in the Chartered Professional Accountants of Canada Handbook has not been performed. The Cash Flow Forecast is based on information currently available to the Receiver and is subject to change as circumstances evolve. Accordingly, the Receiver does not express any opinion or other form of assurance on whether the Cash Flow Forecast will be achieved.
4. Additional background concerning the Companies and events leading to these proceedings is provided in the Affidavit of Deepak Alappatt, a representative of Cortland, sworn November 3, 2025 (the “**Alappatt Affidavit**”). The Alappatt Affidavit, and all other Court materials filed in these receivership proceedings, are available on the Receiver’s case website at: [www.ksvadvisory.com/experience/case/IRRC](http://www.ksvadvisory.com/experience/case/IRRC) (the “**Case Website**”).

### 1.3 Currency

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

## 2.0 Background

1. The Companies are corporations incorporated pursuant to the *Business Corporations Act*, RSA 2000, c B-9, as amended. Ownership details of the Companies are set out in the chart below:<sup>2</sup>



<sup>2</sup> The chart represents the current ownership structure as outlined in paragraph 7 of the Alappatt Affidavit. As noted in the Alappatt Affidavit, the Alberta Corporate Registry search indicates that: (i) IEH owns 88.6% of the issued and outstanding voting shares of IRRC; (ii) Cortland owns 3.80% of the issued and outstanding voting shares of IRRC; and (iii) Cortland Credit Strategies LP and BMO Nesbitt Burns Inc. (in an ITF account for Cortland Credit Strategies LP) hold the remaining shares of, being 7.6%, combined.

## 2.1 Echo Refinery

1. The Echo Refinery utilizes used motor oil feedstock (the “**Feedstock**”) to produce refined petroleum products such as naphtha, gasoline, kerosene, and residual bunker. The Feedstock is provided to IRRC by, among others, GFL Environmental Inc., Environmental 360 Solutions Ltd., Recycle West Inc., and Pat’s Offroad Transport Ltd. (collectively with other critical suppliers, the “**Critical Suppliers**”).
2. To operate the Echo Refinery, IRRC holds critical licenses issued by the Saskatchewan Energy Regulator, the Saskatchewan Water Security Agency, and the Saskatchewan Ministry of Environment.
3. As of the date of the Receivership Order, IRRC had nine (9) employees and seven (7) contractors, all but one of whom were deemed critical to the day-to-day operation of the Echo Refinery.

## 2.2 Creditors

1. Based on the Receiver’s review of the Companies’ books and records, as at the date of the Receivership Order, the Companies’ creditors are owed approximately \$69.60 million, consisting of:
  - a) Cortland – approximately \$68.35 million;
  - b) other secured creditors – approximately \$202,392; and
  - c) unsecured creditors – approximately \$1.05 million.

### 2.2.1 Cortland

1. Pursuant to a commitment letter between the Companies and Cortland dated February 16, 2022, as amended seven times, Cortland established in favour of IRRC a credit facility in the principal amount of \$49.50 million and an uncommitted accordion of \$4.50 million (collectively, the “**Cortland Facility**”).
2. As at the date of the Receivership Order, the total indebtedness outstanding under the Cortland Facility was approximately \$68.35 million, with interest and costs continuing to accrue (the “**Cortland Indebtedness**”).

3. The payment and performance of the Cortland Indebtedness is secured by various security (collectively, the “**Cortland Security**”) including, among other things:
  - a) a first mortgage in the principal amount of \$280 million registered against the IRRC Lands in favour of Cortland;
  - b) the following granted by IRRC in favour of Cortland: (i) a general security agreement; (ii) a share pledge agreement; (iii) an environmental indemnity agreement; (iv) a general assignment of material projects; and (v) a transfer and assignment of insurance, each dated February 16, 2022;
  - c) the following granted by IEH in favour of Cortland: (i) an unlimited guarantee; (ii) a general security agreement; and (iii) a share pledge agreement, each dated February 16, 2022;
  - d) the following granted by Raptor Enterprises Inc. (“**Raptor**”) in favour of Cortland: (i) a limited recourse guarantee; and (ii) a share pledge agreement, each dated December 22, 2022; and
  - e) a subordination, postponement, and standstill agreement between Raptor, IEH, and Cortland dated December 22, 2022, in which all security held by Raptor in the assets of IEH is postponed in favour of the security interest held by Cortland in IEH.
4. As detailed in the Alappatt Affidavit, after an initial demand for repayment of the Cortland Indebtedness on June 29, 2023, the Companies and Cortland entered into a Forbearance Agreement dated November 1, 2023 (as amended nine times, the “**Forbearance Agreement**”). The forbearance period ultimately expired on September 11, 2025, and was not extended. Accordingly, on October 17, 2025, Cortland formally demanded payment of the Cortland Indebtedness and issued a Notice of Intention to Enforce Security under section 244 of the BIA.
5. The Receiver has requested from its legal counsel an opinion in respect of the validity of the secured claims against the Property, including the Cortland Facility. The Receiver will seek a further order for distribution of sale proceeds, upon confirmation of entitlement and applicable priorities to the same.

### **2.2.2 Other Secured Creditors**

1. In addition to Cortland, the following parties are secured creditors of the Companies based on the Companies' books and records:
  - a) Raptor – as at the date of this First Report, the Receiver is working to confirm the nature of Raptor's secured registration against the Companies;
  - b) Nicholson Leasing 1994 Ltd. and Sherwood Credit and Leasing – in respect of certain vehicles leased by IRRC; and
  - c) Rural Municipality of Bone Creek No.108N – for outstanding property taxes totaling approximately \$163,187.

### **2.2.3 Unsecured Creditors**

1. Based on the Receiver's review of the Companies' books and records, as at the date of the Receivership Order, the Companies' unsecured creditors are owed approximately \$1.05 million, consisting of:
  - a) approximately \$790,300 owing to Critical Suppliers; and
  - b) approximately \$259,700 owing to other suppliers and vendors.

## **3.0 Current Operations**

1. As noted above, IRRC's employees and contractors are critical to the day-to-day operation of the Echo Refinery. Since the commencement of the receivership proceedings, the Echo Refinery continues to operate in the ordinary course under the direction of Hausen and the oversight of the Receiver.
2. Following its appointment, the Receiver undertook a series of steps to ensure operations at the Echo Refinery continued in the normal course, including:
  - a) working with Hausen to:
    - i. confirm that all permits, licenses, and approvals necessary to operate the Echo Refinery were in place and that ongoing monitoring, reporting, and compliance activities continued to be performed;
    - ii. confirm that access to the Echo Refinery was limited to authorized personnel;

- iii. understand the Echo Refinery's operating status, staffing requirements, and critical operational risks;
  - iv. identify essential employees required to operate and maintain the Echo Refinery in a safe and compliant manner;
  - v. identify critical suppliers, utilities, and service providers necessary to maintain safe operations at the Echo Refinery; and
  - vi. discuss oversight and reporting protocols to ensure that the Echo Refinery's operations continued under the Receiver's supervision;
- b) the following financial oversight measures:
- i. opening and maintaining the Receiver's estate account for the Companies;
  - ii. corresponding with ATB Financial ("**ATB**"), the Companies' bank, to: (1) place the Companies' accounts at ATB (the "**Accounts**") on deposit-only status; (2) change the Accounts' signatories to representatives of the Receiver; and (3) facilitate weekly transfers of the funds in the Accounts to the Receiver's estate account;
  - iii. with the assistance of Hausen and Clarke, preparing a cash flow forecast to determine the timing and amount of funding required during the receivership proceedings; and
  - iv. implementing approval processes for operating expenditures;
- c) maintaining appropriate insurance coverage, including:
- i. reviewing all insurance policies to ensure adequate insurance coverage is in place;
  - ii. contacting Navacord Insurance Services Alberta Inc. ("**Navacord**"), the Companies' insurance broker, to confirm coverage and add the Receiver as an additional insured and loss payee to the policies; and
  - iii. corresponding extensively with Navacord regarding the renewal of the Companies' insurance policies and the information required by Navacord to renew same.

3. As at the date of this First Report, the Receiver continues to work with Hausen and Clarke to monitor the Echo Refinery's operations and liquidity.

## 4.0 Retention of Sayer as the Proposed Sales Agent

1. The Receiver is seeking the Court's approval to retain Sayer as its Sales Agent, in accordance with the proposed Sale Process. As detailed below, Sayer will be responsible for marketing the Property, including the Companies' principal asset, the Echo Refinery, pursuant to the proposed Sale Process, if approved. The Receiver will oversee the conduct of the Sale Process.

### 4.1 Sales Agent Agreement<sup>3</sup>

1. The following is a summary of the Sales Agent Agreement. A copy of the Sales Agent Agreement, with financial terms redacted, is attached as **Appendix "B"**. An unredacted copy of the Sales Agent Agreement is attached as **Confidential Appendix "1"**.
2. Under the Sales Agent Agreement, Sayer's services will include, among other things:
  - a) reviewing, compiling, and analyzing all available information regarding the Property and assisting with preparing an information summary, an informal evaluation summary, and a data room containing information regarding the Echo Refinery and the Property;
  - b) preparing an initial marketing or offering summary (a **"Teaser Letter"**), to be reviewed and approved by the Receiver;
  - c) identifying and contacting parties that may have an interest in the Property and distributing the Teaser Letter to same;
  - d) providing information on the Property to parties that have an interest in same and have executed a confidentiality agreement satisfactory to the Receiver;
  - e) evaluating offers submitted to the Receiver with respect to the sale of the Property (a **"Transaction"**); and
  - f) assisting in the closing of the Transaction.

---

<sup>3</sup> Capitalized terms used but not otherwise defined in this section have the meanings ascribed to them in the Sales Agent Agreement.

3. The fees payable to Sayer pursuant to the Sales Agent Agreement are as follows:
  - a) **Work Fee:** Sayer is entitled to a one-time work fee (the “**Work Fee**”) payable on the effective date of the Sales Agent Agreement; and
  - b) **Transaction Fee:** Sayer will be paid the following fees, depending on the type of Transaction completed in the Sale Process:
    - i. **Fixed Fee:** in the event that the Receiver completes a Transaction with Cortland or certain other parties (each, a “**Fixed Fee Transaction**”), upon closing of the Fixed Fee Transaction, the Receiver agrees to pay Sayer a fixed fee set out in the Sales Agent Agreement (the “**Fixed Fee**”); or
    - ii. **Success Fee:** upon closing of the Transaction that is not a Fixed Fee Transaction, the Receiver agrees to pay Sayer a success fee based on a percentage of the total consideration achieved from the Transaction, subject to a maximum amount (the “**Success Fee**”, and together with the Fixed Fee, the “**Transaction Fee**”).

#### **4.2 Recommendation Regarding Approval of the Sales Agent Agreement**

1. The Receiver recommends that the Court approve the retention of Sayer as the Sales Agent under the Sales Agent Agreement for the following reasons:
  - a) in the Receiver’s view, the fees payable to Sayer are consistent with market and commercially reasonable, as:
    - i. the Work Fee is reasonable in the circumstances;
    - ii. the Transaction Fee is contingent on the successful completion of a Transaction; and
    - iii. the Transaction Fee is consistent with similar fees in other proceedings based on, among other things, recent oil and gas insolvency mandates in which KSV has acted as receiver, monitor, and/or proposal trustee and in which a sales agent has been retained;
  - b) Sayer is a leading oil and natural gas mergers and acquisition advisory firm that has completed over 1,000 transactions in all segments of the oil and natural gas industry (i.e., upstream, midstream, and downstream); and

- c) Cortland, the Companies' senior secured creditor and largest financial stakeholder, supports the Receiver's decision to retain Sayer and the terms of the Sales Agent Agreement.

#### 4.3 Sealing of the Sayer Agreement

1. The Receiver recommends that **Confidential Appendix "1"** be filed with the Court on a confidential basis and remain sealed until further Order of this Court, as the Sales Agent Agreement contains commercially sensitive information with respect to Sayer's compensation and fee structure.
2. The Receiver believes it is appropriate to seal **Confidential Appendix "1"**. Sealing this type of commercially sensitive information (i.e. regarding compensation and fee structures) is common practice in insolvency proceedings to protect Sayer's competitive advantage and thereby its commercial interest in assisting with the Sale Process. The salutary effects of sealing such information from the public record greatly outweigh any deleterious effects of doing so. The Receiver is of the view that the Sealing Order is appropriate in the circumstances and that doing so satisfies the test from *Sherman Estate v Donovan*, 2021 SCC 25. The Receiver is of the view that no stakeholders will be prejudiced if the information is sealed.

#### 5.0 Sale Process<sup>4</sup>

1. The Receiver developed the proposed Sale Process, in consultation with Sayer, to solicit offers from potential purchasers on an "as is, where is" basis to purchase the Property of the Companies, including the interests of IRRC in the Echo Refinery. The Sale Process is intended to be a flexible, efficient, and fair process for canvassing the market for potential purchasers and maximizing the value of the Echo Refinery and recovery for the Companies' creditors.
2. The key aspects of the Sale Process are summarized below. A document outlining the Sale Process Procedures (the "**Sale Process Procedures**") is attached as **Appendix "C"**.

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<sup>4</sup> Capitalized terms used but not otherwise defined in this section have the meanings ascribed to them in the Sales Process Procedures.

3. The following table provides a summary of the key process milestones and dates under the proposed Sale Process:

Phase	Milestone	Deadline
Phase 1	Sale Process Commencement Date	January 23, 2026
	Letter of Intent Deadline	5:00 p.m. MT, February 26, 2026 (“ <b>LOI Deadline</b> ”)
Phase 2	Final Bid Process Commences	March 2, 2026
	Final Bid Deadline	5:00 p.m. MT, March 26, 2026 (“ <b>Final Bid Deadline</b> ”)
	Determination of Successful Bidder	March 30, 2026

4. As set out above, the Sale Process is intended to be conducted in two stages:
- a) Phase 1 of the Sale Process is intended to solicit indicative letters of intent (“**LOIs**”) from interested parties; and
  - b) during Phase 2, any parties who submit qualifying LOIs will be permitted to participate in Phase 2 and will be required to submit binding offers on or before the Final Bid Deadline.
2. The Sale Process provides that its terms, including the requirements, criteria, and timelines set out therein, may be amended, extended, or waived by the Receiver. If any one milestone deadline is extended, all subsequent milestones shall be extended by the same number of days and a revised timetable shall be provided to all applicable interested parties and posted on the Case Website.

### 5.1 Solicitation of Interest

1. The Sale Process provides that the Receiver, with the assistance of the Sales Agent, will disseminate marketing materials and solicit interest from parties potentially interested in pursuing a transaction. In particular, the Sale Process provides that the Receiver and Sales Agent, will:
- a) prepare a list of potential bidders who may have an interest in a transaction involving the Property or the Companies (the “**Known Potential Bidders**”);
  - b) prepare and disseminate the Teaser Letter to the Known Potential Bidders with any additional marketing materials the Receiver and Sales Agent consider appropriate, as well as a draft form of confidentiality agreement to be prepared by the Receiver (a “**Confidentiality Agreement**”);

- c) require parties wishing to participate in the Sale Process and obtain access to the virtual data room to first sign a Confidentiality Agreement in form and substance satisfactory to the Receiver; and
  - d) facilitate due diligence by Potential Bidders (as defined below).
2. Any Known Potential Bidder or other person wishing to submit a Bid who meets the following criteria shall be deemed to be a “**Potential Bidder**”:
- a) executes a Confidentiality Agreement in form and substance satisfactory to the Receiver;
  - b) in the judgment of the Receiver and the Sales Agent, appears to have a bona fide interest in submitting a Bid; and
  - c) in the judgment of the Receiver and the Sales Agent, appears to have the financial capabilities and the technical, managerial, and operational expertise and capabilities to make a viable Bid.

## 5.2 Qualified LOI Process

1. Potential Bidders who wish to make a Bid shall first submit a non-binding LOI to the Sales Agent and the Receiver before 5:00 p.m. (Mountain Time) on February 26, 2026 (i.e., the LOI Deadline).
2. Unless otherwise ordered by the Court or agreed by the Receiver, an LOI will be considered a “**Qualified LOI**” if it meets the requirements outlined in paragraph 16 of the Sale Process Procedures. The Receiver, in consultation with Cortland, may waive strict compliance with any one or more of the requirements specified in the Sale Process Procedures and deem any LOI to be a Qualified LOI.
3. Subsequent to the LOI Deadline, the Receiver, Cortland, and the Sales Agent will assess the Qualified LOIs. A Potential Bidder who meets the following criteria shall be deemed to be a “**Qualified Bidder**”:
  - a) has a bona fide interest in consummating a Bid, as applicable; and
  - b) has the financial, managerial, operational, technical, and other capabilities to consummate a Bid.

4. For greater certainty, no Potential Bidder who has submitted a Qualified LOI by the LOI Deadline will be deemed not to be a Qualified Bidder without the approval of the Receiver, in consultation with Cortland.

### **5.3 Final Bid Process**

1. Qualified Bidders who wish to submit a Bid shall submit a binding offer (each a “**Final Bid**”) that complies with all of the requirements outlined in paragraphs 22 and 23 of the Sale Process Procedures (each a “**Qualified Final Bid**”) to the Sales Agent and the Receiver by no later than 5:00 p.m. (Mountain Time) on March 26, 2026 (i.e., the Final Bid Deadline).
2. The Receiver, in consultation with Cortland, may waive strict compliance with any one or more of the requirements specified in the Sale Process Procedures and deem any Final Bid to be a Qualified Final Bid.

### **5.4 Selection of Winning Bid and Backup Bid**

1. The Receiver, in consultation with Cortland, shall review all Qualified Final Bids to determine the highest or otherwise best Bid. Evaluation criteria will include, but are not limited to, matters such as:
  - a) the purchase price or net value being provided by such Final Bid;
  - b) the nature of the consideration proposed to be provided under such Final Bid;
  - c) the conditionality of any Final Bid;
  - d) the firm, irrevocable commitment for any required financing;
  - e) the timeline to close any Final Bid;
  - f) the identity, circumstances, and ability of the proponents of the Qualified Final Bids to successfully complete the transaction;
  - g) the costs associated with the bid and its consummation; and
  - h) the terms of the proposed transaction documents.

2. The Receiver, in consultation with Cortland and with the assistance of the Sales Agent, shall identify the highest or otherwise best Qualified Final Bid (each, a **“Winning Bid”**) and the next highest or otherwise best Qualified Final Bid (each, a **“Backup Bid”**). A person or persons who make a Winning Bid shall be a **“Successful Bidder”**, and a person or persons who make a Backup Bid shall be a **“Backup Bidder”**.
3. The Receiver or the Sales Agent shall notify a Successful Bidder, if any, a Backup Bidder, if any, and any other bidders of their respective status as soon as reasonably practicable in the circumstances.
4. The Receiver may, but shall have no obligation to, enter into an agreement or agreements with a Successful Bidder (a **“Final Agreement”**). Any Final Agreement entered into with a Successful Bidder shall be executed on or before April 10, 2026 (the **“Final Agreement Deadline”**). The objective of the Sale Process is to complete a transaction by the beginning of May 2026.
5. If, following the review and evaluation of all Qualified Final Bids, the highest and best bid is not sufficient to repay Cortland in full and is otherwise not acceptable to Cortland, the Receiver may terminate the Sale Process, and Cortland will have the right to submit a credit bid for the Property. Cortland will not be required to submit a credit bid during the Sale Process, and the right to credit bid may be exercised after the Sale Process has been terminated, in the circumstances described above.

## **5.5 Recommendation Regarding the Sale Process**

1. The Receiver recommends that this Court issue the proposed Sale Process Order approving the Sale Process for the following reasons:
  - a) the proposed Sale Process was developed by the Receiver, in consultation with Sayer, with a view to providing a flexible, efficient, and fair process for canvassing the market for potential purchasers and maximizing the value of the Property and recovery for the Companies’ creditors;
  - b) the Sale Process is consistent with other insolvency sale processes approved by the Court for oil and gas assets similar to the Property;

- c) the Sale Process will be conducted and overseen by the Receiver and Sayer, in consultation with Cortland. Given Sayer's experience marketing comparable assets, its involvement is expected to materially enhance the efficiency and commercial effectiveness of the Sale Process;
- d) the Sale Process will enable the Receiver and Sayer to broadly market the Property and optimize the chances of securing the maximum purchase price for the Property available in the circumstances;
- e) the Sale Process provides for flexibility in respect of its deadlines to the extent they need to be amended or extended;
- f) the Sale Process provides for flexibility in terms of transaction structure;
- g) the Sale Process is in the best interests of the Companies' stakeholders;
- h) the duration of the Sale Process is sufficient to allow interested parties to perform diligence and submit offers, and limits the undue accrual of interest on the Cortland Indebtedness; and
- i) Cortland, the Companies' senior secured creditor and largest financial stakeholder, is supportive of the Sale Process.

## 6.0 Increase in Receiver's Borrowings

1. To determine if the existing maximum borrowings under the Receivership Order are sufficient to complete the Sale Process, the Receiver, in conjunction with Hausen and Clarke, prepared a weekly cash flow forecast, attached as **Appendix "D"** (the "**Cash Flow Forecast**"), that includes:
  - a) the actual receipts and disbursements from the commencement of the receivership proceedings to January 2, 2026 (the "**Actuals Period**"); and
  - b) the projected receipts and disbursements for the period January 3 to May 1, 2026, the estimated date to close a Transaction (the "**Forecast Period**", together with the Actuals Period, the "**Cash Flow Period**").

2. The Cash Flow Forecast has been prepared by the Receiver based on information currently available and is subject to change as circumstances evolve. The Cash Flow Forecast is summarized as follows:

<b>Description</b>	<b>Note</b>	<b>Actuals Period</b>	<b>Forecast Period</b>	<b>Cash Flow Period</b>
<b>Receipts</b>				
Customer collections	A	1,120,169	2,083,162	3,203,331
<b>Disbursements</b>				
Feedstock purchases	B	1,011,907	2,200,290	3,212,197
Contractors, wages, & benefits	C	249,370	665,614	914,984
Other operating & regulatory costs	D	288,642	509,250	797,892
Insurance	E	519,519	-	519,519
Critical Supplier payments	F	60,381	211,594	271,975
Professional fees	G	-	305,000	305,000
Contingency	H	-	170,000	170,000
		<u>2,129,819</u>	<u>4,061,748</u>	<u>6,191,567</u>
<b>Net cash flow</b>		<b>(1,009,650)</b>	<b>(1,978,583)</b>	<b>(2,988,233)</b>
Opening cash balance		5,638	132,257	5,638
Net cash flow		(1,009,650)	(1,978,583)	(2,988,233)
Receiver's borrowing	I	1,136,269	2,050,000	3,186,269
<b>Ending cash balance</b>		<b>132,257</b>	<b>203,674</b>	<b>203,674</b>

3. The Receiver notes the following regarding the Cash Flow Forecast:
- A. Customer collections: represents the collection of sales to customers prior to and after the commencement of the receivership proceedings;
  - B. Feedstock purchases: represents purchases of Feedstock for ongoing production;
  - C. Contractors, wages, & benefits: include: (i) payments to the contractors; and (ii) salaries, wages, and benefits for nine (9) employees required to operate the Echo Refinery;
  - D. Other operating & regulatory costs: include: (i) costs incurred for safety, capital expenditures and regulatory compliance (including regularly scheduled maintenance and a provision for emergency repairs); (ii) utilities; and (iii) other operations costs;
  - E. Insurance: represents the upfront premium to renew the Companies' insurance coverage;

- F. Critical Supplier payments: represents payments of pre-receivership amounts owing to Critical Suppliers to ensure continued uninterrupted services required to operate the Echo Refinery;
  - G. Professional fees: includes fees of the Receiver, its legal counsel, Bennett Jones LLP (“**Bennett Jones**”), and Sayer;
  - H. Contingency: accounts for any unforeseen expenses; and
  - I. Receiver’s borrowing: as of the date of this First Report, the Receiver has borrowed approximately \$1.14 million under the Receiver’s Borrowings Charge, with remaining availability of approximately \$0.86 million. A further \$2.05 million in borrowings are estimated to be required during the Forecast Period.
4. As noted above, the Cash Flow Forecast contemplates that the Receiver will require total borrowings of approximately \$3.20 million during the Cash Flow Period.

#### **6.1 Recommendation Regarding Receiver’s Borrowing**

1. The Receiver recommends the Court approve the increase in the maximum permitted borrowings under the Receivership Order from \$2.00 million to \$3.20 million for the following reasons:
- a) as set out in the Cash Flow Forecast, the Receiver requires approximately \$3.20 million during the Cash Flow Period to continue operations at the Echo Refinery;
  - b) without additional borrowing, operations at the Echo Refinery will not be able to continue until the end of the Sale Process; and
  - c) the increase in the maximum permitted borrowings under the Receivership Order will assist in maximizing the value of the Echo Refinery and is in the best interests of the Companies and their stakeholders.

#### **7.0 Other Activities of the Receiver**

1. In addition to those noted above, since its appointment, the Receiver has performed the following additional activities:
- a) corresponding extensively with Hausen and Clarke regarding the Echo Refinery;

- b) corresponding with Cortland regarding all aspects of these proceedings;
- c) redirecting all the Companies' mail to the Receiver's office;
- d) corresponding with the Canada Revenue Agency with respect to tax accounts and remittances;
- e) preparing the statutory reports required by subsections 245(1) and 246(1) of the BIA and mailing same to all known creditors of the Companies and the Official Receiver;
- f) working with Bennett Jones to prepare the application materials in respect of the relief to be sought by the Receiver;
- g) establishing and maintaining the Case Website; and
- h) preparing this First Report.

## 8.0 Conclusion

1. Based on the foregoing, the Receiver respectfully recommends that this Honourable Court make orders granting the relief detailed in Section 1.1 of this First Report.

\* \* \*

All of which is respectfully submitted,

*KSV Restructuring Inc.*

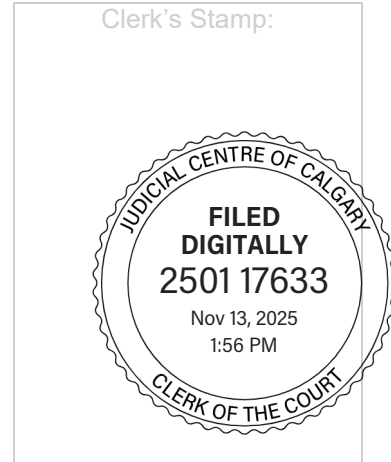
**KSV RESTRUCTURING INC.,  
solely in its capacity as Court-appointed receiver of  
Independent Renewable Resources Corp.  
and Independent Energy Holdings Inc.,  
and not in its personal or corporate capacity**

**APPENDIX A**  
**[ATTACHED]**

COURT FILE NO.: 2501-17633  
COURT COURT OF KING'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY

*IN THE MATTER OF THE BANKRUPTCY  
AND INSOLVENCY ACT, RSC 1985, c B-3*

*IN THE MATTER OF THE RECEIVERSHIP  
OF INDEPENDENT RENEWABLE  
RESOURCES CORP. and INDEPENDENT  
ENERGY HOLDINGS INC.*



PLAINTIFF CORTLAND CREDIT LENDING CORPORATION  
DEFENDANTS INDEPENDENT RENEWABLE RESOURCES CORP. and INDEPENDENT  
ENERGY HOLDINGS INC.

DOCUMENT **RECEIVERSHIP ORDER**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT  
Cassels Brock & Blackwell LLP  
Suite 3700, Bankers Hall West  
888 3<sup>rd</sup> Street SW  
Calgary, Alberta, T2P 5C5  
Telephone 403-351-2921  
Facsimile 403-648-1151  
Email: [joliver@cassels.com](mailto:joliver@cassels.com) / [kwiest@cassel.com](mailto:kwiest@cassel.com)

File No. 57175-21

**Attention: Jeffrey Oliver / Kamryn Wiest**

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DATE ON WHICH ORDER WAS PRONOUNCED: **NOVEMBER 13, 2025**  
LOCATION OF HEARING: **CALGARY, AB**  
NAME OF JUSTICE WHO GRANTED THIS ORDER: **JUSTICE BOURQUE**

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**UPON** the application (the "**Application**") of Cortland Credit Lending Corporation ("**Cortland**" or the "**Plaintiff**") in respect of Independent Renewable Resources Corp. ("**IRRC**") and Independent Energy Holdings Inc. ("**IEH**", and together with IRRC, the "**Debtors**"); **AND UPON** having read the Application, the Affidavit of Deepak Alappat, sworn on November 3, 2025, and the Affidavit of Service of Gaby Kurta sworn November 12, 2025; **AND UPON** reading Cortland's brief of law filed November 3, 2025, the Debtor's brief filed November 6, 2025 and Cortland's reply brief filed November 10, 2025; **AND UPON** reading the consent of KSV Restructuring Inc. ("**KSV**") to act as receiver and manager (in such capacity, the "**Receiver**") of the

Debtors, filed November 6, 2025; **AND UPON** hearing counsel for the Plaintiff, counsel for the Debtors, counsel for the proposed Receiver and any other counsel or other interested parties present on November 12, 2025; **AND UPON** judgement of the Application being reserved until November 13, 2025;

**IT IS HEREBY ORDERED AND DECLARED THAT:**

**SERVICE**

1. The time for service of the Application for this order (the "**Order**") is hereby abridged and deemed good and sufficient and this application is properly returnable today.

**APPOINTMENT**

2. Pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3 (the "**BIA**") and section 13(2) of the *Judicature Act*, RSA 2000, c J-2, KSV is hereby appointed Receiver, without security, of all of the Debtors' current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the "**Property**").

**RECEIVER'S POWERS**

3. The Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
  - (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property, which shall include the Receiver's ability to abandon, dispose of, or otherwise release any interest in any of the Debtors' real or personal property, or any right in any immovable property;
  - (b) to receive, preserve, protect, and maintain control of the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of the Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
  - (c) to manage, operate and carry on the business of the Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtors;
  - (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a

temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;

- (e) to purchase or lease machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors, and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to or by the Debtors;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtors;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding, and provided further that nothing in this Order shall authorize the Receiver to defend or settle the action in which this Order is made unless otherwise directed by this Court;
- (k) to market any or all the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:
  - i. without the approval of this Court in respect of any transaction not exceeding \$500,000, provided that the aggregate consideration for all such transactions does not exceed \$1,000,000; and
  - ii. with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 60(8) of the *Personal Property Security Act*, RSA 2000, c. P-7 or any other similar legislation in any other province or territory shall not be required.

- (m) to apply for any vesting order or other orders (including, without limitation, confidentiality or sealing orders) necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting the Property;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (o) to register a copy of this Order and any other orders in respect of the Property against title to any of the Property, and when submitted by the Receiver for registration this Order shall be immediately registered by the Registrar of Land Titles of Alberta, Saskatchewan Land Titles Registry, or any other similar government authority, notwithstanding Section 191 of the *Land Titles Act*, RSA 2000, c. L-4, *The Land Titles Act, 2000*, SS 2000, c L-5.1, or the provisions of any other similar legislation in any other province or territory and notwithstanding that the appeal period in respect of this Order has not elapsed and the Registrar of Land Titles of Alberta, Saskatchewan Land Titles Registry, or any other similar government authority shall accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver and not in its personal capacity;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of any of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (r) to retain for the unexpired term, assign, surrender, renegotiate or terminate any lease or agreement related to the Property;
- (s) to collect the rents, profits, and other receipts arising from the Property or any part thereof;
- (t) to exercise any shareholder, partnership, joint venture, or other rights which the Debtors may have; and

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

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

#### **DUTY TO PROVIDE ACCESS AND CO-OPERATIONS TO THE RECEIVER**

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

may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names, and account numbers that may be required to gain access to the information.

#### **NO PROCEEDINGS AGAINST THE RECEIVER**

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

#### **NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY**

8. No Proceeding against or in respect of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors or the Property are hereby stayed and suspended pending further Order of this Court, provided, however, that nothing in this Order shall: (i) prevent any Person from commencing a proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such proceeding is not commenced before the expiration of the stay provided by this paragraph; and (ii) affect a Regulatory Body's investigation in respect of the Debtors or an action, suit or proceeding that is taken in respect of the Debtors by or before the Regulatory Body, other than the enforcement of a payment order by the Regulatory Body or the Court. **"Regulatory Body"** means a person or body that has powers, duties or functions relating to the enforcement or administration of an Act of Parliament or of the legislature of a Province.

#### **NO EXERCISE OF RIGHTS OR REMEDIES**

9. All rights and remedies of any Person, whether judicial or extra-judicial, statutory or non statutory (including, without limitation, set-off rights) against or in respect of the Debtors or the Property, the Receiver, or affecting the Property are hereby stayed and suspended and shall not be commenced, proceeded with or continued except with leave of this Court, provided, however, that nothing in this Order shall:
  - (a) empower the Receiver to carry on any business which the Debtors are not lawfully entitled to carry on;
  - (b) prevent the filing of any registration to preserve or perfect a security interest;
  - (c) prevent the registration of a claim for lien; or
  - (d) exempt the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment.

10. Nothing in this Order shall prevent any party from taking an action against the Debtors or the Property where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such party except in accordance with the other provisions of this Order, and notice in writing of such action be given to the Receiver at the first available opportunity.

#### **NO INTERFERENCE WITH THE RECEIVER**

11. No Person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtors, including, without limitation, insurance coverage, except with the written consent of the Receiver, or leave of this Court. Nothing in this Order shall prohibit any party to an eligible financial contract (as defined in the BIA) from terminating such contract or exercising any rights of set-off, in accordance with its terms.

#### **CONTINUATION OF SERVICES**

12. All persons having:
- (a) statutory or regulatory mandates for the supply of goods and/or services; or
  - (b) oral or written agreements or arrangements with any of the Debtors, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Debtors,

are hereby restrained until further order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the Debtors or exercising any other remedy provided under such agreements or arrangements. The Receiver shall be entitled to the continued use of the Debtors' current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the usual prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with the payment practices of the Debtors, or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

#### **RECEIVER TO HOLD FUNDS**

13. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale or disposition of all or any of the Property and the collection of any accounts

receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

## **EMPLOYEES**

14. Subject to employees' rights to terminate their employment, all employees of the Debtors shall remain the employees of the applicable Debtor until such time as the Receiver, on the applicable Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, SC 2005, c. 47 ("**WEPPA**").
15. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, SC 2000, c. 5, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any of the Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

## **LIMITATIONS ON ENVIRONMENTAL LIABILITIES**

16. Notwithstanding anything in any federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arose or environmental damage that occurred:
  - i. before the Receiver's appointment; or

- ii. after the Receiver's appointment unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.
- (a) Nothing in sub-paragraph 16 exempts a Receiver from any duty to report or make disclosure imposed by a law referred to in that sub-paragraph.
  - (b) Notwithstanding anything in any federal or provincial law, but subject to sub-paragraph 16 hereof, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, the Receiver is not personally liable for failure to comply with the order, and is not personally liable for any costs that are or would be incurred by any person in carrying out the terms of the order,
    - i. if, within such time as is specified in the order, within 10 days after the order is made if no time is so specified, within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, or during the period of the stay referred to in clause (**Error! Reference source not found.**) b below, the Receiver:
      - A. complies with the order, or
      - B. on notice to the person who issued the order, abandons, disposes of or otherwise releases any interest in any real property affected by the condition or damage;
    - ii. during the period of a stay of the order granted, on application made within the time specified in the order referred to in clause (i) above, within 10 days after the order is made or within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, by:
      - A. the court or body having jurisdiction under the law pursuant to which the order was made to enable the Receiver to contest the order; or
      - B. the court having jurisdiction in bankruptcy for the purposes of assessing the economic viability of complying with the order; or
    - iii. if the Receiver had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.

## LIMITATION ON THE RECEIVER'S LIABILITY

17. Except for gross negligence or wilful misconduct, as a result of its appointment or carrying out the provisions of this Order, the Receiver shall incur no liability or obligation that exceeds an amount for which it may obtain full indemnity from the Property. Nothing in this Order shall derogate from any limitation on liability or other protection afforded to the Receiver under any applicable law, including, without limitation, sections 14.06, 81.4(5) or 81.6(3) of the BIA.

## RECEIVER'S ACCOUNTS

18. The Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case, incurred at their standard rates and charges. The Receiver and counsel to the Receiver shall be entitled to the benefits of and are hereby granted a charge (the "**Receiver's Charge**") on the Property as security for their professional fees and disbursements incurred at the normal rates and charges of the Receiver and such counsel, both before and after the making of this Order in respect of these proceedings, and the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person but subject to section 14.06(7), 81.4(4) and 81.6(2) of the BIA. The Receiver and its legal counsel shall pass their accounts from time to time.
19. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including the legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

## FUNDING OF THE RECEIVERSHIP

20. The Receiver shall be at liberty and is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$2,000,000 (or such greater amount as this Court may by further order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person,

but subordinate in priority to the Receiver's Charge and the charges set out in sections 14.06(7), 81.4(4) and 81.6(2) of the BIA.

21. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
22. The Receiver is at liberty and authorized to issue certificates substantially in the form annexed as **Schedule "A"** hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.
23. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.
24. The Receiver shall be authorized to repay any amounts borrowed by way of Receiver's Certificates out of the Property or any proceeds, including any proceeds from the sale of any assets without further approval of this Court.

#### **ALLOCATION**

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

#### **GENERAL**

26. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
27. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, unless otherwise ordered by this Court, the Receiver will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence. The Receiver's reports shall be filed by the Court Clerk notwithstanding that they do not include an original signature.
28. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of either of the Debtors.
29. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any foreign jurisdiction to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such

orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Receiver in any foreign proceeding, or to assist the Receiver and its agents in carrying out the terms of this Order.

30. The Receiver shall be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
31. The Plaintiff shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis, including legal costs on a solicitor-client full indemnity basis, to be paid by the Receiver from the Debtors' estate with such priority and at such time as this Court may determine.
32. Any interested party may apply to this Court to vary or amend this Order on not less than 7 days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

## **FILING**

33. The Receiver shall establish and maintain a website in respect of these proceedings at <https://www.ksvadvisory.com/experience/case/IRRC> (the "**Receiver's Website**") and shall post there as soon as practicable:
  - (a) all materials prescribed by statute or regulation to be made publicly available; and
  - (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, or served upon it, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.
34. Service of this Order shall be deemed good and sufficient by:
  - (a) serving the same on:
    - i. the persons listed on the service list created in these proceedings or otherwise served with notice of these proceedings;
    - ii. any other person served with notice of the application for this Order;

- iii. any other parties attending or represented at the application for this Order; and
- (b) posting a copy of this Order on the Receiver's Website

and service on any other person is hereby dispensed with.

35. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.



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Justice of the Court of King's Bench of Alberta

**SCHEDULE "A"**  
**RECEIVER CERTIFICATE**

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

1. THIS IS TO CERTIFY that KSV Restructuring Inc., the receiver and manager (in such capacity, the "**Receiver**") of all of the current and future assets, undertakings and properties of **INDEPENDENT RENEWABLE RESOURCES CORP. and INDEPENDENT ENERGY HOLDINGS INC.** appointed by Order of the Court of King's Bench of Alberta and Court of King's Bench of Alberta in Bankruptcy and Insolvency (collectively, the "**Court**") dated the 12<sup>th</sup> day of November, 2025 (the "**Order**") made in action number [●], has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$[●], being part of the total principal sum of \$[●], that the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily / monthly not in advance on the [●] day of each month] after the date hereof at a notional rate per annum equal to the rate of [●] per cent above the prime commercial lending rate of [●] from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at [●].
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.
7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the [●] day of [●], 202\_

**KSV RESTRUCTURING INC.**, solely in its capacity as Receiver of **INDEPENDENT RENEWABLE RESOURCES CORP. and INDEPENDENT ENERGY HOLDINGS INC.** and not in its personal capacity or corporate capacity

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

Name:

Title:

**APPENDIX B**  
**[ATTACHED]**



January 15, 2026

**KSV Restructuring Inc., solely in its capacity as Receiver and Manager of  
Independent Renewable Resources Corp. and  
Independent Energy Holdings Inc.**  
Suite 1165, 324 – 8 Avenue SW  
Calgary, Alberta T2P 2Z2

Attention: **Mr. Jason Knight  
Managing Director**

Dear Jason:

RE: **Independent Renewable Resources Corp. and Independent Energy Holdings Inc.  
(collectively, the “Companies”)  
Receivership Sale  
Engagement Agreement**

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Pursuant to an order granted by the Court of King’s Bench of Alberta (the “**Court**”) on November 13, 2025 (the “**Receivership Order**”), under subsection 243(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3 (the “**BIA**”) and section 13(2) of the *Judicature Act*, RSA 2000, c J-2, in proceedings bearing Court File No. 2501-17633 (the “**Receivership Proceedings**”), KSV Restructuring Inc. was appointed as the receiver and manager (in such capacity, the “**Receiver**”) of all the property, assets, and undertakings of the Companies, including the used motor oil feedstock modular refinery (the “**Echo Refinery**”) located on 49.39 acres of land in the Regional Municipality of Bone Creek No. 108, in southwest Saskatchewan (collectively, the “**Property**”).

We understand that the Receiver wishes to retain Sayer Energy Advisors (“**Sayer**”, “**we**” or “**us**”) to act as exclusive financial advisor and agent to market and sell the Property, on the terms and conditions set forth in this engagement letter (the “**Agreement**”), and subject to obtaining the Sale Process Order (as defined below).

The purpose of this letter is to outline the services to be performed by Sayer in relation to a sale process to be undertaken by the Receiver in the Receivership Proceedings (the “**Sale Process**”), and the basis of its compensation.

## **SERVICES**

Sayer will provide assistance to the Receiver in:

- a) reviewing, compiling and analyzing all available information regarding the Property and assisting with preparing an information summary, an informal evaluation summary, and a data room containing information regarding the Echo Refinery and Property;
- b) preparing an initial marketing or offering summary (a “**Teaser Letter**”), to be reviewed and approved by the Receiver;



- c) identifying and contacting parties that might have an interest in the Property (the “**Candidates**”) and distributing the Teaser Letter to same;
- d) coordinating the execution of confidentiality agreements, in the form provided by the Receiver, between the Receiver and potential Candidates;
- e) providing information on the Property to the Candidates;
- f) providing information on the Candidates to the Receiver;
- g) dealing with inquiries from Candidates regarding the Property;
- h) evaluating offers submitted to the Receiver with respect to the sale of the Property (a “**Transaction**”);
- i) presenting or discussing the proposed sale of the Property with the Receiver; and/or
- j) assisting in the closing of the Transaction(s).

We agree to act as the Receiver’s financial advisor and agent with respect to the Sale Process and will use our best efforts to accomplish the Transaction(s) on terms favourable to the Receiver. Throughout the Sale Process, Sayer will keep the Receiver fully informed of its activities on the Receiver’s behalf through written and/or verbal reports, and the Receiver will keep Sayer fully informed regarding its contacts with Candidates.

The Receiver will provide Sayer with such information within the Receiver’s possession or control as Sayer may reasonably require to fulfill this assignment. Both parties agree that, during the continuance of Sayer’s mandate, they will treat all documents and information relating to this assignment as strictly confidential; provided, however, that the Receiver may disclose this Agreement in connection with having it approved by the Court. This Agreement may under no circumstances be transferred or assigned by the Receiver or Sayer.

It is understood that any Transaction(s) requires the approval of the Court and that the Receiver is under no obligation or duty to complete any Transaction(s). It is further understood that Sayer provides financial advice and conducts merger and acquisition services for clients other than the Receiver and shall continue to provide these services to other parties, provided that such services do not conflict with the mandate accepted pursuant to this Agreement.

At all times, Sayer shall act in good faith on a basis which is fair and reasonable and shall exercise its powers and discharge its duties under this Agreement honestly, in good faith and in the best interests of the Receiver.

### **TERM**

Subject to the Court issuing an order approving this Agreement and the Sale Process (the “**Sale Process Order**”), the term of this Agreement shall commence on January 15, 2026 and continue until June 30, 2026, subject to extension thereafter by written agreement of the parties hereto.

The Receiver may terminate this Agreement, without cause, penalty or cost, upon delivery of 30 days’ written notice to Sayer. This Agreement will terminate 30 days after the date that such notice is delivered to Sayer. Further, this Agreement shall automatically terminate, without penalty or cost to either party if:

- a) the Receivership Order or the Receiver's appointment as receiver of the Property is revoked, suspended or terminated, or the Receiver otherwise ceases to be the Receiver;
- b) the Receiver is restricted in or enjoined from dealing with the Property by a court of competent jurisdiction; and
- c) the Court does not approve this Agreement, grant the Sale Process Order, or approve the Sale Process.

### **COMPENSATION**

The Receiver agrees to pay Sayer a work fee of [REDACTED] plus Goods and Services Tax ("GST") (the "Work Fee") upon signing of this Agreement, at which time we will begin preparations for the commencement of the public marketing of the Property. The Work Fee includes all costs associated with this Agreement, including all printing and mailing costs, with the exception of the costs specified later in this Agreement.

Depending on the type of Transaction(s) completed, Sayer will be paid either:

- a) **Fixed Fee** – in the event that the Receiver completes a Transaction with one of the following parties, including each of their respective affiliates and subsidiaries: [REDACTED] (each, a "Fixed Fee Transaction"), upon closing of the Fixed Fee Transaction, the Receiver agrees to pay Sayer a fixed fee of [REDACTED] (the "Fixed Fee"); or
- b) **Success Fee** – upon closing of a Transaction(s) that is not a Fixed Fee Transaction, the Receiver agrees to pay Sayer a success fee of [REDACTED] of the Value (as defined below) received by the Receiver as a result of the Transaction(s) up to a maximum amount of [REDACTED] (the "Success Fee"). For greater certainty, the "Value" is to be defined as the cash price to be paid to the Receiver as a result of the Transaction(s), and/or the value of the securities or properties offered to the Receiver as a result of the Transaction(s), based on, in the case of a publicly traded company, the weighted average closing market price of such securities for the 20 trading days prior to acceptance of the proposal. With respect to other forms of consideration accepted in the Transaction(s), the Value shall be the fair market value of the consideration received by the Receiver for the Transaction(s). Sayer will receive a copy of the closing documentation of the Transaction(s) and will have the right to cause an audit to be made of the books of account and records kept by the Receiver for the calculation of the Success Fee, with the cost of such audit to be borne by Sayer.

The Fixed Fee and/or Success Fee are to be paid in cash upon closing of the Transaction(s).

The Receiver also agrees to reimburse Sayer for all its legal expenses and out-of-pocket costs incurred in carrying out this assignment, with such costs amounting to more than \$500 to be subject to the Receiver's prior approval. We do not anticipate incurring any additional expenses in carrying out this assignment.

GST will be in addition to all other charges.

## **INDEMNIFICATION**

The Receiver hereby agrees to indemnify and hold harmless Sayer and Sayer's directors, officers, employees, agents, representatives, and sales people (collectively, the "**Sayer Indemnitees**") from and against all losses, claims, demands, actions, causes of action, liabilities, damages, fines, penalties, costs, legal fees, experts fees, court costs and all such other costs (save and except for any and all punitive damages, loss profits, diminution of value, consequential damages, special damages, incidental damages, indirect damages, exemplary damages or similar unforeseen damages) that may be incurred by any of the Sayer Indemnitees arising out of or resulting from the failure of the Receiver or its employees or representatives (which excluded, for greater certainty, any of Sayer Indemnitees), to comply with the obligations of the Receiver.

Sayer hereby agrees to indemnify and hold harmless the Receiver and the Receiver's directors, officers, employees, agents, advisors and representatives (the "**Receiver Indemnitees**"), from and against all losses, claims, demands, actions, causes of action, liabilities, damages, fines, penalties, costs, legal fees, experts fees, court costs and all such other costs (save and except for any and all punitive damages, loss profits, diminution of value, consequential damages, special damages, incidental damages, indirect damages, exemplary damages or similar unforeseen damages) that may be incurred by any of the Receiver Indemnitees arising out of or resulting from any breach of or default of Sayer's covenants and obligations under this Agreement, or any misrepresentation of any representation or warranty given by Sayer under this Agreement.

## **RECEIVER'S CAPACITY AND OBLIGATIONS**

Nothing in this Agreement or otherwise shall be interpreted to require the Receiver to do any act or thing that would result in a breach of any duty or obligation provided or to be provided in, by or under the Receivership Order, the Sale Process Order, or any other order of the Court in the Receivership Proceedings, or any applicable law, including, without limitation, the BIA.

In the event of any conflict or inconsistency between the provisions of this Agreement and the rights, duties, powers and/or obligations of the Receiver under the Receivership Order, the Sale Process Order, any other order of the Court in the Receivership Proceedings, the BIA, the rights, duties, powers and/or obligations of the Receiver under the Receivership Order, the Sale Process Order, any other order of the Court in the Receivership Proceedings, and the BIA, as applicable, shall control.

In addition to all of the protections afforded or to be afforded to the Receiver under the BIA, the Receivership Order, the Sale Process Order, and any other order of the Court in the Receivership Proceedings, Sayer acknowledges and agrees that, notwithstanding any other provision of this Agreement, the Receiver, acting in its capacity as the Court-appointed receiver and manager of the Companies in the Receivership Proceedings, shall have no personal or corporate liability under or in connection with this Agreement whatsoever. Without limiting the generality of the foregoing, Sayer agrees and acknowledges that its recourse for the non-performance of the obligations of the Receiver under this Agreement is limited to the Property of the Companies and that Sayer shall have no recourse against KSV Restructuring Inc. and any of its affiliates and any of their respective shareholders, directors, officers, partners, employees, representatives, advisors, solicitors and agents, in respect of any such non-performance.

The provisions of this section shall survive the termination or expiration of this Agreement.

**OTHER**

If we perform other services for the Receiver in connection with this Agreement (other than those specifically contemplated hereunder), it is agreed that we will be able to negotiate additional fees on mutually satisfactory terms on a specific service basis, depending on the nature of the services to be provided. Such other services will be agreed to in a separate letter agreement between the parties.

We will have the right to publicize our role in the Transaction(s), such publicity being subject to the Receiver's prior approval.

Notices shall be served to the parties at their respective addresses given in this Agreement, shall be sent by prepaid registered mail and shall be deemed to be received by the addressees on the third business day thereafter. Notices may also be given by email or facsimile and shall be deemed to be received upon confirmation of receipt.

This Agreement and the relationship between the parties hereto shall be construed and determined according to the laws of the Province of Alberta, and each party hereto does attorn to the jurisdiction of the Court in the Receivership Proceedings with respect to any matter arising out of this Agreement.

If the foregoing accurately sets forth the terms of our engagement, please acknowledge your acceptance by signing the enclosed duplicate of this letter where indicated and return the same to us.

Yours truly,

**SAYER ENERGY ADVISORS**  
A division of Sayer Securities Limited

Tom Pavic, CFA  
President

**AGREED TO AND ACCEPTED THIS \_\_\_\_ DAY OF JANUARY 2026**

**KSV RESTRUCTURING INC., solely in its sole capacity as Court-Appointed Receiver and Manager of Independent Renewable Resources Corp. and Independent Energy Holdings Inc., and not in its personal or corporate capacity**

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**Mr. Jason Knight**  
**Managing Director**

**APPENDIX C**  
**[ATTACHED]**

**INDEPENDENT RENEWABLE RESOURCES CORP.  
AND  
INDEPENDENT ENERGY HOLDINGS INC.**

**SALE PROCESS PROCEDURES**

**INTRODUCTION**

1. On November 13, 2025, the Court of King’s Bench of Alberta (the “**Court**”) granted an order (the “**Receivership Order**”) pursuant to subsection 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”), and section 13(2) of the *Judicature Act*, R.S.A. 2000, c J-2, as amended, appointing KSV Restructuring Inc. (“**KSV**”) as the receiver and manager (in such capacity, the “**Receiver**”) over all the current and future assets, undertakings and properties (collectively, the “**Property**”) of Independent Renewable Resources Corp. (“**IRRC**”) and Independent Energy Holdings Inc. (“**IEH**”, and together with IRRC, the “**Debtors**”).
2. The principal asset of the Debtors is a used motor oil feedstock modular refinery located on 49.39 acres of land in the Regional Municipality of Bone Creek No. 108, in southwest Saskatchewan (the “**Echo Refinery**”).
3. On January 15, 2026, the Court issued an Order (the “**Sale Process Order**”) which, among other things, approved this Sale Process involving the Debtors and the Property, including without limitation the interests of IRRC in the Echo Refinery. The objective of the Sale Process is to maximize recoveries for the Debtors’ creditors.
4. The Receiver has selected Sayer Energy Advisors (the “**Sales Agent**”) to assist the Receiver in carrying out this Sale Process.
5. This Sale Process describes the way the Receiver, with the assistance of the Sales Agent, will advance the Sale Process and how interested parties may gain access to due diligence materials concerning the Debtors and the Property, how bids involving the Property, or any part or parts thereof, or the Debtors, or any of them, will be submitted and dealt with, and how Court approval will be sought in respect of any transaction or transactions involving the Property or the Debtors.
6. The terms of this Sale Process, including the requirements, criteria, and timelines set out herein, may be amended, extended, or waived by the Receiver.

**“AS IS, WHERE IS” BASIS**

7. Any transaction involving the Property or the Debtors will be subject only to such representations, warranties, covenants, or indemnities as are expressly included in a Final Agreement (as defined herein), but will otherwise be on an “as is, where is” basis and without surviving representations, warranties, covenants or indemnities of any kind, nature, or description by the Receiver, or any of its agents, estates, advisors, or professionals, including but not limited to the Sales Agent, and the Receiver’s counsel, or otherwise, and in the event of a sale, all of the right, title and interest of the Debtors in and to the Property

to be acquired will be, subject to the Court granting approval and any other required orders in the form contemplated by the relevant transaction, sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options and interests therein and thereon, except:

- (a) those that cannot be vested off title to the Property by law; and
- (b) those assumed pursuant to a Final Agreement.

## TIMELINE

8. The following table provides a summary of the key process milestones and dates under the Sale Process:

<b>Phase</b>	<b>Milestone</b>	<b>Deadline</b>
Phase 1	Sale Process Commencement Date	January 23, 2026
	Letter of Intent Deadline	5:00 p.m. MT, February 26, 2026
Phase 2	Final Bid Process Commences	March 2, 2026
	Final Bid Deadline	5:00 p.m. MT, March 26, 2026
	Determination of Successful Bidder	March 30, 2026

9. The Receiver, with the assistance of the Sales Agent, shall determine the timeline for Court approval(s) and closing(s) following review of the Final Bids.

## PHASE 1 OF THE SALE PROCESS

### A. Initial Solicitation of Interest

10. The Receiver or Sales Agent may, but are not required to, cause a notice regarding this Sale Process to be published in any publication that the Receiver chooses.
11. The Receiver and Sales Agent will prepare a list of potential bidders (the “**Known Potential Bidders**”) who may be interested in a transaction involving the Property or the Debtors. Such list will include parties who, in the Receiver’s and Sales Agent’s reasonable judgment, may be interested in acquiring an interest in the Property, or any part or parts thereof, including the Echo Refinery, whether pursuant to an asset or share purchase transaction (a “**Bid**”).
12. The Receiver and Sales Agent will prepare an initial marketing or offering summary (a “**Teaser Letter**”) which will be distributed by the Sales Agent to the Known Potential Bidders together with any additional marketing materials the Receiver and Sales Agent consider appropriate, as well as a draft form of confidentiality agreement prepared by the Receiver (the “**Confidentiality Agreement**”).
13. Any Known Potential Bidder or other person wishing to submit a Bid who:
- (a) executes a Confidentiality Agreement in form and substance satisfactory to the Receiver;

- (b) in the judgment of the Receiver and the Sales Agent appears to have a bona fide interest in submitting a Bid; and
- (c) in the judgment of the Receiver and the Sales Agent appears to have the financial capabilities and the technical, managerial, and operational expertise and capabilities to make a viable Bid, shall be deemed to be a potential bidder (each such person so deemed, a “**Potential Bidder**”) and shall be permitted to submit a Bid. For clarity, no person other than a Potential Bidder may submit a Bid without the consent of the Receiver.

**B. Initial Due Diligence**

- 14. The Receiver and Sales Agent may prepare such marketing or other materials in addition to the Teaser Letter as they deem appropriate describing the opportunity to make a Bid for distribution to Potential Bidders.
- 15. Following execution of a Confidentiality Agreement, the Receiver and Sales Agent shall provide Potential Bidders with access to an electronic data room that will contain information in the possession or control of the Receiver that, in its reasonable business judgment, will allow these parties to evaluate their interest in submitting a Bid. The Receiver may, in its sole discretion, restrict one or more Potential Bidder's access to some or all of the data room.

**C. Qualified LOI Process**

- 16. Any Potential Bidder who wishes to submit a Bid must deliver a written, non-binding letter of intent in respect of the Property (each, an “**LOI**”) to the Sales Agent and the Receiver in the manner and at the addresses specified in **Appendix “A”** so as to be received by the Sales Agent and the Receiver, not later than 5:00 p.m. (Mountain Time) on February 26, 2026 (the “**LOI Deadline**”). An LOI shall be a qualified LOI (each, a “**Qualified LOI**”), provided that it contains:
  - (a) an acknowledgment of receipt of a copy of this Sale Process, the Sale Process Order, and agreement to accept and be bound by the provisions contained therein;
  - (b) a letter setting forth the identity of the Potential Bidder, the contact information for such Potential Bidder, and full disclosure of the direct and indirect owners of the Potential Bidder and their principals (without needing to disclose non-controlling interests, in the case of public companies only);
  - (c) a specific indication of the anticipated sources of capital for such Potential Bidder and information regarding the Potential Bidder’s financial, managerial, operational, technical, and other capabilities to consummate a Bid and such additional information as may be requested by the Receiver or the Sales Agent;
  - (d) it identifies:

- (i) the purchase price or price range in Canadian dollars as well as the form of consideration for the proposed sale and details of any liabilities to be assumed;
  - (ii) the Property included as part of the Bid, any of the Property expected to be excluded, and/or any additional assets desired to be included in the transaction;
  - (iii) the structure and financing of the transaction including, but not limited to, the sources of financing to fund the acquisition, preliminary evidence of the availability of such financing or such other form of financial disclosure and credit-quality support or enhancement that will allow the Receiver and the Sales Agent to make a reasonable business or professional judgment as to the Potential Bidder's financial or other capabilities to consummate the transaction and to perform all obligations to be assumed in such transaction and the steps necessary and associated timing to obtain financing and any related contingencies, as applicable;
  - (iv) any anticipated corporate, shareholder, internal, or regulatory approvals required to close the transaction and the anticipated time frame and any anticipated impediments to obtaining such approvals;
  - (v) additional due diligence required or desired to be conducted by the Potential Bidder, if any;
  - (vi) any conditions to closing that the Potential Bidder requires; and
  - (vii) any other terms or conditions of the Bid which the Potential Bidder believes are material to the transaction; and
- (e) such other information as may be reasonably requested by the Receiver or the Sales Agent.
17. The Receiver shall retain full discretion and authority to discuss any LOIs received, and their terms, with the applicable Potential Bidders.
18. Following the LOI Deadline, the Receiver, Cortland Credit Lending Corporation ("**Cortland**"), the Debtors' largest and senior secured creditor, and the Sales Agent will assess the Qualified LOIs. If it is determined by the Receiver, in consultation with Cortland, that a Potential Bidder that has submitted a Qualified LOI:
- (a) has a bona fide interest in consummating a Bid; and
  - (b) has the financial, managerial, operational, technical, and other capabilities to consummate a Bid then such Potential Bidder will be deemed a "**Qualified Bidder**", provided that the Receiver may, in its reasonable business judgment, limits the number of Qualified Bidders (and thereby eliminate some Potential

Bidders who have submitted Qualified LOIs from this Sale Process) taking into account the factors identified in paragraphs 22 and 23 of this Sale Process.

19. The Receiver, in consultation with Cortland, may waive compliance with any one or more of the requirements specified above and deem non-compliant Potential Bidders to be Qualified Bidders.

## **PHASE 2 OF THE SALE PROCESS**

### **A. Due Diligence**

20. The Receiver and the Sales Agent will in their reasonable business judgment and subject to competitive and other business considerations, afford each Qualified Bidder such access to due diligence materials and information relating to the Property, as they deem appropriate. Due diligence access may include on-site inspections, and other matters which a Qualified Bidder may reasonably request and as to which the Receiver and the Sales Agent, in their reasonable business judgment, may agree. For the avoidance of doubt, and without limiting the terms of applicable Confidentiality Agreements, selected due diligence materials may be withheld from certain Qualified Bidders if the Receiver and the Sales Agent determine such information to represent proprietary or sensitive competitive information.
21. All Qualified Bidders will be provided with a form of draft agreement of purchase and sale (the “**Draft APS**”) that will serve as the basis for the submission of a final Bid.

### **B. Final Bid Process**

22. Any Qualified Bidder may submit a final Bid (a “**Final Bid**”) to the Sales Agent and the Receiver at the addresses specified in **Appendix “A”** hereto on or before 5:00 p.m. (Mountain Time) on March 26, 2026 (the “**Final Bid Deadline**”).
23. A Final Bid submitted shall be a “**Qualified Bid**” if:
  - (a) it includes a duly authorized and executed purchase and sale agreement specifying all consideration payable, together with all exhibits and schedules thereto, and such ancillary agreements as may be required by the Qualified Bidder with all exhibits and schedules thereto, together with a blackline to the Draft APS provided to all Qualified Bidders;
  - (b) it includes a letter stating that the Final Bid is irrevocable until the earlier of: (i) the approval by the Court; and (ii) thirty (30) days following the Final Bid Deadline; provided, however, that if such Bid is selected as a Winning Bid or a Backup Bid (both as defined below), it shall remain irrevocable until the closing of the Winning Bid or the Backup Bid, as the case may be;
  - (c) it does not include any request or entitlement to any break fee, expense reimbursement, or similar type of payment;

- (d) it includes written evidence of a firm, irrevocable commitment for all required funding and/or financing from a creditworthy bank or financial institution to consummate the proposed transaction, or other evidence of ability to consummate the proposed transaction that will allow the Receiver to make a determination as to the Qualified Bidder's (and its direct and indirect owners and their principals) financial and other capabilities to consummate the transaction contemplated by the Final Bid;
- (e) it includes an acknowledgement and representation that the Qualified Bidder:
  - (i) has had an opportunity to conduct any and all required due diligence prior to making its Final Bid;
  - (ii) has relied solely on its own independent review, investigation and inspection of any documents, the assets to be acquired and the liabilities to be assumed;
  - (iii) did not rely upon any written or oral statements, representations, promises, warranties or guarantees whatsoever, whether express or implied, except as expressly stated in the agreement of purchase and sale and any other definitive documentation associated with the Final Bid; and
  - (iv) unless prior written consent of the Receiver has been obtained, has not coordinated its Final Bid or any aspect of its participation in this Sale Process, with any Potential Bidder, or Qualified Bidder, has kept and will continue to keep its Final Bid confidential, and has not entered into any agreement or arrangement with any Potential Bidder, or Qualified Bidder, which has affected or may, directly or indirectly, affect the bidder's Final Bid or the Final Bid of any other bidder and/or the Sale Process generally;
- (f) it fully discloses the identity of each person that is bidding or otherwise that will be sponsoring or participating in the Final Bid, including the identification of the bidder's direct and indirect owners and their principals (without needing to disclose non-controlling interests, in the case of public companies only), and the complete terms of any such participation;
- (g) it provides for closing of the proposed transaction by no later than **May 4, 2026** (the "**Outside Closing Date**");
- (h) it is accompanied by a refundable deposit (the "**Deposit**") in the form of a wire transfer (to a trust account specified by the Receiver), in an amount equal to 10% of the total value of all cash and non-cash consideration to be paid in respect of the Final Bid, to be held and dealt with in accordance with this Sale Process;
- (i) it contains other information reasonably requested by the Receiver or the Sales Agent; and
- (j) it is received by no later than the applicable Final Bid Deadline.

24. All Qualified Bids shall constitute “**Qualified Final Bids**”.
25. The Receiver, in consultation with Cortland, may waive compliance with any one or more of the requirements specified above and deem non-compliant Final Bids to be Qualified Final Bids.
26. If, following the review and evaluation of all Qualified Final Bids, the highest and best bid is not sufficient to repay Cortland in full and is otherwise not acceptable to Cortland, the Receiver may terminate the Sale Process, and Cortland will have the right to submit a credit bid for the Property, or any part or parts thereof, or the Debtors, or any of them. Cortland will not be required to submit a credit bid during the Sale Process, and the right to credit bid may be exercised after the Sale Process has been terminated, in the circumstances described above.

**C. Stalking Horse Offer**

27. The Receiver is permitted to enter into a stalking horse agreement at any time provided any such agreement is subject to the Receiver obtaining orders of the Court and the approving the agreement for the purpose only of being the stalking horse agreement. Should the Court approve a stalking horse agreement, the Receiver shall concurrently seek orders amending the terms of the Sale Process, including its timelines.

**D. Selection of Winning Bid**

28. In reviewing the Qualified Final Bids and before determining a Winning Bid or Backup Bid (both as defined below), the Receiver, Cortland, and the Sales Agent shall retain full discretion and authority to discuss the bids received, and their terms, with the applicable Qualified Bidders.
29. The Receiver, in consultation with Cortland, shall review all Qualified Final Bids to determine the highest or otherwise best Qualified Final Bid(s). Evaluation criteria will include, but are not limited to, matters such as:
  - (a) the purchase price or net value being provided by such bid;
  - (b) the conditionality of any bid;
  - (c) the terms of and commitment for any required financing, including whether the commitment is firm and irrevocable;
  - (d) the timeline to closing of any bid;
  - (e) the identity, circumstances, and ability of the proponents of the Qualified Final Bids to successfully complete the transaction;
  - (f) the costs associated with the bid and its consummation;
  - (g) the terms of the proposed transaction documents;

- (h) the ability of the Qualified Bidder to comply with any regulatory requirements associated with the Property; and
  - (i) whether the Qualified Bid requires any approval under applicable anti-combines, anti-competitive or anti-trust legislation.
- 30. The Receiver, in consultation with Cortland, shall identify the highest or otherwise best Qualified Final Bid received for the Property, or part or parts thereof, as applicable (each, a “**Winning Bid**”) and the next highest or otherwise best Qualified Final Bid received for the Property, or part or parts thereof, as applicable (each, a “**Backup Bid**”). A person or persons who make a Winning Bid shall be a “**Successful Bidder**” and a person or person who makes a Backup Bid shall be a “**Backup Bidder**”.
- 31. The Receiver or Sales Agent shall notify a Successful Bidder, if any, a Backup Bidder, if any, and any other bidders of their respective status as soon as reasonably practicable in the circumstances, or may engage in such further rounds of bidding as the Receiver, Cortland, and the Sales Agent consider necessary and appropriate to maximize the value of the Winning Bid.
- 32. The Receiver or Sales Agent will notify a Backup Bidder, if any, that their bid is a successful Backup Bid and the Backup Bid shall remain open and capable of acceptance by the Receiver until the earlier of:
  - (a) the consummation of the transaction contemplated by a Winning Bid; and
  - (b) the date that is 30 days after the applicable Final Agreement Deadline, as defined below, (the “**Backup Bid Release Date**”). For greater certainty, the Receiver shall be entitled to continue to hold the Deposit in respect of a Backup Bid until the Backup Bid Release Date.
- 33. The Receiver may, but shall have no obligation to, enter into an agreement or agreements with a Successful Bidder (each, a “**Final Agreement**”). Any Final Agreement entered into with a Successful Bidder shall be executed on or before April 10, 2026 (the “**Final Agreement Deadline**”).
- 34. The Receiver has the right not to accept any Qualified Final Bid. The Receiver further has the right to negotiate with any Qualified Bidders, deal with one or more Qualified Bidders to the exclusion of other Persons, to accept a Qualified Final Bid or Qualified Final Bids for some or all of the Property, to accept multiple Qualified Final Bids and enter into multiple Final Agreements.

## **COURT APPROVAL**

- 35. If the Receiver enters into a Final Agreement in respect of a Winning Bid, a Backup Bid, or any other bid, the Receiver shall apply for orders from the Court overseeing these proceedings approving the transaction contemplated by that Final Agreement and any necessary or appropriately related relief required to consummate the transaction contemplated by that Final Agreement. Court approval shall be a condition precedent to

the consummation of any transaction or transactions contemplated by a Final Agreement. The Receiver may also:

- (a) concurrently obtain relief approving the transaction contemplated by a Backup Bid and any necessary related relief required to consummate the transaction contemplated by a Backup Bid; and
- (b) if deemed necessary or advisable, seek approval of or other relief in respect of the Winning Bid and/or Backup Bid from the courts or governmental bodies in other relevant jurisdictions.

## **DEPOSITS**

- 36. All Deposits paid pursuant to this Sale Process shall be held in trust by the Receiver in an interest-bearing account, if possible. In the event the Deposits are held in an interest-bearing account, interest shall be to the account of the party to whom the Deposit is ultimately paid in accordance with this Sale Process. The Receiver shall hold Deposits paid by each Winning Bidder and Backup Bidder in accordance with the terms of the Final Agreement with the Successful Bidder and the Backup Bidder, or as may be ordered by the Court.
- 37. If a Deposit is paid pursuant to this Sale Process, and the Receiver elects not to proceed to negotiate and settle the terms and conditions of a definitive agreement with the person that paid such deposit, the Receiver shall return the Deposit to that Person.
- 38. If:
  - (a) a Successful Bidder or Backup Bidder breaches any of its obligations under its Qualified Final Bid, any Final Agreement or the terms of this Sale Process (including the Confidentiality Agreement); or
  - (b) a Qualified Bidder breaches its obligations under the terms of this Sale Process (including the Confidentiality Agreement) or under the terms of its Qualified Final Bid if such breach prevents the Qualified Bidder from completing the transaction contemplated by its Qualified Final Bid, then, in each case, such Qualified Bidder's Deposit will be forfeited as liquidated damages and not as a penalty.

## **CONDUCT OF THE SALE PROCESS**

- 39. The Receiver may engage such other consultants, agents, or experts and such other persons from time to time as may be reasonably necessary to assist the Receiver in carrying out this Sale Process.
- 40. The Receiver and the Sales Agents will conduct the Sale Process.
- 41. The Receiver, the Sales Agent, and any of their agents, estates, advisors, and professionals are not responsible for, and will have no liability with respect to, any information provided to or obtained by any Potential Bidder in connection with the Debtors or the Property.

42. The Receiver and the Sales Agent shall keep confidential the names, details, and all other non-public information related to Potential Bidders, LOIs, Qualified Bidders, Final Bids, Qualified Final Bids, the Successful Bidder, the Winning Bid, the Backup Bidder, the Backup Bid, and the Final Agreement, and any other information provided to them and marked as confidential, and shall only use such information to conduct this Sale Process, or as is reasonably necessary to seek directions from or make submissions to the Court, or to obtain, oppose, or otherwise make submissions regarding the approval of any Winning Bid or Back Up Bid all while taking such steps as may be reasonably necessary so as to preserve the confidentiality of such information and protect the integrity of the Sale Process.

### **TERMINATION OF THE SALE PROCESS**

43. In addition to the situation described in paragraph 26, if:
- (a) there are no Qualified LOI(s) by the applicable LOI Deadline, or no LOIs are deemed commercially reasonable; or
  - (b) there are no Final Bid(s) by the applicable Final Bid Deadline; or
  - (c) there is no Qualified Bid by the applicable Final Bid Deadline, or the Receiver determines that no Qualified Final Bids should be accepted; or
  - (d) a Final Agreement is not executed by the applicable Final Agreement Deadline; or
  - (e) the Court does not approve any Winning Bid; or
  - (f) the Receiver decides to terminate this Sale Process,
- then this Sale Process shall, subject to any amendments, extensions or waivers granted in accordance with this Sale Process, terminate.

**APPENDIX “A”  
Addresses for Deliveries**

Any delivery made to the Sales Agent pursuant to this Sale Process shall be made to:

Sayer Energy Advisors  
1620, 540 - 5th Avenue SW  
Calgary, Alberta T2P 0M2

Attention: Tom Pavic  
Email: [TPavic@sayeradvisors.com](mailto:TPavic@sayeradvisors.com)

Any delivery made to the Receiver pursuant to this Sale Process shall be made to:

KSV Restructuring Inc.  
Suite 1165, 324 – 8th Avenue SW  
Calgary, Alberta T2P 2Z2

Attention: Jason Knight  
Email: [jknight@ksvadvisory.com](mailto:jknight@ksvadvisory.com)

Attention: Ross Graham  
Email: [rgraham@ksvadvisory.com](mailto:rgraham@ksvadvisory.com)

Deliveries pursuant to this Sale Process by email shall be deemed to be received when sent. In all other instances, deliveries made pursuant to this Sale Process shall be deemed to be received when delivered to the address as identified above.

**APPENDIX D**  
**[ATTACHED]**

Independent Renewable Resources Corp. and Independent Energy Holdings Inc.  
**Projected Weekly Cash Flow Statement (Consolidated)**  
November 13, 2025 to May 1, 2026  
(Unaudited; \$CAD)

For the week ending,	Note	Actual	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Week 9	Week 10	Week 11	Week 12	Week 13	Week 14	Week 15	Week 16	Week 17	Total	
		13-Nov-25 to 2-Jan-2026	9-Jan-26	16-Jan-26	23-Jan-26	30-Jan-26	6-Feb-26	13-Feb-26	20-Feb-26	27-Feb-26	6-Mar-26	13-Mar-26	20-Mar-26	27-Mar-26	3-Apr-26	10-Apr-26	17-Apr-26	24-Apr-26	1-May-26		
<b>Receipts</b>																					
Customer collections	2	1,120,169	76,852	31,776	360,263	99,850	-	-	182,767	43,003	-	31,776	458,233	122,542	31,776	31,776	31,776	458,233	122,542	3,203,334	
<b>Operating disbursements</b>																					
Feedstock purchases	3	1,011,907	62,647	31,324	31,324	62,647	146,176	146,176	202,206	146,176	146,176	146,176	146,176	146,176	146,176	146,176	202,206	146,176	146,176	3,212,197	
Contractor, wages, and benefits	4	249,370	152,454	-	41,300	-	126,420	-	-	41,300	10,000	121,420	-	41,300	10,000	121,420	-	-	-	914,984	
Other operating and regulatory costs	5	288,642	50,750	24,750	21,250	33,750	37,750	24,750	18,750	33,750	37,750	24,750	18,750	33,750	37,750	18,750	24,750	33,750	33,750	797,892	
Insurance	6	519,519	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	519,519	
Total operating disbursements		2,069,438	265,851	56,074	93,874	96,397	310,346	170,926	220,956	221,226	193,926	292,346	164,926	221,226	193,926	286,346	226,956	179,926	179,926	5,444,592	
<b>Other disbursements</b>																					
Professional fees	7	-	55,000	115,000	-	-	30,000	15,000	-	-	-	30,000	15,000	-	-	30,000	15,000	-	-	305,000	
Critical supplier payments	8	60,381	12,000	12,000	12,000	15,982	15,612	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	271,975	
Contingency	9	-	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	170,000	
Total other disbursements		60,381	77,000	137,000	22,000	25,982	55,612	37,000	22,000	22,000	22,000	52,000	37,000	22,000	22,000	52,000	37,000	22,000	22,000	746,975	
Total disbursements		2,129,819	342,851	193,074	115,874	122,379	365,958	207,926	242,956	243,226	215,926	344,346	201,926	243,226	215,926	338,346	263,956	201,926	201,926	6,191,567	
<b>Net cash inflow / (outflow)</b>		<b>(1,009,650)</b>	<b>(265,999)</b>	<b>(161,298)</b>	<b>244,389</b>	<b>(22,529)</b>	<b>(365,958)</b>	<b>(207,926)</b>	<b>(60,189)</b>	<b>(200,223)</b>	<b>(215,926)</b>	<b>(312,570)</b>	<b>256,307</b>	<b>(120,684)</b>	<b>(184,150)</b>	<b>(306,570)</b>	<b>(232,180)</b>	<b>256,307</b>	<b>(79,384)</b>	<b>(2,988,233)</b>	
Opening cash balance		5,638	132,257	166,258	4,960	249,349	226,820	510,862	302,936	242,747	42,524	326,598	14,028	270,335	149,651	565,501	258,931	26,751	283,058	5,638	
Net cash inflow / (outflow)		(1,009,650)	(265,999)	(161,298)	244,389	(22,529)	(365,958)	(207,926)	(60,189)	(200,223)	(215,926)	(312,570)	256,307	(120,684)	(184,150)	(306,570)	(232,180)	256,307	(79,384)	(2,988,233)	
Receiver's borrowing		1,136,269	300,000	-	-	-	650,000	-	-	-	500,000	-	-	-	600,000	-	-	-	-	3,186,269	
<b>Ending Cash Balance</b>		<b>132,257</b>	<b>166,258</b>	<b>4,960</b>	<b>249,349</b>	<b>226,820</b>	<b>510,862</b>	<b>302,936</b>	<b>242,747</b>	<b>42,524</b>	<b>326,598</b>	<b>14,028</b>	<b>270,335</b>	<b>149,651</b>	<b>565,501</b>	<b>258,931</b>	<b>26,751</b>	<b>283,058</b>	<b>203,674</b>	<b>203,674</b>	

**Notes to Projected Weekly Cash Flow Statement (Consolidated)**  
November 13, 2025 to May 1, 2026  
(Unaudited; \$CAD)

**Purpose**

1 The purpose of the projection is to present a cash flow forecast (the "Cash Flow Forecast") of Independent Renewable Resources Corp. and Independent Energy Holdings Inc. (collectively, the "Debtors") from November 13, 2025 to May 1, 2026 (the "Cash Flow Period") in respect of the receivership proceedings bearing Court File No. 2501-17633. Capitalized terms not defined herein have the meanings ascribed to them in the First Report of the Receiver dated January 6, 2026. The Cash Flow Forecast has been prepared based on the following assumptions.

**Assumptions**

- Represents the collection of sales to customers prior to and after the commencement of the receivership proceedings. The Cash Flow Forecast assumes that: (i) the Echo Refinery will operate at 30,000 litres per day through January 2026, and 70,000 litres per day thereafter; and (ii) WTI pricing of \$57 throughout the Cash Flow Period.
- Purchases of feedstock oil from certain critical suppliers.
- Payments made to the Debtors' employees and contractors to operate the Echo Refinery.
- Includes: (i) costs incurred for safety, capital expenditures and regulatory compliance (including regularly scheduled maintenance and a provision for emergency repairs); (ii) utilities; and (iii) other operations costs.
- Represents the upfront premium to renew the Debtors' insurance policy.
- Includes fees of the Receiver and its legal counsel, Bennett Jones LLP, and Sayer Energy Advisors.
- Represents payments of pre-receivership amounts owing to Critical Suppliers to ensure continued uninterrupted services required to operate the Echo Refinery.
- Accounts for any unforeseen expenses.

**CONFIDENTIAL APPENDIX 1**  
**[SUBJECT TO SEALING ORDER]**

**TAB C**



COURT FILE NUMBER           **2501-17633**

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

JUDICIAL CENTRE           **CALGARY**

PROCEEDING               **IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY***  
**ACT, RSC 1985, c B-3**

**IN THE MATTER OF THE RECEIVERSHIP OF INDEPENDENT**  
**RENEWABLE RESOURCES CORP. and INDEPENDENT**  
**ENERGY HOLDINGS INC.**

DOCUMENT                   **SECOND REPORT OF THE RECEIVER**

**APRIL 17, 2026**

ADDRESS FOR  
SERVICE AND  
CONTACT  
INFORMATION OF  
PARTY FILING THIS  
DOCUMENT

**RECEIVER**  
KSV Restructuring Inc.  
Suite 1165, 324-8<sup>th</sup> Avenue SW,  
Calgary, AB  
T2P 2Z2

Attention:           Noah Goldstein / Jason Knight / Ross Graham  
Telephone:         416.932.6207 / 587.287.2605 / 587.287.2750  
Facsimile:         416.932.6266  
Email:              ngoldstein@ksvadvisory.com /  
                          jknight@ksvadvisory.com /  
                          rgraham@ksvadvisory.com

**RECEIVER'S COUNSEL**  
Bennett Jones LLP  
4500 Bankers Hall East  
855 – 2<sup>nd</sup> Street SW  
Calgary, Alberta  
T2P 4K7

Attention:           Sean Zweig / Chyna Brown  
Telephone:         416.777.6254 / 403.298.3244  
Facsimile:         403.265.7219  
E-Mail:             zweigs@bennettjones.com /  
                          brownnc@bennettjones.com

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	Subscription Agreement .....	B

<b>Confidential Appendix</b>		<b>Tab</b>
	Sayer's Comprehensive Marketing Report .....	1

## 1.0 Introduction

1. On November 13, 2025, the Court of King's Bench of Alberta (the "**Court**") granted an order (the "**Receivership Order**") pursuant to subsection 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**"), and subsection 13(2) of the *Judicature Act*, R.S.A. 2000, c J-2, as amended, appointing KSV Restructuring Inc. ("**KSV**") as the receiver and manager (in such capacity, the "**Receiver**") over all of the current and future assets, undertakings, and properties (collectively, the "**Property**") of Independent Renewable Resources Corp. ("**IRRC**") and Independent Energy Holdings Inc. ("**IEH**", and together with IRRC, the "**Companies**"). A copy of the Receivership Order is attached as **Appendix "A"**.
2. On January 15, 2026, the Court granted the Receiver's application for a sale process order (the "**Sale Process Order**"), which, among other things:
  - a) authorized the Receiver to enter into an engagement letter agreement between the Receiver and Sayer Energy Services ("**Sayer**" or the "**Sales Agent**"); and
  - b) approved the sale process described in the First Report of the Receiver dated January 6, 2026 (the "**First Report**"), with respect to the Property (the "**Sale Process**"), and authorized the Receiver and the Sales Agent to carry out the Sale Process in accordance with its terms and the Sale Process Order.
3. Also on January 15, 2026, the Court granted the Receiver's application for an order (the "**Ancillary Order**"), which, among other things:
  - a) increased the Receiver's maximum permitted borrowings under the Receivership Order from \$2 million to \$3.20 million, and granted a corresponding increase to the second-ranking super-priority charge over the Property; and
  - b) approved the Receiver's activities since the date of the Receivership Order, as set out in the First Report.
4. The principal asset of the Companies is a used motor oil feedstock modular refinery (the "**Echo Refinery**") located on 49.39 acres of land in the Regional Municipality of Bone Creek No. 108, in southwest Saskatchewan (the "**IRRC Lands**").

5. The application to appoint KSV as Receiver was made by Cortland Credit Lending Corporation (“**Cortland**”), the Companies’ largest and senior secured creditor. As discussed below, the principal purpose of these receivership proceedings is to create a stabilized environment in which the Echo Refinery can continue to operate while the Receiver conducts a sale process to monetize the Property, for the benefit of the Companies’ stakeholders.

## 1.1 Purposes of this Second Report

1. The purposes of this report (the “**Second Report**”) are to, among other things:
  - a) provide background information regarding the Companies, the Echo Refinery, the Companies’ creditors, and these receivership proceedings;
  - b) summarize the results of the Sale Process;
  - c) summarize the proposed transaction (the “**Transaction**”), under the share subscription agreement (the “**Subscription Agreement**”) between the Receiver and Cortland’s nominee, Motoil Holdings Limited Partnership, by its general partner, Motoil Holdings Corporation (the “**Purchaser**”);
  - d) provide an update on the Receivers’ activities since the First Report;
  - e) discuss and provide the Receiver’s views and recommendations regarding:
    - i. an approval and reverse vesting order (the “**RVO**”), which, among other things, provides for the following relief (all undefined terms below are as defined in the RVO):
      - authorizes the Receiver to complete the Transaction, including the Reorganization and the issuance of the Purchased Shares to the Purchaser;
      - vests all legal and beneficial right, title, and interest of the Receiver and IRRC in and to the Transferred Assets and Transferred Liabilities, in the Creditor Trust;
      - expunges all Losses and Encumbrances other than the Retained Liabilities against the Purchaser and the Retained Assets;

- substitutes the Creditor Trust for IRRC as a debtor in these receivership proceedings;
  - declares that IRRC shall cease to be a debtor in these receivership proceedings; and
  - releases the Released Parties from the Released Claims; and
- ii. an order (the “**Sealing Order**”) sealing Sayer’s marketing summary, attached as **Confidential Appendix “1”**, which contains commercially sensitive information about the results of the Sale Process.

## 1.2 Scope and Terms of Reference

1. In preparing this Second Report, the Receiver has relied upon the Companies’ unaudited financial information, books and records, information available in the public domain, and discussions with Cortland, the Sales Agent, Kurt Hausen (“**Hausen**”), the Companies’ contract Chief Restructuring Officer (“**CRO**”), and RuthAnn Clarke (“**Clarke**”), the Companies’ contract bookkeeper.
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. Additional background concerning the Companies and events leading to these receivership proceedings is provided in the First Report and in the Affidavit of Deepak Alappatt, a representative of Cortland, sworn November 3, 2025 (the “**Alappatt Affidavit**”). The Alappatt Affidavit, the First Report and all other Court materials filed in these receivership proceedings, are available on the Receiver’s case website at: [www.ksvadvisory.com/experience/case/IRRC](http://www.ksvadvisory.com/experience/case/IRRC) (the “**Case Website**”).

## 1.3 Currency

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

## 2.0 Background

1. The Companies are corporations incorporated pursuant to the *Business Corporations Act*, RSA 2000, c B-9. The Companies operate the Echo Refinery, which utilizes used motor oil feedstock to produce refined petroleum products such as naphtha, gasoline, kerosene, and residual bunker.

### 2.1 Creditors

1. Based on the Receiver's review of the Companies' books and records, as at the date of the Receivership Order, the Companies' creditors were owed approximately \$69.60 million, consisting of:
  - a) Cortland – approximately \$68.35 million;
  - b) other secured creditors – approximately \$202,392; and
  - c) unsecured creditors – approximately \$1.05 million.

#### 2.1.1 Cortland

1. Pursuant to a commitment letter between the Companies and Cortland dated February 16, 2022, as amended, Cortland established in favour of IRRC a credit facility in the principal amount of \$49.50 million and an uncommitted accordion of \$4.50 million (collectively, the "**Cortland Facility**").
2. As at the date of the Receivership Order, the total indebtedness outstanding under the Cortland Facility was approximately \$68.35 million, with interest and costs continuing to accrue (the "**Cortland Indebtedness**").
3. As detailed in the Alappatt Affidavit, after an initial demand for repayment of the Cortland Indebtedness on June 29, 2023, the Companies and Cortland entered into a Forbearance Agreement dated November 1, 2023 (as amended nine times, the "**Forbearance Agreement**"). The forbearance period ultimately expired on September 11, 2025, and was not extended. Accordingly, on October 17, 2025, Cortland formally demanded payment of the Cortland Indebtedness and issued a Notice of Intention to Enforce Security under section 244 of the BIA.

## 2.1.2 Security Opinion

1. The Receiver requested a security opinion from its legal counsel in respect of the validity and enforceability of the security granted by the Companies in favour of Cortland. On February 25, 2026, the Receiver's legal counsel provided the Receiver with a security opinion that confirmed, subject to standard and customary assumptions and qualifications, that the applicable security documentation created valid and enforceable security interests or charges, as applicable, against the Companies and the Property.

## 3.0 Sale Process<sup>1</sup>

1. As set out in the First Report, the Receiver developed the proposed Sale Process in consultation with Sayer, to solicit offers from potential purchasers on an "as is, where is" basis to purchase the Property of the Companies, including the interests of IRRC in the Echo Refinery. The Sale Process was intended to be a flexible, efficient, and fair process for canvassing the market for potential purchasers and maximizing the value of the Echo Refinery and recovery for the Companies' creditors.
2. The following table provides a summary of the key process milestones and dates under the Sale Process:

<b>Phase</b>	<b>Milestone</b>	<b>Deadline</b>
Phase 1	Sale Process Commencement Date	January 23, 2026
	Letter of Intent Deadline	5:00 p.m. MT, February 26, 2026 ("LOI Deadline")
Phase 2	Final Bid Process Commences	March 2, 2026
	Final Bid Deadline	5:00 p.m. MT, March 26, 2026
	Determination of Successful Bidder	March 30, 2026

## 3.1 Marketing

1. The Receiver, with assistance from Sayer, carried out the Sale Process for the Property in accordance with the Sale Process Order. A summary of the marketing efforts under the Sale Process is as follows:

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<sup>1</sup> Capitalized terms in this section have the meaning provided to them in the Sale Process unless otherwise defined herein.

- a) following the issuance of the Sale Process Order, Sayer launched the Sale Process on January 23, 2026, by distributing an interest solicitation letter detailing the acquisition opportunity (the “**Teaser**”) to 2,650 potential purchasers and investors;
  - b) attached to the Teaser was a bid process letter and a form of non-disclosure agreement (“**NDA**”) that interested parties were required to sign in order to obtain access to a virtual data room (“**VDR**”);
  - c) the VDR contained information regarding the Property, including financial information, contracts, permits and other diligence information; and
  - d) the opportunity was also advertised on various websites, including: (i) the Daily Oil Bulletin on January 26 and 27, 2026, receiving a total of 118 views; and (ii) the BOE Report on January 26, 2026, receiving a total of 1,900 views.
2. The Sale Process contemplated a phased bid deadline, with a deadline to submit a letter of intent, which, among other things, reflected a reasonable prospect of culminating in a Qualified Bid (an “**LOI**”). This allowed interested parties the flexibility of an additional 30 days to prepare a Qualified Bid thereafter. As detailed above, the Court-approved bid deadline to submit an LOI under the Sale Process was February 26, 2026 (the “**LOI Deadline**”).
  3. Pursuant to paragraph 26 of the Sale Process, if, following the review and evaluation of all Qualified Final Bids, the highest and best bid was not sufficient to repay the Cortland Indebtedness in full or was not otherwise acceptable to Cortland, the Receiver was permitted to terminate the Sale Process and Cortland would have the right to submit a credit bid for the Property.

### **3.2 Sale Process Results**

1. A summary of the results of the Sale Process is as follows:
  - a) nineteen (19) parties executed the NDA and were provided access to the VDR;
  - b) certain of those parties conducted extensive due diligence, which the Receiver facilitated expediently; and
  - c) three (3) parties submitted an LOI prior to the LOI Deadline.

2. Despite three (3) parties having submitted an LOI prior to the LOI Deadline, none of the LOIs were acceptable to Cortland. As no LOI was acceptable, Cortland informed the Receiver that it would proceed with the credit bid, and the Sale Process was subsequently terminated. The Transaction described herein detail the terms of Cortland's credit bid arrangement, which will result in the Purchaser (Cortland's nominee) assuming the Cortland Indebtedness.
3. As the Sale Process was terminated following the LOI Deadline, the second phase of the Sale Process was not performed. A comprehensive marketing report prepared by Sayer documents the results of the Sale Process and is attached hereto as **Confidential Appendix "1"**.

### **3.3 Sealing of Sayer Marketing Report**

1. The Receiver recommends that **Confidential Appendix "1"** be filed with the Court on a confidential basis and remain sealed until the earlier of (i) closing of the Transaction, or (ii) further Order of this Court, as Sayer's comprehensive marketing report contains confidential information with respect to the LOIs received in the Sale Process.
2. The Receiver believes it is appropriate to temporarily seal **Confidential Appendix "1"**. Sealing this type of commercially sensitive information (i.e. LOI details and bid pricing) is common practice in insolvency proceedings to protect the integrity of the Sale Process in the event of the Transaction does not close and the Property needs to be re-marketed. The salutary effects of sealing such information from the public record greatly outweigh any deleterious effects of doing so. The Receiver is of the view that a sealing order is appropriate in the circumstances and that doing so satisfies the test from *Sherman Estate v Donovan*, 2021 SCC 25. The Receiver is of the view that no stakeholders will be prejudiced if the information is sealed.

## 4.0 Transaction<sup>2</sup>

### 4.1 Subscription Agreement

1. The following constitutes a summary description of the Subscription Agreement only. Reference should be made directly to the Subscription Agreement for all its terms and conditions. The proposed form of the Subscription Agreement is attached hereto as **Appendix “B”** and is expected to be finalized prior to the return of this application.
2. The key terms and conditions of the Subscription Agreement are provided below:
  - a) Vendor: the Receiver.
  - b) Purchaser: Cortland’s nominee, Motoil Holdings Limited Partnership, by its general partner, Motoil Holdings Corporation.
  - c) Purchased Shares: 100 Common Shares subscribed for by the Purchaser and sold by the Receiver, or such greater or lesser number as will give the Purchaser 100% of the issued Common Shares of IRRC at Closing (the **“Purchased Shares”**).
  - d) Purchase Price: Aggregate consideration in the amount sufficient to pay for all amounts owing in respect of any Claim against IRRC which rank in priority to the Cortland Indebtedness, including without limitation (the **“Priority Amounts”**):
    - i. any amounts due at Closing under the Receiver’s Charge (as defined in paragraph 18 of the Receivership Order); and
    - ii. amounts to compensate/reimburse the trustee of the Creditor Trust for its services and expenses (including the reasonable costs and expenses of its legal counsel) to complete the receivership proceedings in the amount of \$150,000.

The Purchase Price shall be satisfied by payment in cash by the Purchaser to the Receiver in the amount of the Priority Amounts.

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<sup>2</sup> Capitalized terms in this section have the meaning provided to them in the Subscription Agreement unless otherwise defined herein.

- e) Transferred Assets: The Transferred Assets are proposed to be transferred to the Creditor Trust through operation of the RVO. A complete list of the Transferred Assets is included in Schedule “B” of the Subscription Agreement and include.
- f) Transferred Liabilities: The Transferred Liabilities are proposed to be transferred to the Creditor Trust through operation of the RVO. Schedule “B” of the Subscription Agreement lists the Transferred Liabilities, unless otherwise designated by the Purchaser as Retained Liabilities.
- g) Retained Assets: The Retained Assets, being those assets proposed to be retained by the Purchaser, are listed in Schedule “B” of the Subscription Agreement.
- h) Retained Liabilities: The Retained Liabilities, being those assets proposed to be retained by the Purchaser, are listed in Schedule “B” of the Subscription Agreement and which includes the Cortland Indebtedness.
- i) Retained Contracts: The Retained Contracts include those contracts to be retained by the Company through operation of the RVO and listed in Schedule “B” of the Subscription Agreement.
- j) Representation and Warranties by the Parties: Consistent with the standard terms of an insolvency transaction, the parties are making limited representations and warranties, and the transaction is on an “as is, where is” basis.
- k) Closing Date: Will occur no later than 5 business days from the date on which all conditions set out in article 4 of the Subscription Agreement have been satisfied or waived by the parties.
- l) Material Conditions: The Subscription Agreement includes the following material conditions, among other conditions:
  - i. a mutual condition that the RVO shall have been granted and entered by the Court and shall not have been vacated, set aside, or stayed, and all conditions to the effectiveness of the RVO shall have been satisfied or waived in accordance with the terms thereof;

- ii. no Material Adverse Change shall have occurred with respect to the Companies or the Echo Refinery; and
- iii. the Purchaser being satisfied with the Cash Purchase Price Amount and such amount shall have been paid to the Receiver.

## 4.2 Proposed Form of the RVO

1. A summary of certain key terms of the RVO are as follows:

### Reorganization

- a) The Receiver shall affect a reorganization whereby all existing Equity Interests in IRRC shall be redeemed for nominal consideration and then extinguished immediately prior to the subscription for and purchase of the Purchase Shares by the Purchaser pursuant to the Subscription Agreement.
- b) At Closing, the Purchased Shares shall represent all of the issued and outstanding equity of IRRC.
- c) Any of the directors of IRRC immediately prior to the Closing shall resign or be deemed to resign pursuant to the RVO.

### Vesting of Assets and Liabilities

- a) All legal and beneficial right, title and interest of IRRC in and to the Transferred Assets shall be transferred to the Creditor Trust and shall vest absolutely and exclusively with the Creditor Trust, and all Losses and Encumbrances attached to the Transferred Assets prior to the transfer shall continue to attach to the Transferred Assets following the transfer with the same nature and priority as they had immediately prior to their transfer;
- b) all Losses and Encumbrances, including the Transferred Liabilities, shall be transferred to, assumed by and vest absolutely and exclusively with the Creditor Trust and the Transferred Liabilities shall be novated and become obligations of the Creditor Trust and shall no longer, under any circumstances, be or represent obligations of IRRC;

- c) IRRC shall cease to be a debtor in these receivership proceedings and IRRC shall be deemed to be released from the purview of the Receivership Order and all other Orders of this Court granted in relation to these receivership proceedings; and
- d) the Creditor Trust shall replace IRRC as a debtor to these receivership proceedings and shall be subject to the terms of all Orders granted in these receivership proceedings;

#### Creditor Trust Matters

- a) The Creditor Trust shall be named the "Independent Renewable Resources Trust" and shall be administered in accordance with the Creditor Trust Settlement attached as Schedule "B" to the RVO;
- b) the Receiver shall act as trustee of the Creditor Trust; and
- c) the administration of the Creditor Trust shall remain subject to the Court's oversight and the receivership proceedings; and

#### Releases and Other Protections

- a) From and after Closing, IRRC, the Purchaser and the Receiver, and each of their current and former directors, officers, employees, contractors, executive team, agents, representatives, and all of their respective advisors, including financial advisors and legal counsel, (the "**Released Parties**") are to be released, remised and forever discharged from any and all rights, actions, causes of action, suits, demands, debts, covenants, or claims of any nature whatsoever, whether contractual, extra-contractual, in law or in equity or otherwise, past, present or future, direct or indirect, whether known or unknown (collectively, the "**Released Claims**") against any of the Released Parties; save and except for any and all Released Claims arising out of or in connection with any fraud, gross negligence or willful misconduct, on the part of the Released Parties.

### 4.3 Receiver's Recommendations

1. The Receiver recommends the Court approve the Transactions for the following reasons:
  - a) the Sale Process was reasonable in the circumstances and was conducted in accordance with the Sale Process Order, which provided for a sale process that allowed the market to be appropriately canvassed and allowed all interested parties time to perform their own due diligence;
  - b) the market was widely canvassed by the Receiver, with assistance from the Sales Agent. The Receiver's view is it is unlikely that exposing the Property to the market for additional time will result in a superior transaction;
  - c) the Receiver is of the view that the Transaction provides for the highest recovery available for the benefit of the Companies' stakeholders in the circumstances;
  - d) Cortland is supportive of the Transaction;
  - e) the proposed releases are fair and reasonable and are rationally connected to the Transaction; and
  - f) the Receiver is not aware of any objections by the Companies' stakeholders with respect to the Transaction. The Receiver believes that creditors were appropriately consulted in the circumstances.

### 4.4 Reverse Vesting Order Considerations

1. The Receiver, in consultation with its legal counsel, considered the recent guidance provided by the Canadian Courts in the context of other insolvency proceedings that utilized a reverse vesting order to facilitate a transaction. The Receiver understands the Court is responsible for making a determination on the appropriateness of the reverse vesting order structure. In order to assist the Court with its exercise of its discretion in this regard, the Receiver provides the following comments with respect to the guidance provided by the Canadian Courts:
  - a) *Why is the reverse vesting order necessary in this case?*

The Purchaser utilized the RVO structure to preserve certain tax attributes, including tax loss pools of approximately \$56 million, land agreements, licenses and operating permits<sup>3</sup> that are considered valuable and necessary by the Purchaser.

- b) *Does the reverse vesting order structure produce an economic result at least as favourable as any other viable process?*

The Receiver believes that a transaction structured as an RVO provides the most value to purchasers and therefore the best economic result for the Companies and their stakeholders. As noted previously, the RVO structure allows for the preservation of tax attributes for the benefit of the Purchaser.

The Sale Process has not resulted in a more favourable result for the Companies' creditors and shareholders, and it is unlikely that another proposed structure would achieve the same result as the Transactions.

- c) *Is any stakeholder worse off under the reverse vesting order structure than they would have been under any other viable alternative?*

The Receiver does not believe any stakeholder is worse off under the RVO structure. The RVO will result in the Purchaser assuming the Cortland Indebtedness, which is the amount owed to the Companies' fulcrum secured creditor and most significant stakeholder, Cortland. No other creditor has an economic interest in the Companies.

- d) *Does the consideration being paid for the debtor's business reflect the importance and value of the licenses and permits (or other intangible assets) being preserved under the reverse vesting order structure?*

The consideration being paid reflects the value of the preservation of the tax attributes and the retention of the land agreements, licenses, and operating permits necessary to maintain operations.

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<sup>3</sup> Including, among others: (i) permit #PO25-081 and #PC22-196 issued by the Saskatchewan Ministry of Environment to operate industrial waste works in the province; and (ii) a water rights license and groundwater withdrawal permit issued by the Saskatchewan Water Security Agency.

2. Based on the foregoing, and the reasons described in Section 4.3, the Receiver recommends that this Court approve the Transaction and grant the RVO.

## **5.0 Other Activities of the Receiver**

1. Since the First Report, the Receiver has performed the following additional activities:
  - a) corresponding extensively with Hausen and Clarke regarding ongoing operations at the Echo Refinery, including the processing of weekly payment requests;
  - b) corresponding with various critical vendors to the Echo Refinery regarding the payment of arrears balances;
  - c) preparing and maintaining a cash flow forecast for the Companies;
  - d) corresponding with Cortland to arrange periodic advances pursuant to the Receiver's borrowing certificates as set out in the Receivership Order;
  - e) corresponding with ATB Financial, the Companies' bank, regarding deposits and transfers of funds received;
  - f) attending to all matters relating to the Sale Process, including, among other things;
    - i. reviewing and commenting on the marketing materials prepared by the Sales Agent;
    - ii. preparing an updated financial model to support the Sale Process;
    - iii. corresponding extensively with Kurt and Cortland regarding all aspects of the Sale Process;
    - iv. addressing due diligence questions raised by interested parties in the Sale Process; and
    - v. reviewing the LOIs received and corresponding with the Sales Agent and Cortland regarding the economics of each.
  - g) corresponding with the Receiver's legal counsel and Cortland's legal counsel regarding the Sale Process, the RVO, the Transaction and these receivership proceedings generally;

- h) corresponding with Cortland regarding all aspects of these receivership proceedings;
- i) corresponding with the Canada Revenue Agency regarding an ongoing trust audit of the IRRC's accounts;
- j) establishing and maintaining the Case Website; and
- k) preparing this Second Report.

## 6.0 Conclusion and Recommendation

1. Based on the foregoing, the Receiver respectfully recommends that the Court grant the relief detailed in Section 1.1(1) of this Second Report.

\* \* \*

All of which is respectfully submitted,

*KSV Restructuring Inc.*

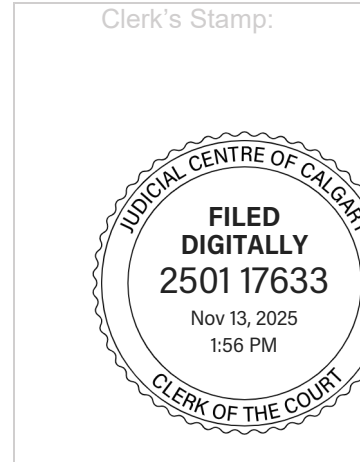
**KSV RESTRUCTURING INC.,  
in its capacity as Receiver of  
Independent Renewable Resources Corp. and  
Independent Energy Holdings Inc.  
and not in its personal capacity**

## **Appendix “A”**

COURT FILE NO.: 2501-17633  
COURT COURT OF KING'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY

*IN THE MATTER OF THE BANKRUPTCY  
AND INSOLVENCY ACT, RSC 1985, c B-3*

*IN THE MATTER OF THE RECEIVERSHIP  
OF INDEPENDENT RENEWABLE  
RESOURCES CORP. and INDEPENDENT  
ENERGY HOLDINGS INC.*



PLAINTIFF CORTLAND CREDIT LENDING CORPORATION  
DEFENDANTS INDEPENDENT RENEWABLE RESOURCES CORP. and INDEPENDENT  
ENERGY HOLDINGS INC.

DOCUMENT **RECEIVERSHIP ORDER**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT  
Cassels Brock & Blackwell LLP  
Suite 3700, Bankers Hall West  
888 3<sup>rd</sup> Street SW  
Calgary, Alberta, T2P 5C5  
Telephone 403-351-2921  
Facsimile 403-648-1151  
Email: [joliver@cassels.com](mailto:joliver@cassels.com) / [kwiest@cassel.com](mailto:kwiest@cassel.com)

File No. 57175-21

**Attention: Jeffrey Oliver / Kamryn Wiest**

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DATE ON WHICH ORDER WAS PRONOUNCED: **NOVEMBER 13, 2025**  
LOCATION OF HEARING: **CALGARY, AB**  
NAME OF JUSTICE WHO GRANTED THIS ORDER: **JUSTICE BOURQUE**

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**UPON** the application (the "**Application**") of Cortland Credit Lending Corporation ("**Cortland**" or the "**Plaintiff**") in respect of Independent Renewable Resources Corp. ("**IRRC**") and Independent Energy Holdings Inc. ("**IEH**", and together with IRRC, the "**Debtors**"); **AND UPON** having read the Application, the Affidavit of Deepak Alappat, sworn on November 3, 2025, and the Affidavit of Service of Gaby Kurta sworn November 12, 2025; **AND UPON** reading Cortland's brief of law filed November 3, 2025, the Debtor's brief filed November 6, 2025 and Cortland's reply brief filed November 10, 2025; **AND UPON** reading the consent of KSV Restructuring Inc. ("**KSV**") to act as receiver and manager (in such capacity, the "**Receiver**") of the

Debtors, filed November 6, 2025; **AND UPON** hearing counsel for the Plaintiff, counsel for the Debtors, counsel for the proposed Receiver and any other counsel or other interested parties present on November 12, 2025; **AND UPON** judgement of the Application being reserved until November 13, 2025;

**IT IS HEREBY ORDERED AND DECLARED THAT:**

**SERVICE**

1. The time for service of the Application for this order (the "**Order**") is hereby abridged and deemed good and sufficient and this application is properly returnable today.

**APPOINTMENT**

2. Pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3 (the "**BIA**") and section 13(2) of the *Judicature Act*, RSA 2000, c J-2, KSV is hereby appointed Receiver, without security, of all of the Debtors' current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the "**Property**").

**RECEIVER'S POWERS**

3. The Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
  - (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property, which shall include the Receiver's ability to abandon, dispose of, or otherwise release any interest in any of the Debtors' real or personal property, or any right in any immovable property;
  - (b) to receive, preserve, protect, and maintain control of the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of the Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
  - (c) to manage, operate and carry on the business of the Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtors;
  - (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a

temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;

- (e) to purchase or lease machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors, and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to or by the Debtors;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtors;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding, and provided further that nothing in this Order shall authorize the Receiver to defend or settle the action in which this Order is made unless otherwise directed by this Court;
- (k) to market any or all the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:
  - i. without the approval of this Court in respect of any transaction not exceeding \$500,000, provided that the aggregate consideration for all such transactions does not exceed \$1,000,000; and
  - ii. with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 60(8) of the *Personal Property Security Act*, RSA 2000, c. P-7 or any other similar legislation in any other province or territory shall not be required.

- (m) to apply for any vesting order or other orders (including, without limitation, confidentiality or sealing orders) necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting the Property;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (o) to register a copy of this Order and any other orders in respect of the Property against title to any of the Property, and when submitted by the Receiver for registration this Order shall be immediately registered by the Registrar of Land Titles of Alberta, Saskatchewan Land Titles Registry, or any other similar government authority, notwithstanding Section 191 of the *Land Titles Act*, RSA 2000, c. L-4, *The Land Titles Act, 2000*, SS 2000, c L-5.1, or the provisions of any other similar legislation in any other province or territory and notwithstanding that the appeal period in respect of this Order has not elapsed and the Registrar of Land Titles of Alberta, Saskatchewan Land Titles Registry, or any other similar government authority shall accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver and not in its personal capacity;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of any of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (r) to retain for the unexpired term, assign, surrender, renegotiate or terminate any lease or agreement related to the Property;
- (s) to collect the rents, profits, and other receipts arising from the Property or any part thereof;
- (t) to exercise any shareholder, partnership, joint venture, or other rights which the Debtors may have; and

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

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

#### **DUTY TO PROVIDE ACCESS AND CO-OPERATIONS TO THE RECEIVER**

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

may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names, and account numbers that may be required to gain access to the information.

#### **NO PROCEEDINGS AGAINST THE RECEIVER**

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

#### **NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY**

8. No Proceeding against or in respect of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors or the Property are hereby stayed and suspended pending further Order of this Court, provided, however, that nothing in this Order shall: (i) prevent any Person from commencing a proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such proceeding is not commenced before the expiration of the stay provided by this paragraph; and (ii) affect a Regulatory Body's investigation in respect of the Debtors or an action, suit or proceeding that is taken in respect of the Debtors by or before the Regulatory Body, other than the enforcement of a payment order by the Regulatory Body or the Court. **"Regulatory Body"** means a person or body that has powers, duties or functions relating to the enforcement or administration of an Act of Parliament or of the legislature of a Province.

#### **NO EXERCISE OF RIGHTS OR REMEDIES**

9. All rights and remedies of any Person, whether judicial or extra-judicial, statutory or non statutory (including, without limitation, set-off rights) against or in respect of the Debtors or the Property, the Receiver, or affecting the Property are hereby stayed and suspended and shall not be commenced, proceeded with or continued except with leave of this Court, provided, however, that nothing in this Order shall:
  - (a) empower the Receiver to carry on any business which the Debtors are not lawfully entitled to carry on;
  - (b) prevent the filing of any registration to preserve or perfect a security interest;
  - (c) prevent the registration of a claim for lien; or
  - (d) exempt the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment.

10. Nothing in this Order shall prevent any party from taking an action against the Debtors or the Property where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such party except in accordance with the other provisions of this Order, and notice in writing of such action be given to the Receiver at the first available opportunity.

#### **NO INTERFERENCE WITH THE RECEIVER**

11. No Person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtors, including, without limitation, insurance coverage, except with the written consent of the Receiver, or leave of this Court. Nothing in this Order shall prohibit any party to an eligible financial contract (as defined in the BIA) from terminating such contract or exercising any rights of set-off, in accordance with its terms.

#### **CONTINUATION OF SERVICES**

12. All persons having:
- (a) statutory or regulatory mandates for the supply of goods and/or services; or
  - (b) oral or written agreements or arrangements with any of the Debtors, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Debtors,

are hereby restrained until further order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the Debtors or exercising any other remedy provided under such agreements or arrangements. The Receiver shall be entitled to the continued use of the Debtors' current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the usual prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with the payment practices of the Debtors, or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

#### **RECEIVER TO HOLD FUNDS**

13. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale or disposition of all or any of the Property and the collection of any accounts

receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

## **EMPLOYEES**

14. Subject to employees' rights to terminate their employment, all employees of the Debtors shall remain the employees of the applicable Debtor until such time as the Receiver, on the applicable Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, SC 2005, c. 47 ("**WEPPA**").
15. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, SC 2000, c. 5, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any of the Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

## **LIMITATIONS ON ENVIRONMENTAL LIABILITIES**

16. Notwithstanding anything in any federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arose or environmental damage that occurred:
  - i. before the Receiver's appointment; or

- ii. after the Receiver's appointment unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.
- (a) Nothing in sub-paragraph 16 exempts a Receiver from any duty to report or make disclosure imposed by a law referred to in that sub-paragraph.
  - (b) Notwithstanding anything in any federal or provincial law, but subject to sub-paragraph 16 hereof, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, the Receiver is not personally liable for failure to comply with the order, and is not personally liable for any costs that are or would be incurred by any person in carrying out the terms of the order,
    - i. if, within such time as is specified in the order, within 10 days after the order is made if no time is so specified, within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, or during the period of the stay referred to in clause (**Error! Reference source not found.**) b elow, the Receiver:
      - A. complies with the order, or
      - B. on notice to the person who issued the order, abandons, disposes of or otherwise releases any interest in any real property affected by the condition or damage;
    - ii. during the period of a stay of the order granted, on application made within the time specified in the order referred to in clause (i) above, within 10 days after the order is made or within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, by:
      - A. the court or body having jurisdiction under the law pursuant to which the order was made to enable the Receiver to contest the order; or
      - B. the court having jurisdiction in bankruptcy for the purposes of assessing the economic viability of complying with the order; or
    - iii. if the Receiver had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.

## LIMITATION ON THE RECEIVER'S LIABILITY

17. Except for gross negligence or wilful misconduct, as a result of its appointment or carrying out the provisions of this Order, the Receiver shall incur no liability or obligation that exceeds an amount for which it may obtain full indemnity from the Property. Nothing in this Order shall derogate from any limitation on liability or other protection afforded to the Receiver under any applicable law, including, without limitation, sections 14.06, 81.4(5) or 81.6(3) of the BIA.

## RECEIVER'S ACCOUNTS

18. The Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case, incurred at their standard rates and charges. The Receiver and counsel to the Receiver shall be entitled to the benefits of and are hereby granted a charge (the "**Receiver's Charge**") on the Property as security for their professional fees and disbursements incurred at the normal rates and charges of the Receiver and such counsel, both before and after the making of this Order in respect of these proceedings, and the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person but subject to section 14.06(7), 81.4(4) and 81.6(2) of the BIA. The Receiver and its legal counsel shall pass their accounts from time to time.
19. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including the legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

## FUNDING OF THE RECEIVERSHIP

20. The Receiver shall be at liberty and is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$2,000,000 (or such greater amount as this Court may by further order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person,

but subordinate in priority to the Receiver's Charge and the charges set out in sections 14.06(7), 81.4(4) and 81.6(2) of the BIA.

21. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
22. The Receiver is at liberty and authorized to issue certificates substantially in the form annexed as **Schedule "A"** hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.
23. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.
24. The Receiver shall be authorized to repay any amounts borrowed by way of Receiver's Certificates out of the Property or any proceeds, including any proceeds from the sale of any assets without further approval of this Court.

#### **ALLOCATION**

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

#### **GENERAL**

26. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
27. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, unless otherwise ordered by this Court, the Receiver will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence. The Receiver's reports shall be filed by the Court Clerk notwithstanding that they do not include an original signature.
28. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of either of the Debtors.
29. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any foreign jurisdiction to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such

orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Receiver in any foreign proceeding, or to assist the Receiver and its agents in carrying out the terms of this Order.

30. The Receiver shall be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
31. The Plaintiff shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis, including legal costs on a solicitor-client full indemnity basis, to be paid by the Receiver from the Debtors' estate with such priority and at such time as this Court may determine.
32. Any interested party may apply to this Court to vary or amend this Order on not less than 7 days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

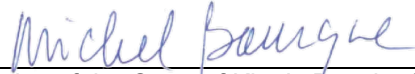
## **FILING**

33. The Receiver shall establish and maintain a website in respect of these proceedings at <https://www.ksvadvisory.com/experience/case/IRRC> (the "**Receiver's Website**") and shall post there as soon as practicable:
  - (a) all materials prescribed by statute or regulation to be made publicly available; and
  - (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, or served upon it, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.
34. Service of this Order shall be deemed good and sufficient by:
  - (a) serving the same on:
    - i. the persons listed on the service list created in these proceedings or otherwise served with notice of these proceedings;
    - ii. any other person served with notice of the application for this Order;

- iii. any other parties attending or represented at the application for this Order; and
- (b) posting a copy of this Order on the Receiver's Website

and service on any other person is hereby dispensed with.

35. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.



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Justice of the Court of King's Bench of Alberta

**SCHEDULE "A"**  
**RECEIVER CERTIFICATE**

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

1. THIS IS TO CERTIFY that KSV Restructuring Inc., the receiver and manager (in such capacity, the "**Receiver**") of all of the current and future assets, undertakings and properties of **INDEPENDENT RENEWABLE RESOURCES CORP. and INDEPENDENT ENERGY HOLDINGS INC.** appointed by Order of the Court of King's Bench of Alberta and Court of King's Bench of Alberta in Bankruptcy and Insolvency (collectively, the "**Court**") dated the 12<sup>th</sup> day of November, 2025 (the "**Order**") made in action number [●], has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$[●], being part of the total principal sum of \$[●], that the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily / monthly not in advance on the [●] day of each month] after the date hereof at a notional rate per annum equal to the rate of [●] per cent above the prime commercial lending rate of [●] from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at [●].
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.
7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the [●] day of [●], 202\_

**KSV RESTRUCTURING INC.**, solely in its capacity as Receiver of **INDEPENDENT RENEWABLE RESOURCES CORP. and INDEPENDENT ENERGY HOLDINGS INC.** and not in its personal capacity or corporate capacity

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

Name:

Title:

## **Appendix “B”**

**SUBSCRIPTION AGREEMENT**

BETWEEN:

**KSV RESTRUCTURING INC.** in its capacity as Court-appointed receiver and manager over all the current and future assets, undertakings, and properties of **INDEPENDENT RENEWABLE RESOURCES CORP.** and **INDEPENDENT ENERGY HOLDINGS INC.**, and not in its personal capacity or in any other capacity (in such capacity, the “**Receiver**”)

- and -

**MOTOIL HOLDINGS LIMITED PARTNERSHIP**, by its general partner,  
**MOTOIL HOLDINGS CORPORATION**  
(in such capacity, the “**Purchaser**”)

Dated:

April [●], 2026

**THIS FORM OF SUBSCRIPTION AGREEMENT IS SUBJECT TO REVISION BY THE RECEIVER AT ANY TIME PRIOR TO EXECUTION BY ALL OF THE PARTIES HERETO AND SHALL BE KEPT CONFIDENTIAL PURSUANT TO THE TERMS OF THE CONFIDENTIALITY AGREEMENT ENTERED INTO BY THE RECIPIENT HEREOF (OR ITS AFFILIATE) WITH RESPECT TO THE SUBJECT MATTER HEREOF. THIS FORM OF SUBSCRIPTION AGREEMENT IS NOT INTENDED TO CREATE, NOR WILL IT CREATE OR BE DEEMED TO CREATE, A LEGALLY BINDING OR ENFORCEABLE OFFER OR AGREEMENT OF ANY TYPE OR NATURE, UNLESS AND UNTIL AGREED TO AND EXECUTED BY ALL OF THE PARTIES HERETO.**

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## SUBSCRIPTION AGREEMENT

THIS SUBSCRIPTION AGREEMENT is made as of April [●], 2026.

### BETWEEN:

**KSV RESTRUCTURING INC.** in its capacity as Court-appointed receiver and manager over all the current and future assets, undertakings, and properties of **INDEPENDENT RENEWABLE RESOURCES CORP.** and **INDEPENDENT ENERGY HOLDINGS INC.**, and not in its personal capacity or in any other capacity (in such capacity, the “**Receiver**”)

- and -

**MOTOIL HOLDINGS LIMITED PARTNERSHIP**, by its general partner, **MOTOIL HOLDINGS CORPORATION** (in such capacity, the “**Purchaser**”)

### WHEREAS:

- A. On November 13, 2025, the Court of King's Bench of Alberta (the "**Court**") granted an order (the “**Receivership Order**”) pursuant to subsection 243(1) of the *Bankruptcy and Insolvency Act* (the "**BIA**") and section 13(2) of the *Judicature Act* (Alberta), whereby the Receiver was appointed as receiver and manager over all the current and future assets, undertakings, and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the "**Property**"), of Independent Renewable Resources Corp. (“**IRRC**”) and Independent Energy Holdings Inc. (“**IEH**” and, together with IRRC, the “**Debtors**”).
- B. The principal asset of IRRC is a used motor oil feedstock modular refinery located on and operating from the Real Property (as defined herein).
- C. On January 15, 2026, the Court granted an order that, among other things: (i) approved the engagement of Sayer Energy Advisors (the "**Sales Agent**"), and (ii) authorized the Receiver and the Sales Agent to implement a sale process (the "**Sale Process**") in accordance with the terms of the order (the “**Sale Process Order**”).
- D. Further to the Sale Process Order, the Receiver and the Purchaser entered into negotiations for the subscription and purchase of the Purchased Shares (as defined herein) by the Purchaser, to be completed by way of the Reverse Vesting Order (as defined herein).
- E. Subject to the conditions set forth in this Subscription Agreement and the issuance by the Court of the Reverse Vesting Order, the Receiver wishes to issue to the Purchaser, and the Purchaser has agreed to subscribe for and purchase from the Receiver, the Purchased Shares, upon the terms and conditions set forth herein.
- F. The Receiver shall effect a reorganization pursuant to the statutory procedure set out in subsection 193(1) of the *Business Corporations Act* (Alberta) whereby, among other things, all existing Equity Interests (as defined herein) in IRRC shall be redeemed for nominal consideration and then extinguished, immediately prior to the subscription for and purchase of the Purchased Shares by the Purchaser pursuant to this Subscription Agreement (the “**Reorganization**”).

- G. At Closing, the Purchased Shares shall represent all of the issued and outstanding equity of IRRC and, among other things, the Cortland Retained Liability (as defined herein) shall constitute a Retained Liability (as defined herein).
- H. The Transactions (as defined herein) contemplated by this Subscription Agreement are subject to the approval of the Court and will be consummated only pursuant to and in accordance with this Subscription Agreement and the approval of the Court pursuant to the Reverse Vesting Order.

**NOW THEREFORE, THIS SUBSCRIPTION AGREEMENT WITNESSETH** that in consideration of the premises and the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties have agreed as follows:

## **ARTICLE 1 INTERPRETATION**

### **1.1 Definitions**

In this Subscription Agreement, unless the context otherwise requires:

“**Affiliate**” means, with respect to any Person, any other Person or group of Persons acting in concert, directly or indirectly, that controls, is controlled by or is under common control with such Person. The term “**control**” as used in the preceding sentence 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 ownership of more than 50% of the voting Equity Interests of such Person, by contract or otherwise.

“**Ancillary Agreements**” means all agreements, certificates and other instruments delivered or given pursuant to this Subscription Agreement.

“**Applicable Law**” means, in relation to any Person, property or circumstance, all laws, statutes, rules, regulations, official directives and orders of Governmental Authorities (whether administrative, legislative, executive or otherwise), including judgments, orders and decrees of courts, commissions or bodies exercising similar functions, as amended, and includes the provisions and conditions of any permit, licence or other governmental or regulatory authorization, that are in effect as at the relevant time and are applicable to such Person, property or circumstance.

“**BIA**” has the meaning set out in the Recitals.

“**Business**” means the business and operations carried on by the Debtors as at the date of this Subscription Agreement and as at the date of Closing.

“**Business Day**” means a day other than a Saturday, a Sunday or a statutory holiday in Calgary, Alberta.

“**Cash Purchase Price Amount**” has the meaning set out in Section 2.2.

“**Claim**” means any claim, action, demand, lawsuit, proceeding, arbitration, or any investigation by a Third Party or a Governmental Authority (whether pertaining to the Retained Assets or otherwise), in each case whether asserted, threatened, pending or existing.

“**Closing**” means the completion of the Transactions pursuant to this Subscription Agreement.

“**Closing Date**” the date on which Closing occurs, which date shall be no later than five (5) Business Days from the date on which all conditions set out in Article 4 (other than those conditions that

by their nature can only be satisfied on the Closing Date) have been satisfied or waived or such other date as may be agreed upon by the Parties.

“**Closing Place**” means the office of the Receiver or the Receiver’s Counsel, or such other place as may be agreed upon in writing by the Parties.

“**Closing Sequence**” has the meaning set out in Section 3.3.

“**Common Shares**” means common shares in the capital of IRRC.

“**Confidential Materials**” has the meaning set out in Section 9.12.

“**Continuing Employees**” has the meaning set out in Section 2.6.

“**Cortland Debt**” means all amounts owing under the Existing Credit Agreement.

“**Cortland Retained Liability**” means the Debtors' liabilities (including corresponding Losses and Encumbrances) under the Existing Credit Agreement in an amount equal to the Cortland Debt.

“**Court**” has the meaning set out in the Recitals.

“**Creditor Trust**” means the trust to be formed pursuant to the Reverse Vesting Order and named “Independent Renewable Resources Trust”, which shall hold the Transferred Assets and the Transferred Liabilities for the benefit of the creditors of IRRC and subject to the claims under the Reverse Vesting Order, all in the manner specified herein and set forth in the Reverse Vesting Order.

“**Creditor Trust Settlement**” means the Creditor Trust Settlement attached as Schedule “B” to the Reverse Vesting Order.

“**Debtors**” has the meaning set out in the Recitals.

“**Deposit**” has the meaning set out in Section 2.4.

“**Encumbrances**” means all security interests (whether contractual, statutory, or otherwise), hypothecs, pledges, mortgages, liens, trusts or deemed trusts (whether contractual, statutory or otherwise), reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise, including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Receivership Order, the Sale Process Order, the Reverse Vesting Order or any other order of the Court; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the Personal Property Security Act of Alberta, Saskatchewan or any other personal property registry system.

“**Equity Interests**” includes, in respect of IRRC: (i) any shares, interests, participations or other equivalents (however designated) of capital stock or share capital; (ii) any phantom stock, phantom stock rights, stock appreciation rights or stock-based performance securities; (iii) any warrants, options, convertible, exchangeable or exercisable securities, subscriptions, rights (including any pre-emptive or similar rights), calls or other rights to purchase or acquire any of the foregoing; and (iv) any interest that constitutes an “equity interest” as such term is defined in the BIA.

“**Estimated Court Charges Amount**” has the meaning set out in Section 2.2.

“**Estimated Trustee Fees Amount**” has the meaning set out in Section 2.2.

**“Existing Credit Agreement”** means the credit agreement dated February 16, 2022, between, among others, Cortland Credit Lending Corporation (as agent for the lenders) and the Debtors, as amended, amended and restated or modified on or before the Closing Date.

**“Governmental 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, commission or department, as well as any government-owned entity, any regulatory authority and any public authority, including any public utility, having jurisdiction over a Party, the Retained Assets or the Transactions.

**“Lands”** means the approximately 49.39 acres of land in the Regional Municipality of Bone Creek No. 108 in southwest Saskatchewan and legally described in Schedule “C” hereto.

**“Losses”** means all actions, causes of action, losses, costs, Claims, damages, penalties, assessments, charges, expenses, and other liabilities and obligations which a Party suffers, sustains, pays or incurs, including reasonable legal fees and other professional fees and disbursements on a full-indemnity basis.

**“Material Adverse Change”** means any change, effect, event or occurrence that, individually or in the aggregate, is or could reasonably be expected to be material and adverse to the Business, assets, liabilities, condition (financial or otherwise) or operations of the Debtors or the Real Property, taken as a whole, or that would prevent or materially delay the completion of the Transactions; provided, however, that none of the following shall constitute or be taken into account in determining whether a Material Adverse Change has occurred:

- (i) any change in general economic, political or market conditions in Canada or globally;
- (ii) any change affecting the oil and gas or refining industry generally;
- (iii) any change in Applicable Law or its interpretation;
- (iv) any act of war, terrorism, natural disaster or pandemic;
- (v) the Receivership Proceedings, the Sale Process or the Transactions, or any actions taken in connection therewith;
- (vi) the financial condition of the Debtors as of the date hereof or any deterioration attributable to their status as debtors in the Receivership Proceedings; or
- (vii) any matter disclosed to the Purchaser prior to the date of this Subscription Agreement.

**“Outside Date”** means May 29, 2026.

**“Parties”** means, collectively, all of the parties to this Subscription Agreement; and **“Party”** means a party to this Subscription Agreement.

**“Person”** means an individual, partnership, limited partnership, limited liability partnership, corporation, limited liability company, unlimited liability company, joint stock company, trust, unincorporated association, joint venture or other entity or Governmental Authority, and pronouns have a similarly extended meaning.

**“Purchase Price”** has the meaning set out in Section 2.2.

“**Purchased Shares**” means [100] Common Shares subscribed for by the Purchaser and sold by the Receiver hereunder, or such greater or lesser number as will give the Purchaser 100% of the issued Common Shares at Closing (following the redemption and subsequent cancellation of all of the issued and outstanding Equity Interests of IRRC pursuant to the Reverse Vesting Order).

“**Purchaser**” has the meaning set out in the Recitals.

“**Real Property**” means the Lands, together with all buildings, structures and other improvements located thereon or thereunder and the fixtures affixed thereto.

“**Receiver**” is the party set out in the Recitals..

“**Receiver's Certificate**” means a certificate of the Receiver confirming the satisfaction of all conditions under this Subscription Agreement, payment of the Purchase Price and the vesting of the Purchased Shares pursuant to the Reverse Vesting Order.

“**Receiver's Charge**” means the receiver's charge and the receiver's borrowing charge created by the Receivership Order, as amended by the Ancillary Order granted by the Court on January 15, 2026, securing the fees and disbursements of the Receiver and the Receiver's Counsel.

“**Receiver's Counsel**” means Bennett Jones LLP.

“**Receivership Proceedings**” means the receivership proceedings commenced in respect of the Debtors pursuant to the Receivership Order.

“**Recitals**” means the preamble and the recitals to this Subscription Agreement.

“**Refined Products**” means the hydrocarbon products produced by the Refinery located on the Lands.

“**Refinery**” means the Debtors' micro-oil refining facility located on the Lands that has been used for the conduct of the Debtors' micro-oil refining business.

“**Reorganization**” has the meaning set out in the Recitals.

“**Representative**” means, with respect to any Party, its Affiliates, and its and their respective directors, officers, agents, advisors, employees and consultants and with respect to the Debtors and includes their employees and consultants, and their respective directors, officers, agents, advisors, employees and consultants.

“**Retained Assets**” means those assets described in Schedule “B” hereto and includes, where the context requires, the Retained Contracts.

“**Retained Contracts**” means those contracts, agreements and commitments described in Schedule “B” hereto.

“**Retained Liabilities**” means those liabilities described in Schedule “B” hereto.

“**Reverse Vesting Order**” means an order of the Court, in substantially the form attached hereto as Schedule “A”, or in such other form as may be agreed to by the Parties in writing.

“**Sale Process**” has the meaning set out in the Recitals.

“**Sale Process Order**” has the meaning set out in the Recitals.

“**Saskatchewan Court**” means the Court of King's Bench for Saskatchewan.

“**Subscription Agreement**” means this subscription agreement between the Receiver and the Purchaser, including all recitals and schedules attached hereto, and “**this Agreement**”, this “**Subscription Agreement**” “**herein**”, “**hereto**”, “**hereof**” and similar expressions mean and refer to this subscription agreement.

“**Taxes**” means taxes, duties, fees, premiums, assessments, imposts, levies and other similar charges imposed by any Governmental Authority under Applicable Law, including all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Authority in respect thereof, and including those levied on, or measured by, or referred to as, income, gross receipts, profits, capital, transfer, land transfer, sales, goods and services, harmonized sales, use, value-added, excise, stamp, withholding, business, franchising, property, development, occupancy, employer health, payroll, employment, health, social services, education and social security taxes, all surtaxes, all customs duties and import and export taxes, countervail and anti-dumping, and all employment insurance, health insurance and governmental pension plan premiums or contributions.

“**Tax Refunds**” means all payments, subsidies, claims with respect to subsidies, credits or refunds (including payments and refunds in respect of Taxes) to which the Debtors are entitled that arose or relate to the period prior to Closing, including but not limited to: (i) any refund of goods and services taxes or harmonized sales taxes, (ii) any refund of federal or provincial income taxes, and (iii) any refund of premiums or payments relating to any provincial or federal workers’ compensation fund or program.

“**Third Party**” means any individual or entity other than the Receiver, the Debtors, and the Purchaser, including any partnership, corporation, trust, unincorporated organization, union, government and any department and agency thereof and any heir, executor, administrator or other legal representative of an individual.

“**Transactions**” means the Reorganization and subsequent issuance by the Receiver to the Purchaser, and the subscription for and purchase by the Purchaser, of the Purchased Shares in consideration of the Purchase Price and all matters related or ancillary to the foregoing contemplated by or in the manner provided for in this Subscription Agreement or the Reverse Vesting Order.

“**Transferred Assets**” means those assets described in Schedule “B” hereto, including the Transferred Contracts.

“**Transferred Contracts**” means those contracts, agreements and commitments described in Schedule “B” hereto.

“**Transferred Liabilities**” means those liabilities described in Schedule “B” hereto.

## **1.2 Headings**

The words “Article”, “Section”, “subsection” and “Schedule” followed by a number or letter or combination thereof mean and refer to the specified Article, Section, subsection and Schedule of or to this Subscription Agreement.

## **1.3 Interpretation Not Affected by Headings**

The division of this Subscription Agreement into Articles, Sections and subsections and the provision of headings for all or any thereof are for convenience and reference only and shall not affect the construction or interpretation of this Subscription Agreement.

## **1.4 Plurals and Gender**

When the context reasonably permits, words suggesting the singular shall be construed as suggesting the plural and vice versa, and words suggesting gender or gender neutrality shall be construed as suggesting the masculine, feminine and neutral genders.

### **1.5 Schedules**

There are appended to this Subscription Agreement the following Schedules pertaining to the following matters (such Schedules are incorporated herein by reference as though contained in the body hereof):

- Schedule “A” – Form of Reverse Vesting Order
- Schedule “B” – Transferred Assets; Transferred Liabilities; Transferred Contracts; Retained Assets; Retained Liabilities and Retained Contracts
- Schedule “C” - The Lands

### **1.6 Derivatives**

Where a term is defined in the body of this Subscription Agreement, a capitalized derivative of such term shall have a corresponding meaning unless the context otherwise requires. The word “**include**” and derivatives thereof shall be read as if followed by the phrase “without limitation”.

### **1.7 Interpretation if Closing Does Not Occur**

In the event that Closing does not occur, each provision of this Subscription Agreement which presumes that the Purchaser has acquired the Purchased Shares hereunder shall be construed as having been contingent upon Closing having occurred.

### **1.8 Conflicts**

If there is any conflict or inconsistency between a provision of the body of this Subscription Agreement and that of a Schedule, the provision of the body of this Subscription Agreement shall prevail. If any term or condition of this Subscription Agreement conflicts with a term or condition of any Applicable Law, the term or condition of such Applicable Law shall prevail, and this Subscription Agreement shall be deemed to be amended to the extent required to eliminate any such conflict.

### **1.9 Currency**

All dollar (\$) amounts referenced in this Subscription Agreement are expressed in the lawful currency of Canada.

## **ARTICLE 2 SUBSCRIPTION OF PURCHASED SHARES**

### **2.1 Subscription for Purchased Shares**

Subject to the provisions of this Subscription Agreement and the Reverse Vesting Order, on the Closing Date, in consideration for the Purchase Price the Purchaser shall subscribe for and purchase from the Receiver, and the Receiver shall issue to the Purchaser the Purchased Shares, free and clear of all Losses and Encumbrances.

### **2.2 Purchase Price**

- (a) The aggregate consideration payable by the Purchaser will be (the “**Purchase Price**”):

- (i) the amount (the “**Cash Purchase Price Amount**”) sufficient to pay for all amounts owing in respect of any Claim against IRRC which rank in priority to the Cortland Debt, including without limitation:
  - (A) any amounts due at Closing under the Receiver’s Charge (the “**Estimated Court Charges Amount**”); and
  - (B) amounts to compensate the trustee of the Creditor Trust for its services and reimburse the trustee of the Creditor Trust for its expenses (including the reasonable costs and expenses of its legal counsel) to complete the Receivership Proceedings in the amount of \$150,000 (the “**Estimated Trustee Fees Amount**”).
- (b) The Purchase Price shall be satisfied by:
  - (i) payment of the Estimated Court Charges Amount in cash by the Purchaser to the Receiver or the Receiver’s Counsel, in trust; and
  - (ii) payment of the Estimated Trustee Fees Amount in cash by the Purchaser to the Receiver or the Receiver’s Counsel, in trust, as trustee of the Creditor Trust.

For greater certainty, none of the foregoing shall be satisfied, in whole or in part, by the Receiver’s working capital.

### **2.3 Form of Cash Payment**

All cash payments to be made pursuant to this Subscription Agreement shall be in Canadian funds and shall be made by wire transfer.

### **2.4 Continuing Employees**

On or before the date that is five (5) days prior to the Closing Date, the Purchaser will deliver to the Receiver a list of the employees and consultants (if any) that the Purchaser wishes, in its sole discretion, to continue to employ at the business of IRRC after the Closing Date (the “**Continuing Employees**”).

## **ARTICLE 3 CLOSING**

### **3.1 Date, Time and Place of Closing**

Closing shall take place at the Closing Place on the Closing Date if there has been satisfaction or waiver of the conditions of Closing herein contained.

### **3.2 Effectiveness of Reverse Vesting Order**

Subject to the other terms of this Subscription Agreement and the Reverse Vesting Order, to the extent such further action is required to give effectiveness thereto, the Receiver and the Creditor Trust, as applicable, shall effect the steps set forth in the Reverse Vesting Order, in the sequence and at the times specified therein, as such steps, transactions, sequence and/or times may be amended by written agreement of the Parties.

### **3.3 Closing**

On the Closing Date, Closing shall take place in the following sequence (the “**Closing Sequence**”):

- (a) first, the Purchaser shall pay the Estimated Court Charges Amount to the Receiver or the Receiver's Counsel, in trust, to be held in a separate account pending resolution of the Receiver's Charge;
- (b) second, the Purchaser shall pay the Estimated Trustee Fees Amount to the Receiver or the Receiver's Counsel, in trust, as trustee of the Creditor Trust;
- (c) third, Cortland Credit Lending Corporation (as agent for certain lenders) shall be satisfied that, on and after the Closing Date, the full amount of the Cortland Debt shall constitute a Retained Liability fully valid and binding on the Debtors;
- (d) fourth, in accordance with and pursuant to the Reverse Vesting Order, the Creditor Trust shall assume the Transferred Assets and Transferred Liabilities;
- (e) fifth, in accordance with and pursuant to the Reverse Vesting Order, all of IRRC's right, title and interest in and to the Transferred Liabilities, but specifically excluding the Retained Liabilities, shall be channeled to, assumed by and vest absolutely and exclusively in the Creditor Trust for the purpose of allowing the trustee of Creditor Trust to continue to administer the Transferred Liabilities in accordance with the terms and conditions of the Creditor Trust Settlement, for the benefit of the existing creditors of IRRC as at the Closing Date, and: (i) such Transferred Liabilities shall continue to attach to the Transferred Assets with the same nature and priority as they had immediately prior to the Closing Date; (ii) such Transferred Liabilities shall be transferred to and assumed by the Creditor Trust in consideration for the transfer of the Transferred Assets and the Estimated Trustees Fees Amount, such that the Transferred Liabilities shall become obligations of the Creditor Trust which shall be deemed to have been party to the contracts and agreements giving rise thereto and which shall stand in the place and stead of IRRC in respect of any such liability or obligation, and shall no longer be obligations of IRRC;
- (f) sixth, the Receiver shall, pursuant to the Reorganization, amend IRRC's articles of incorporation to alter the provisions of all of its Equity Interests issued and outstanding immediately prior to the Closing Date, making the same redeemable and retractable, at the nominal redemption price of \$0.00001 per each such Equity Interest;
- (g) seventh, each Equity Interest of IRRC issued and outstanding immediately prior to the Closing Date shall be redeemed at the nominal redemption price of \$0.00001 each, and all such redeemed Equity Interests together with any agreement, contract, plan, indenture, deed, certificate, subscription rights, conversion rights, pre-emptive rights, options (including stock options or share purchase or equivalent plans), or other documents or instruments governing or having been created or granted in connection with the share capital of IRRC shall be deemed terminated and cancelled for no consideration in accordance with and pursuant to the Reverse Vesting Order;
- (h) eighth, IRRC shall have paid, assumed or otherwise satisfied the Retained Liabilities associated with the Retained Contracts, and upon payment or assumption thereof, other than as set out in the Reverse Vesting Order, such Retained Liabilities shall be and are hereby forever released, expunged and discharged as against the Retained Assets, IRRC, and the Purchased Shares;
- (i) ninth, other than with respect to the Losses and Encumbrances pertaining to the Cortland Retained Liability, the Retained Assets will be retained by IRRC in each case free and clear of and from any and all Losses and Encumbrances including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by any order of the

Court; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Saskatchewan), or any other personal property registry system or pursuant to *The Lands Title Act* (Saskatchewan), all of which affecting or relating to the Purchased Shares and/or the Retained Assets shall be expunged and discharged as against the Purchased Shares and Retained Assets, as applicable, in accordance with the Reverse Vesting Order;

- (j) tenth, the Receiver shall issue the Purchased Shares to the Purchaser free and clear of and from any and all Losses and Encumbrances, and the Estimated Trustees Fees Amount shall vest in the Creditor Trust to be administered by the Receiver (as trustee of the Creditor Trust) for the benefit of the Debtors' creditors;
- (k) eleventh, any directors of IRRC immediately prior to the Closing shall resign or shall be deemed to have resigned pursuant to the Reverse Vesting Order, and ●, ● and ● shall be deemed to be appointed as directors of IRRC; and
- (l) twelfth, IRRC shall cease to be an applicant in the Receivership Proceedings and IRRC shall be deemed to be released from the purview of the Receivership Order and all other orders of the Court granted in relation to the Receivership Proceedings.

### **3.4 Closing Deliveries**

- (a) On the Closing Date, the Receiver shall deliver or cause to be delivered to the Purchaser:
  - (i) a true copy of the Reverse Vesting Order, as granted by the Court;
  - (ii) a share certificate duly executed by the Receiver, or other satisfactory evidence such as a notice of uncertified securities, representing, in aggregate, the Purchased Shares registered in the name of the Purchaser;
  - (iii) an executed copy of the Receiver's Certificate; and
  - (iv) all such other assurances, consents, agreements, documents and instruments as may be reasonably required by the Purchaser to complete the Transactions.
- (b) On the Closing Date, the Purchaser shall deliver or cause to be delivered to the Receiver:
  - (i) the Estimated Court Charges Amount in cash to the Receiver or the Receiver's Counsel, in trust;
  - (ii) the Estimated Trustee Fees Amount in cash to the Receiver, or the Receiver's Counsel, in trust as trustee of the Creditor Trust;
  - (iii) the Conditions Certificate (as defined herein); and
  - (iv) all such other assurances, consents, agreements, documents and instruments as may be reasonably required by the Receiver to complete the Transactions.

## **ARTICLE 4 CONDITIONS OF CLOSING**

### **4.1 Required Consents**

- (a) Before Closing, each of the Parties shall use all reasonable efforts to obtain any and all approvals required under Applicable Law to permit closing of the Transactions. The Parties acknowledge that, except for the Reverse Vesting Order, the acquisition of such consents

shall not be a condition precedent to Closing. It shall be the sole obligation of the Purchaser, at the Purchaser's sole cost and expense, to provide any and all financial assurances, remedial work or other documentation required by Governmental Authorities to permit the transfer to the Purchaser, and registration of the Purchaser of the Purchased Shares, if any.

- (b) Notwithstanding anything to the contrary herein, except for the Reverse Vesting Order, it is the sole obligation of the Purchaser to obtain any Third Party consents, permissions or approvals that are required in connection with the Transactions at the Purchaser's sole cost and expense. Upon providing prior written notice and sufficient documentary support, all reasonable and necessary costs, fees, expenses, penalties or levies that are incurred by the Receiver in order to effect the Transactions pursuant to the Reverse Vesting Order shall be the sole responsibility of the Purchaser, and the Purchaser agrees to pay on behalf of the Receiver any such reasonable and necessary costs, fees, expenses, penalties or levies on a timely basis.

#### **4.2 Mutual Conditions**

The obligation of the Purchaser to complete the Transactions, and of the Receiver to sell the Purchased Shares to the Purchaser, is subject to the following conditions precedent:

- (a) the Reverse Vesting Order shall have been granted and entered by the Court and shall not have been vacated, set aside, or stayed, and all conditions to the effectiveness of the Reverse Vesting Order shall have been satisfied or waived in accordance with the terms thereof, or will be satisfied and waived in accordance with the Closing; and
- (b) no stay or appeal or application to vary the Reverse Vesting Order shall have been filed with the Court or any other court at any time by any Person on or before the Closing, unless such stay, appeal or application has been finally dismissed by such court.

If the conditions contained in this Section 4.2 have not been performed, satisfied or waived before the Outside Date, this Subscription Agreement and the obligations of the Parties (other than under Sections 9.11 and 9.14) may be immediately terminated by either Party upon notice to the other Party.

#### **4.3 Purchaser's Conditions**

The obligation of the Purchaser to purchase the Purchased Shares is subject to the following conditions precedent, which are inserted herein and made part hereof for the exclusive benefit of the Purchaser and may be waived by the Purchaser:

- (a) no Material Adverse Change shall have occurred with respect to the Debtors or the Real Property;
- (b) the Purchaser being satisfied with the quantum of the Cash Purchase Price Amount;
- (c) the representations and warranties of the Receiver herein contained shall be true in all material respects when made and shall remain true as of the Closing Date; and
- (d) all covenants, obligations or agreements of the Receiver contained in this Subscription Agreement to be performed prior to or at Closing shall have been timely performed in all material respects.

If any one or more of the foregoing conditions precedent have not been satisfied, complied with, or waived by the Purchaser, at or before the Outside Date, the Purchaser may rescind this Subscription Agreement by written notice to the Receiver. If the Purchaser rescinds this Subscription Agreement, the

Parties shall be released and discharged from all obligations hereunder except as provided in Sections 9.11 and 9.14.

#### **4.4 Receiver's Conditions**

The obligation of the Receiver to complete the Transactions and sell and issue the Purchased Shares to the Purchaser is subject to the following conditions precedent, which are inserted herein and made part hereof for the exclusive benefit of the Receiver and may be waived by the Receiver:

- (a) the representations and warranties of the Purchaser herein contained shall be true in all material respects when made and shall remain true as of the Closing Date;
- (b) all covenants, obligations or agreements of the Purchaser contained in this Subscription Agreement to be performed prior to or at Closing shall have been timely performed in all material respects; and
- (c) all amounts comprising the Cash Purchase Price Amount shall have been paid as provided in Section 3.3.

If any one or more of the foregoing conditions precedent have not been satisfied, complied with, or waived by the Receiver, at or before the Outside Date, the Receiver may rescind this Subscription Agreement by written notice to the Purchaser. If the Receiver rescinds this Subscription Agreement, the Parties shall be released and discharged from all obligations hereunder except as provided in Sections 9.11 and 9.14.

#### **4.5 Efforts to Fulfil Conditions Precedent**

The Purchaser and the Receiver shall proceed diligently and in good faith and use all reasonable efforts to satisfy and comply with and assist in the satisfaction and compliance with the foregoing conditions precedent.

#### **4.6 Receiver's Certificate**

When the conditions set out in Sections 4.3 have been satisfied and/or waived by the Purchaser, the Purchaser or their respective counsel, will deliver written confirmation that such conditions of Closing have been satisfied and/or waived and that the Parties are prepared for Closing to commence (the "**Conditions Certificate**"). Upon receipt of the Conditions Certificate, the Receiver shall issue forthwith its Receiver's Certificate to the Purchaser, at which time Closing will be deemed to have occurred, and the Purchase Price and all other closing deliverables shall be unconditionally releasable and registration may be effected. The Parties hereby acknowledge and agree that the Receiver shall be entitled to file with the Court the Receiver's Certificate. The Receiver shall have no liability to the Purchaser or any other Person as a result of filing the Receiver's Certificate. The Receiver will be relying exclusively on the basis of the Conditions Certificate and without any obligation whatsoever to verify the satisfaction or waiver of the applicable conditions.

### **ARTICLE 5 REPRESENTATIONS AND WARRANTIES**

#### **5.1 Representations and Warranties of the Receiver**

The Receiver makes only the following representations to the Purchaser and agrees that the Purchaser is relying on such representations and warranties for the purpose of entering into this Subscription Agreement:

- (a) pursuant to the Receivership Order, the Receiver has, among other things, been appointed by the Court as receiver and manager over all the current and future assets, undertakings, and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof, of the Debtors, and such appointment is valid and subsisting and has not been varied or amended, except as set forth in the Receivership Order;
- (b) the Debtors are not a non-resident of Canada for the purposes of the *Income Tax Act* (Canada);
- (c) subject to the issuance of the Reverse Vesting Order, the execution and delivery of and performance by the Receiver of this Subscription Agreement and each of the Ancillary Agreements to which it is a party and the consummation of the Transactions have been duly authorized by all necessary and corporate action if applicable or required; and
- (d) subject to the issuance of the Reverse Vesting Order, this Subscription Agreement has been duly executed and delivered and constitutes a legal, valid and binding obligation of the Receiver and is enforceable against the Receiver in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar Applicable Laws relating to creditors' rights generally and subject to general principles of equity.

## **5.2 Representations and Warranties of the Purchaser**

The Purchaser makes the following representations and warranties to the Receiver and agrees that the Receiver is relying on such representations and warranties for the purposes of entering into this Subscription Agreement, which representations shall survive Closing:

- (a) the Purchaser is a partnership duly organized, validly existing and authorized to carry on business in the provinces in which such business is or is to be conducted;
- (b) the Purchaser has good right, full power and absolute authority to purchase and acquire the Purchased Shares according to the true intent and meaning of this Subscription Agreement;
- (c) the execution, delivery and performance of this Subscription Agreement has been duly and validly authorized by any and all requisite corporate, general partner, shareholders', directors' or equivalent actions and will not result in any violation of, be in conflict with, or constitute a default under, any articles, charter, bylaw or other governing document to which the Purchaser is bound;
- (d) the execution, delivery and performance of this Subscription Agreement will not result in any violation of, be in conflict with, or constitute a default under, any term or provision of any agreement or document to which the Purchaser is party or by which the Purchaser is bound, nor under any judgement, decree, order, statute, regulation, rule or licence applicable to the Purchaser;
- (e) this Subscription Agreement and any other agreements delivered in connection herewith constitute valid and binding obligations of the Purchaser, as applicable, enforceable against the Purchaser, as applicable, in accordance with their terms;
- (f) the Purchaser has adequate funds available in an aggregate amount sufficient to pay: (i) all amounts required to be paid by the Purchaser under this Subscription Agreement; and (ii) all expenses which have been or will be incurred by the Purchaser in connection with this Subscription Agreement and the Transactions;

- (g) no authorization or approval or other action by, and no notice to or filing with, any Governmental Authority or regulatory body exercising jurisdiction over the Retained Assets is required for the due execution, delivery and performance by the Purchaser of this Subscription Agreement, other than authorizations, approvals or exemptions from requirements previously obtained and currently in force or to be obtained prior to or after Closing;
- (h) the Purchaser has not incurred any obligation or liability, contingent or otherwise, for brokers' or finders' fees in respect of this Subscription Agreement or the Transactions for which the Receiver shall have any obligation or liability;
- (i) the Purchaser is acquiring the Purchased Shares in its capacity as principal and is not purchasing the Purchased Shares for the purpose of resale or distribution to a Third Party, and is dealing at arm's length with IRRC;
- (j) the Purchaser is an informed and sophisticated buyer, it has engaged expert advisors and is experienced in the evaluation and purchase of the Purchased Shares and has undertaken such investigations and has been provided with and has evaluated such documents and information as it has deemed necessary to enable it to make an informed and intelligent decision with respect to the execution, delivery and performance of this Subscription Agreement;
- (k) the Purchaser acknowledges that investment in the Purchased Shares involves risk, and represents that it is able, without materially impairing its financial condition, to hold the Purchased Shares for an indefinite period of time and to suffer a complete loss of its investment;
- (l) the Purchaser represents that it is an accredited investor, as defined by National Instrument 45-106 – *Prospectus Exemptions*, and/or that it meets one of the other exemptions under Canadian securities laws;
- (m) the Purchaser understands that the Purchased Shares are being issued to it upon an exemption from the prospectus requirements under applicable Canadian securities laws and that there may be restrictions imposed on the Purchaser and the Purchased Shares which limit the Purchaser's ability to resell the Purchased Shares in Canada; without limiting the foregoing, the Purchaser further acknowledges and agrees that any proposed transfer, resale or other disposition of the Purchased Shares shall be subject to Applicable Laws, including any restrictions and requirements under Canadian securities laws;
- (n) the Purchaser is in compliance with all the requirements of all Governmental Authorities; and
- (o) the Purchaser is not a non-Canadian person for the purposes of the *Investment Canada Act*, RSC, 1985, c.28 (1<sup>st</sup> Supp).

### 5.3 Limitation of Representations by the Receiver

Notwithstanding any other provision of this Subscription Agreement, the Purchaser acknowledges, agrees and confirms that:

- (a) except for the representations and warranties of the Receiver set forth in Section 5.1, it is entering into this Subscription Agreement and acquiring the Purchased Shares on an “**as is, where is**” basis as they exist as of Closing;

- (b) except as expressly stated in Section 5.1, none of the Receiver or the Creditor Trust or their respective Representatives is making, and the Purchaser is not relying on, any written or oral representations, warranties, statements, information, promises or guarantees, express or implied, statutory or otherwise, concerning the Transactions, the Debtors, the business of the Debtors, the Purchased Shares, the Retained Assets, the Retained Liabilities, the Transferred Assets and the Transferred Liabilities, including the right, title or interest of the Debtors in and to any of the foregoing, and any and all conditions, warranties or representations expressed or implied pursuant to any Applicable Law in any jurisdiction, which the Purchaser confirm does not apply to this Subscription Agreement, are hereby waived in their entirety by the Purchaser;
- (c) except for the representations and warranties of the Receiver set forth in Section 5.1, none of the Receiver, the Debtors, the Creditor Trust or any of their respective Representatives has made any representation or warranty as to any regulatory approvals, permits, licences, consents, registrations, filings or authorizations that may be needed to complete the Transactions or to obtain the benefit of the Retained Assets or any portion thereof, and neither the Purchaser is relying entirely on its own investigation, due diligence and inquiries in connection with such matters;
- (d) the obligations of the Purchaser under this Subscription Agreement are not conditional upon any additional due diligence;
- (e) except for the representations and warranties of the Receiver set forth in Section 5.1, any information regarding or describing the Purchased Shares, the Retained Assets or the Retained Liabilities, or in any other agreement or instrument contemplated hereby, is for identification purposes only, is not relied upon by the Purchaser, and no representation, warranty or condition, express or implied, has or will be given by the Receiver, either Debtor or the Creditor Trust or any of their respective Representatives concerning the completeness or accuracy of such information or descriptions;
- (f) except as otherwise expressly provided in this Subscription Agreement, the Purchaser hereby unconditionally and irrevocably waives any and all actual or potential rights or claims each might have against the Receiver, the Creditor Trust, or any of their respective Representatives pursuant to any warranty, express or implied, legal or conventional, of any kind or type, other than those representations and warranties of the Receiver expressly set forth in Section 5.1 and such waiver is absolute, unlimited, and includes, but is not limited to, waiver of express warranties, completeness of warranties, implied warranties, warranties of fitness for a particular use, warranties of merchantability, warranties of occupancy, strict liability and claims of every kind and type, including claims regarding defects, whether or not discoverable or latent, and all other claims that may be later created or conceived in strict liability or as strict liability type claims and rights; and
- (g) the provisions of Section 5.3 shall survive and not merge on Closing.

## **ARTICLE 6 INDEMNITIES**

### **6.1 Purchaser's Indemnities for Representations and Warranties**

The Purchaser shall be liable to the Receiver and the Creditor Trust for and shall, in addition, indemnify each of them and their respective Representatives from and against, all Losses suffered, sustained, paid or incurred by each of them or their respective Representatives which would not have been suffered, sustained, paid or incurred had all of the representations and warranties contained in Section 5.2

been accurate and truthful. The provisions of this Section 6.1 shall survive termination and shall not merge on Closing.

## **6.2 Post-Closing Date Indemnity**

Provided that Closing has occurred, the Purchaser shall:

- (a) be solely liable and responsible for any and all Losses which the Receiver, the Creditor Trust and their respective Representatives may suffer, sustain, pay or incur; and
- (b) indemnify, release and save harmless the Receiver, the Creditor Trust and their respective Representatives from any and all Losses whatsoever which may be brought against or suffered by them or which they may sustain, pay or incur,

as a result of any matter or thing resulting from, attributable to or connected with the Receiver, the Retained Assets or the Retained Liabilities and arising or accruing after Closing. The provisions of this Section 6.2 shall survive termination and shall not merge on Closing.

## **6.3 Release**

Effective upon Closing and pursuant to the Reverse Vesting Order, IRRC, the Purchaser and the Receiver and each of their current and former directors, officers, employees, contractors, agents, representatives, and all of their respective advisors, including financial advisors and legal counsel (collectively, the “**Released Parties**”), shall be released, remised and forever discharged from any and all rights, actions, causes of action, suits, demands, debts, covenants, or claims of any nature whatsoever, whether contractual, extra-contractual, in law or in equity or otherwise, past, present or future, direct or indirect, whether known or unknown (collectively, the “**Released Claims**”) that any Party or any of their respective Representatives may have against any of the Released Parties in any way relating to, arising from or in respect of:

- (a) the Transferred Assets or Transferred Liabilities;
- (b) any and all Losses or Encumbrances other than the Retained Liabilities against or relating to the Receiver, the Transferred Assets or the Retained Assets existing immediately prior to Closing;
- (c) the insolvency of IRRC prior to Closing;
- (d) the commencement or existence of the Receivership Proceedings; or
- (e) the completion of the Transactions;

provided, however, that the foregoing release shall not apply to any Released Claims arising out of or in connection with any fraud, gross negligence or willful misconduct on the part of any Released Party, or to any claims arising under this Subscription Agreement or the Ancillary Agreements. The provisions of this Section 6.3 shall survive Closing and shall not merge on Closing.

# **ARTICLE 7 MAINTENANCE OF RETAINED ASSETS**

## **7.1 Maintenance of Retained Assets**

From the date hereof until the Closing Date, the Receiver shall use reasonable commercial efforts, to the extent that the nature of its interest permits, and subject to the Receivership Order, the Sale Process Order, and the Reverse Vesting Order, to:

- (a) maintain the data room and provide access to the Purchaser and its advisors;
- (b) maintain the Retained Assets in a proper and prudent manner in material compliance with all Applicable Laws and directions of Governmental Authorities; and
- (c) pay or cause to be paid all costs and expenses relating to the Retained Assets which become due from the date hereof to the Closing Date.

provided that nothing contained in the foregoing or elsewhere in this Subscription Agreement shall obligate the Receiver to post security, make any other financial contribution or file any undertaking with a Governmental Authority with respect to any liability management program or other program.

## **7.2 Consent of the Purchaser**

Notwithstanding Section 7.1, the Receiver shall not, from the date hereof to the Closing Date, without the written consent of the Purchaser, which consent shall not be unreasonably withheld, conditioned or delayed:

- (a) make any commitment or propose, initiate or authorize any capital expenditure with respect to the Retained Assets of which the Debtors' share is in excess of \$5,000, except: (i) in case of an emergency; (ii) as may be reasonably necessary to protect or ensure life and safety; (iii) to preserve the Retained Assets or title to the Retained Assets; or (iv) in respect of amounts which the Debtors may be committed to expend or be deemed to authorize for expenditure without its consent; provided, however, that should the Purchaser withhold its consent or fail to provide its consent in a timely manner and a reduction in the value of the Retained Assets results, there shall be no abatement or reduction in the Purchase Price;
- (b) other than pursuant to ordinary course expiries, surrender or abandon any of the Retained Assets, unless an expenditure of money is required to avoid the surrender or abandonment and the Purchaser does not provide same to the Receiver in a timely fashion, in which event the Retained Assets in question shall be surrendered or abandoned without abatement or reduction in the Purchase Price;
- (c) other than in ordinary course of business, materially amend or terminate any title document or enter into any new material agreement or commitment relating to the Retained Assets; or
- (d) sell, encumber or otherwise dispose of any of the Retained Assets or any part or portion thereof except: (i) pursuant to preferential purchase rights, (ii) sales of non-material obsolete or surplus equipment, or (iii) sales of Refined Products in the normal course of business.

## **7.3 Proposed Actions**

If an operation or the exercise of any right or option respecting the Retained Assets is proposed in circumstances in which such operation or the exercise of such right or option would result in the Purchaser incurring an obligation pursuant to Section 7.2, the following shall apply to such operation or the exercise of such right or option (hereinafter referred to as the "**Proposal**"):

- (a) the Receiver shall promptly give the Purchaser notice of the Proposal, describing the particulars in reasonable detail;
- (b) the Purchaser shall, not later than 48 hours prior to the time the Receiver is required to make its election with respect to the Proposal, advise the Receiver, by notice, whether the

Purchaser wishes the Receiver to exercise the Receiver's rights with respect to the Proposal on the Purchaser's behalf, provided that the Purchaser's failure to make such election within such period shall be deemed to be the Purchaser's election to participate in the Proposal;

- (c) the Receiver shall make the election authorized (or deemed to be authorized) by the Purchaser with respect to the Proposal within the period during which the Receiver may respond to the Proposal; and
- (d) the Purchaser's election (including its deemed election) to not participate in any Proposal required to preserve the existence of any of the Retained Assets shall not entitle the Purchaser to any reduction of the Purchase Price if the Receiver's interest therein is terminated as a result of such election and such termination shall not constitute a failure or breach of the Receiver's representations and warranties relating to such Retained Assets.

#### **7.4 Licence Transfers**

If for any reason, after Closing, a Governmental Authority requires the Purchaser or the Receiver or any nominee to make a deposit or furnish any other form of security, or undertake any corrective action or remedial work including inspections, tests or engineering assessments, the Purchaser shall make such deposit or furnish such other form of security or undertake such corrective or remedial work as may be required, at the Purchaser's sole expense. All processing fees (including any fees required to be paid for expedited service) shall be for the Purchaser's account.

#### **7.5 Payments in Respect of Transferred Assets**

If at any time after Closing, the Receiver, the Purchaser or any of their respective Affiliates receives a payment or other consideration in respect of or relating to a Transferred Asset (including a Tax Refund), the recipient of such payment or other consideration shall promptly notify the Receiver and promptly pay and transfer such payment or other consideration to the Receiver, on behalf of the Creditor Trust. From and after Closing, the Receiver and the Purchaser shall provide reasonable cooperation to the Creditor Trust to enable the Creditor Trust to obtain the benefit of any Transferred Asset.

#### **7.6 Agreement Regarding Fees**

The Purchaser hereby acknowledges and agrees that it will be responsible for any and all fees, expenses, and disbursements incurred by it in connection with the formulation, negotiation, and finalization of this Subscription Agreement and the closing of the Transactions contemplated hereby.

### **ARTICLE 8 PURCHASER'S REVIEW AND ACCESS TO BOOKS AND RECORDS**

#### **8.1 Receiver to Provide Access**

Prior to Closing, the Receiver shall, subject to all contractual and fiduciary obligations, at the Calgary offices of the Receiver during normal business hours, provide reasonable access for the Purchaser and their Representatives to the records, books, accounts, documents, files, reports, information, materials, filings, and data, to the extent they relate directly to the Retained Assets and are in possession of the Receiver, as well as physical access to the Retained Assets (insofar as the Receiver can reasonably provide such access, with such access to be at the Purchaser's sole risk, expense and liability) to facilitate the Purchaser's review of the Retained Assets and title thereto for the purpose of completing these Transactions. The Purchaser shall indemnify and save harmless the Receiver and the Creditor Trust from and against all liabilities, claims and causes of action for personal injury, death or property damage occurring on or to such property as a result of such entry onto the premises. The Purchaser shall comply fully with all rules,

regulations and instructions issued by the Receiver regarding the Purchaser's actions while upon, entering or leaving such properties. The Purchaser's obligations set forth in this Section 8.1 shall survive the Closing Date indefinitely.

## **8.2 Access to Information**

After Closing and subject to contractual restrictions in favour of Third Parties relative to disclosure, the Purchaser shall, on request from the Receiver or the Creditor Trust, provide reasonable access to their Representative at the Purchaser's offices, during its normal business hours, to the agreements and documents to which the Retained Assets are subject and the contracts, agreements, records, books, documents, licences, reports and data which are then in the possession or control of the Purchaser and to make copies thereof, as they may reasonably require, including for purposes relating to:

- (a) the Creditor Trust's ownership of the Transferred Assets (including taxation matters and Losses that arise from or relate to acts, omissions, events, circumstances or operations on or before the Closing Date);
- (b) enforcing its rights under this Subscription Agreement;
- (c) compliance with Applicable Law; or
- (d) any Claim commenced or threatened by any Third Party against the Creditor Trust, the Receiver or any of them.

## **8.3 Maintenance of Information**

All of the information, materials and other records delivered to the Purchaser pursuant to the terms hereof shall be maintained by the Purchaser in good order and good condition and kept in a reasonably accessible location by the Purchaser for a period of two (2) years from the Closing Date.

# **ARTICLE 9 GENERAL**

## **9.1 Further Assurances**

Each Party will, from time to time and at all times after Closing, without further consideration, do such further acts and deliver all such further assurances, deeds and documents as shall be reasonably required to fully perform and carry out the terms of this Subscription Agreement.

## **9.2 Liability of the Receiver or the Creditor Trust**

Under no circumstances shall the Receiver or the Creditor Trust or any of their Representatives have any liability pursuant to this Subscription Agreement, or in relation to the Transactions whether such liability be in contract, tort or otherwise.

## **9.3 Entire Agreement**

Except for the Receivership Order, the Sale Process Order, and the Reverse Vesting Order, the provisions contained in any and all documents and agreements collateral hereto shall at all times be read subject to the provisions of this Subscription Agreement and, in the event of conflict, except for the Receivership Order, the Sale Process Order, and the Reverse Vesting Order, the provisions of this Subscription Agreement shall prevail. In the event that Closing occurs, except for the Receivership Order, the Sale Process Order, and the Reverse Vesting Order, this Subscription Agreement supersedes all other agreements, documents, writings and verbal understandings between the Parties relating to the subject matter hereof and expresses the entire agreement of the Parties with respect to the Transactions herein.

#### 9.4 Governing Law

This Subscription Agreement shall, in all respects, be subject to, interpreted, construed and enforced in accordance with and under the laws of the Province of Alberta and the laws of Canada applicable therein and shall, in every regard, be treated as a contract made in the Province of Alberta and all disputes shall be determined within the proceedings bearing Alberta Court of King's Bench Court Action No. 2501-17633. The Parties irrevocably attorn and submit to the jurisdiction of the courts of the Province of Alberta and courts of appeal therefrom in respect of all matters arising out of this Subscription Agreement.

#### 9.5 Assignment and Enurement

This Subscription Agreement shall not be assigned by Purchaser without the prior written consent of the Receiver, which consent may not be unreasonably and arbitrarily withheld. This Subscription Agreement shall be binding upon and shall enure to the benefit of the Parties and their respective administrators, trustees, receivers, successors and permitted assigns.

#### 9.6 Time of Essence

Time is of the essence in this Subscription Agreement.

#### 9.7 Notices

The addresses of the Parties for delivery of notices hereunder shall be as follows:

Receiver: **KSV Restructuring Inc.**  
Suite 1165, 324 – 8th Avenue SW  
Calgary, Alberta T2P 2Z2

Attention: Jason Knight and Ross Graham  
Email: [jknight@ksvadvisory.com](mailto:jknight@ksvadvisory.com) / [rgraham@ksvadvisory.com](mailto:rgraham@ksvadvisory.com)

with a copy to the Receiver's Counsel:

**Bennett Jones LLP**  
4500 Bankers Hall East  
855 2<sup>nd</sup> Street SW  
Calgary, AB T2P 4K7

Attention: Sean Zweig and Chyna Brown  
Email: [zweigs@bennettjones.com](mailto:zweigs@bennettjones.com) / [brownc@bennettjones.com](mailto:brownc@bennettjones.com)

Purchaser: **Motoil Holdings Limited Partnership**

Attention: ●  
Email: ●

**With a copy to its legal counsel at:**

Cassels Brock & Blackwell LLP  
Suite 3700, Bankers Hall West, 888 3rd Street SW  
Calgary, AB T2P 5C5 Canada

Attention: Jeff Oliver / Danielle Marechal

Email: [joliver@cassels.com](mailto:joliver@cassels.com) / [dmarechal@cassels.com](mailto:dmarechal@cassels.com)

All notices, communications and statements required, permitted or contemplated hereunder shall be in writing, and shall be delivered as follows:

- (a) by delivery to a Party between 8:00 a.m. and 4:00 p.m. on a Business Day at the address of such Party for notices, in which case, the notice shall be deemed to have been received by that Party when it is delivered;
- (b) by email to a Party to the email address of such Party for notices, in which case, if the notice was emailed prior to 4:00 p.m. on a Business Day, the notice shall be deemed to have been received by that Party when it was emailed and if it is emailed on a day which is not a Business Day or is emailed after 4:00 p.m. on a Business Day, it shall be deemed to have been received on the next following Business Day; or
- (c) except in the event of an actual or threatened postal strike or other labour disruption that may affect mail service, by first class registered postage prepaid mail to a Party at the address of such Party for notices, in which case, the notice shall be deemed to have been received by that Party on the fourth Business Day following the date of mailing.

A Party may from time to time change its address for service, email address for service or designated representative by giving written notice of such change to the other Party.

#### **9.8 Invalidity of Provisions**

In case any of the provisions of this Subscription 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.

#### **9.9 Waiver**

No failure on the part of any Party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise thereof or the exercise of any right or remedy in law or in equity or by statute or otherwise conferred. No waiver by any Party of any breach (whether actual or anticipated) of any of the terms, conditions, representations or warranties contained herein shall take effect or be binding upon that Party unless the waiver is expressed in writing under the authority of that Party and made in accordance with the Subscription Agreement. Any waiver so given shall extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.

#### **9.10 Amendment**

This Subscription Agreement shall not be varied in its terms or amended by oral agreement or by representations or otherwise other than by an instrument in writing dated subsequent to the date hereof, executed by a duly authorized representative of each Party.

#### **9.11 Confidentiality and Public Announcements**

Until Closing has occurred, each Party shall keep confidential all information obtained from the other Party in connection with the Purchased Shares, the Retained Assets and this Subscription Agreement, and shall not release any information concerning this Subscription Agreement and the Transactions without the prior written consent of the other Party, which consent shall not be unreasonably withheld. Nothing contained herein shall prevent a Party at any time from furnishing information: (i) to any Governmental Authority or to the public if required by Applicable Law (provided that the Purchaser

shall advise the Receiver in advance of the content of any such public statement); (ii) in connection with obtaining the Reverse Vesting Order; or (iii) as required by the Debtors' secured creditors.

### **9.12 Sealing Order**

The Receiver may, at its discretion, apply to the Court for a sealing order with respect to confidential materials prepared by the Receiver or the Debtors containing the financial and other confidential details of these Transactions (the "**Confidential Materials**"), such order sealing the Confidential Materials and the confidential information contained therein from the public court file for the period directed by the Court. Pursuant to the terms of such sealing order applied for by the Receiver, if granted, only the judge presiding over the Receivership Proceedings, the Purchaser and their respective Representatives and the secured creditors of the Debtors who have executed confidentiality agreements, and subject to the terms of those confidentiality agreements, shall have access to the Confidential Materials and the confidential information contained therein.

### **9.13 Termination**

This Subscription Agreement may be terminated at any time prior to Closing:

- (a) by mutual written agreement of the Receiver and the Purchaser; or
- (b) by either the Receiver or the Purchaser pursuant to the provisions of Sections 4.2, 4.3 or 4.4, as applicable.

In the event that this Subscription Agreement is terminated, each Party shall be released from all obligations under or in connection with this Subscription Agreement, other than the provisions with respect to confidentiality (Section 9.11) and the use of personal information (Section 9.14).

### **9.14 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 or reviewed by the Purchaser in connection with the Transactions only for those purposes for which it was initially collected from or in respect of the individual to whom such information relates, unless:

- (a) the Purchaser has first notified such individual of such additional purpose, and where required by the Applicable Laws, obtained the consent of such individual to such additional purpose; or
- (b) such use or disclosure is permitted or authorized by Applicable Laws, without notice to, or consent from, such individual; and
- (c) the Purchaser's obligations set forth in this Section 9.14 shall survive the Closing Date indefinitely.

### **9.15 Survival**

Other than those representations, warranties, covenants or other agreements which by their terms contemplate performance after Closing or unless otherwise expressly provided in this Subscription Agreement, the representations, warranties, covenants and other agreements contained in this Subscription Agreement shall not survive Closing.

*[Remainder of page intentionally left blank]*

**9.16 Counterpart Execution**

This Subscription Agreement may be executed and delivered in counterpart and transmitted by facsimile or other electronic means and all such executed counterparts, including electronically transmitted copies of such counterparts, shall together constitute one and the same agreement.

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

**KSV RESTRUCTURING INC.** in its capacity as Court-appointed receiver and manager over all the current and future assets, undertakings, and properties of **INDEPENDENT RENEWABLE RESOURCES CORP. and INDEPENDENT ENERGY HOLDINGS INC.**, and not in its personal capacity or in any other capacity

**MOTOIL HOLDINGS LIMITED PARTNERSHIP**, by its general partner, **MOTOIL HOLDINGS CORPORATION**

By: \_\_\_\_\_  
Name:  
Title: Authorized Signing Officer

By: \_\_\_\_\_  
Name:  
Title:

THE FOLLOWING COMPRISES SCHEDULE "A" ATTACHED TO AND FORMING PART OF A  
SUBSCRIPTION AGREEMENT DATED APRIL [●], 2026 BETWEEN INDEPENDENT  
RENEWABLE RESOURCES CORP. AND MOTOIL HOLDINGS LIMITED PARTNERSHIP, BY ITS  
GENERAL PARTNER, MOTOIL HOLDINGS CORPORATION

THE FOLLOWING COMPRISES SCHEDULE “B” ATTACHED TO AND FORMING PART OF A  
SUBSCRIPTION AGREEMENT DATED APRIL [●], 2026 BETWEEN INDEPENDENT  
RENEWABLE RESOURCES CORP. AND MOTOIL HOLDINGS LIMITED PARTNERSHIP, BY ITS  
GENERAL PARTNER, MOTOIL HOLDINGS CORPORATION

THE FOLLOWING COMPRISES SCHEDULE “C” ATTACHED TO AND FORMING PART OF A  
SUBSCRIPTION AGREEMENT DATED APRIL [●], 2026 BETWEEN INDEPENDENT  
RENEWABLE RESOURCES CORP. AND MOTOIL HOLDINGS LIMITED PARTNERSHIP, BY ITS  
GENERAL PARTNER, MOTOIL HOLDINGS CORPORATION

**TAB D**

CERTIFIED *E. Wheaton*  
by the Court Clerk as a true copy of  
the document digitally filed on Jan  
24, 2026

CLERK'S STAMP

COURT FILE NUMBER

2501-17633

COURT

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

PROCEEDING

**IN THE MATTER OF THE BANKRUPTCY AND  
INSOLVENCY ACT, RSC 1985, c B-3**

**IN THE MATTER OF THE RECEIVERSHIP OF  
INDEPENDENT RENEWABLE RESOURCES  
CORP. and INDEPENDENT ENERGY HOLDINGS  
INC.**

APPLICANT

**KSV RESTRUCTURING INC.** in its capacity as  
Court-appointed Receiver of INDEPENDENT  
RENEWABLE RESOURCES CORP. and  
INDEPENDENT ENERGY HOLDINGS INC.

DOCUMENT

**ORDER (SALE PROCESS ORDER)**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS  
DOCUMENT

**BENNETT JONES LLP**  
Barristers and Solicitors  
4500 Bankers Hall East  
855 – 2nd Street SW, Calgary, AB

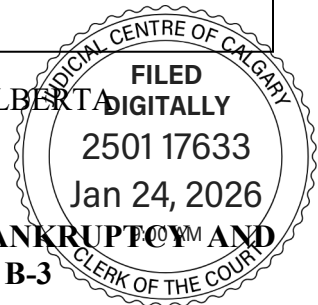
Attention: Sean Zweig / Chyna Brown  
Telephone No.: 416-777-6254 / 403-298-3244  
Fax No.: 416-863-1716 / 403-265-7219  
Email: [zweigs@bennettjones.com](mailto:zweigs@bennettjones.com) /  
[brownc@bennettjones.com](mailto:brownc@bennettjones.com)  
Client File No.: 74735.61

**DATE ON WHICH ORDER WAS PRONOUNCED:** January 15, 2026

**LOCATION WHERE ORDER WAS PRONOUNCED:** Calgary, Alberta

**NAME OF JUSTICE WHO MADE THIS ORDER:** The Honourable Justice M.H. Bourque

**UPON THE APPLICATION** by KSV Restructuring Inc. ("KSV") in its capacity as the  
Court-appointed receiver and manager (the "**Receiver**") of the undertakings, property and assets



of Independent Renewable Resources Corp. ("**IRRC**") and Independent Energy Holdings Inc. ("**IEH**", and together with IRRC, the "**Debtors**"); **AND UPON HAVING READ** the Receivership Order granted by the Honourable Justice M.H. Bourque on November 13, 2025 (the "**Receivership Order**"), the First Report of the Receiver dated January 6, 2026 (the "**First Report**"), and the Affidavit of Service of Anna Marie Santos, sworn January 6, 2026; **AND UPON HEARING** the submissions of counsel for the Receiver and counsel for other interested parties in attendance at the hearing;

**IT IS HEREBY ORDERED AND DECLARED THAT:**

1. Capitalized terms not otherwise defined in this Order have meanings ascribed to them in the Receivership Order or in the sale process (the "**Sale Process**") attached as **Schedule "A"** to this Order, as applicable

**SERVICE AND NOTICE OF APPLICATION**

2. Service of notice of this Application and materials in support of this Order is hereby declared good and sufficient, and the time for service of this Application and supporting materials is hereby abridged to the time actually given and this application is properly returnable today.

**APPROVAL OF THE ENGAGEMENT OF THE SALE ADVISOR**

3. Sayer Energy Services ("**Sayer**") is hereby approved as the Sales Agent for the Sale Process. The Receiver's execution of the engagement agreement between the Receiver and Sayer to retain Sayer as the Sales Agent (the "**Sales Agent Agreement**"), in the form attached as **Confidential Appendix "1"** to the First Report, is hereby approved.
4. The Receiver is hereby authorized to pay the fees and expenses of Sayer in accordance with and pursuant to the Sales Agent Agreement, and such fees and expenses are hereby approved and ratified.

## APPROVAL OF THE SALE PROCESS

5. The Sale Process is hereby approved, and the Receiver and the Sales Agent are hereby authorized and directed to implement the Sale Process and do all things that are reasonably necessary to conduct and give full effect to the Sale Process and carry out their obligations thereunder, including the Receiver seeking approval of this Court as soon as reasonably practicable of any transaction contemplated by a Final Agreement.
6. The Receiver, the Sales Agent, and their respective affiliates, partners, directors, officers, employees, legal advisors, representatives, agents and controlling persons shall have no liability with respect to any and all losses, claims, damages or liabilities of any nature or kind to any person in connection with or as a result of the Sale Process, except to the extent of losses, claims, damages or liabilities that arise or result from the gross negligence or wilful misconduct of the Receiver or the Sales Agent, as applicable, in performing its obligations under the Sale Process, as determined by this Court in a final order that is not subject to appeal or other review.
7. In conducting the Sale Process, the Receiver shall have all of the benefits and protections granted to it under the *Bankruptcy and Insolvency Act* R.S.C. 1985, c. B-3, as amended, the Receivership Order and any other Order of this Court in the within proceeding.
8. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, and any similar legislation in any other applicable jurisdictions, the Receiver, the Sales Agent and their respective advisors are hereby authorized and permitted to disclose and transfer to prospective Sale Process participants that are party to a non-disclosure agreement with the Receiver (each, a "**Sale Process Participant**") and their respective advisors personal information of identifiable individuals, but only to the extent required to negotiate or attempt to complete a transaction pursuant to the Sale Process (a "**Transaction**"). Each Sale Process Participant to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation for the purpose of effecting a Transaction, and, if it does not complete a Transaction, shall return all such information to the Receiver, or, in the alternative, destroy all such information and provide

confirmation of its destruction if requested by the Receiver. The bidder(s) with Winning Bid(s) shall maintain and protect the privacy of such information and, upon closing of the Transaction(s) contemplated in the Winning Bid(s), shall be entitled to use the personal information provided to it that is related to the business and/or property of the Debtors acquired pursuant to the Sale Process in a manner that is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed and provide confirmation of its destruction if requested by the Receiver.

9. The Receiver is at liberty to reapply for further advice and direction as may be necessary to give full force and effect to the terms of this Order.

#### **SERVICE OF ORDER**

10. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.
11. The Receiver will post a copy of this order on its website at: [www.ksvadvisory.com/experience/case/IRRC](http://www.ksvadvisory.com/experience/case/IRRC)
12. Service of this Order on any party not attending this application is hereby dispensed with.

  
J.C.K.B.A.

## SCHEDULE "A"

### INDEPENDENT RENEWABLE RESOURCES CORP. AND INDEPENDENT ENERGY HOLDINGS INC.

#### SALE PROCESS PROCEDURES

#### INTRODUCTION

1. On November 13, 2025, the Court of King's Bench of Alberta (the "**Court**") granted an order (the "**Receivership Order**") pursuant to subsection 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**"), and section 13(2) of the *Judicature Act*, R.S.A. 2000, c J-2, as amended, appointing KSV Restructuring Inc. ("**KSV**") as the receiver and manager (in such capacity, the "**Receiver**") over all the current and future assets, undertakings and properties (collectively, the "**Property**") of Independent Renewable Resources Corp. ("**IRRC**") and Independent Energy Holdings Inc. ("**IEH**", and together with IRRC, the "**Debtors**").
2. The principal asset of the Debtors is a used motor oil feedstock modular refinery located on 49.39 acres of land in the Regional Municipality of Bone Creek No. 108, in southwest Saskatchewan (the "**Echo Refinery**").
3. On January 15, 2026, the Court issued an Order (the "**Sale Process Order**") which, among other things, approved this Sale Process involving the Debtors and the Property, including without limitation the interests of IRRC in the Echo Refinery. The objective of the Sale Process is to maximize recoveries for the Debtors' creditors.
4. The Receiver has selected Sayer Energy Advisors (the "**Sales Agent**") to assist the Receiver in carrying out this Sale Process.
5. This Sale Process describes the way the Receiver, with the assistance of the Sales Agent, will advance the Sale Process and how interested parties may gain access to due diligence materials concerning the Debtors and the Property, how bids involving the Property, or any part or parts thereof, or the Debtors, or any of them, will be submitted and dealt with, and how Court approval will be sought in respect of any transaction or transactions involving the Property or the Debtors.
6. The terms of this Sale Process, including the requirements, criteria, and timelines set out herein, may be amended, extended, or waived by the Receiver.

#### "AS IS, WHERE IS" BASIS

7. Any transaction involving the Property or the Debtors will be subject only to such representations, warranties, covenants, or indemnities as are expressly included in a Final Agreement (as defined herein), but will otherwise be on an "as is, where is" basis and without surviving representations, warranties, covenants or indemnities of any kind, nature,

or description by the Receiver, or any of its agents, estates, advisors, or professionals, including but not limited to the Sales Agent, and the Receiver's counsel, or otherwise, and in the event of a sale, all of the right, title and interest of the Debtors in and to the Property to be acquired will be, subject to the Court granting approval and any other required orders in the form contemplated by the relevant transaction, sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options and interests therein and thereon, except:

- (a) those that cannot be vested off title to the Property by law; and
- (b) those assumed pursuant to a Final Agreement.

## TIMELINE

8. The following table provides a summary of the key process milestones and dates under the Sale Process:

<b>Phase</b>	<b>Milestone</b>	<b>Deadline</b>
Phase 1	Sale Process Commencement Date	January 23, 2026
	Letter of Intent Deadline	5:00 p.m. MT, February 26, 2026
Phase 2	Final Bid Process Commences	March 2, 2026
	Final Bid Deadline	5:00 p.m. MT, March 26, 2026
	Determination of Successful Bidder	March 30, 2026

9. The Receiver, with the assistance of the Sales Agent, shall determine the timeline for Court approval(s) and closing(s) following review of the Final Bids.

## PHASE 1 OF THE SALE PROCESS

### A. Initial Solicitation of Interest

10. The Receiver or Sales Agent may, but are not required to, cause a notice regarding this Sale Process to be published in any publication that the Receiver chooses.
11. The Receiver and Sales Agent will prepare a list of potential bidders (the "**Known Potential Bidders**") who may be interested in a transaction involving the Property or the Debtors. Such list will include parties who, in the Receiver's and Sales Agent's reasonable judgment, may be interested in acquiring an interest in the Property, or any part or parts thereof, including the Echo Refinery, whether pursuant to an asset or share purchase transaction (a "**Bid**").
12. The Receiver and Sales Agent will prepare an initial marketing or offering summary (a "**Teaser Letter**") which will be distributed by the Sales Agent to the Known Potential Bidders together with any additional marketing materials the Receiver and Sales Agent consider appropriate, as well as a draft form of confidentiality agreement prepared by the Receiver (the "**Confidentiality Agreement**").

13. Any Known Potential Bidder or other person wishing to submit a Bid who:
- (a) executes a Confidentiality Agreement in form and substance satisfactory to the Receiver;
  - (b) in the judgment of the Receiver and the Sales Agent appears to have a bona fide interest in submitting a Bid; and
  - (c) in the judgment of the Receiver and the Sales Agent appears to have the financial capabilities and the technical, managerial, and operational expertise and capabilities to make a viable Bid, shall be deemed to be a potential bidder (each such person so deemed, a "**Potential Bidder**") and shall be permitted to submit a Bid. For clarity, no person other than a Potential Bidder may submit a Bid without the consent of the Receiver.

**B. Initial Due Diligence**

14. The Receiver and Sales Agent may prepare such marketing or other materials in addition to the Teaser Letter as they deem appropriate describing the opportunity to make a Bid for distribution to Potential Bidders.
15. Following execution of a Confidentiality Agreement, the Receiver and Sales Agent shall provide Potential Bidders with access to an electronic data room that will contain information in the possession or control of the Receiver that, in its reasonable business judgment, will allow these parties to evaluate their interest in submitting a Bid. The Receiver may, in its sole discretion, restrict one or more Potential Bidder's access to some or all of the data room.

**C. Qualified LOI Process**

16. Any Potential Bidder who wishes to submit a Bid must deliver a written, non-binding letter of intent in respect of the Property (each, an "**LOI**") to the Sales Agent and the Receiver in the manner and at the addresses specified in **Appendix "A"** so as to be received by the Sales Agent and the Receiver, not later than 5:00 p.m. (Mountain Time) on February 26, 2026 (the "**LOI Deadline**"). An LOI shall be a qualified LOI (each, a "**Qualified LOI**"), provided that it contains:
- (a) an acknowledgment of receipt of a copy of this Sale Process, the Sale Process Order, and agreement to accept and be bound by the provisions contained therein;
  - (b) a letter setting forth the identity of the Potential Bidder, the contact information for such Potential Bidder, and full disclosure of the direct and indirect owners of the Potential Bidder and their principals (without needing to disclose non-controlling interests, in the case of public companies only);
  - (c) a specific indication of the anticipated sources of capital for such Potential Bidder and information regarding the Potential Bidder's financial, managerial, operational,

technical, and other capabilities to consummate a Bid and such additional information as may be requested by the Receiver or the Sales Agent;

- (d) it identifies:
    - (i) the purchase price or price range in Canadian dollars as well as the form of consideration for the proposed sale and details of any liabilities to be assumed;
    - (ii) the Property included as part of the Bid, any of the Property expected to be excluded, and/or any additional assets desired to be included in the transaction;
    - (iii) the structure and financing of the transaction including, but not limited to, the sources of financing to fund the acquisition, preliminary evidence of the availability of such financing or such other form of financial disclosure and credit-quality support or enhancement that will allow the Receiver and the Sales Agent to make a reasonable business or professional judgment as to the Potential Bidder's financial or other capabilities to consummate the transaction and to perform all obligations to be assumed in such transaction and the steps necessary and associated timing to obtain financing and any related contingencies, as applicable;
    - (iv) any anticipated corporate, shareholder, internal, or regulatory approvals required to close the transaction and the anticipated time frame and any anticipated impediments to obtaining such approvals;
    - (v) additional due diligence required or desired to be conducted by the Potential Bidder, if any;
    - (vi) any conditions to closing that the Potential Bidder requires; and
    - (vii) any other terms or conditions of the Bid which the Potential Bidder believes are material to the transaction; and
  - (e) such other information as may be reasonably requested by the Receiver or the Sales Agent.
17. The Receiver shall retain full discretion and authority to discuss any LOIs received, and their terms, with the applicable Potential Bidders.
18. Following the LOI Deadline, the Receiver, Cortland Credit Lending Corporation ("**Cortland**"), the Debtors' largest and senior secured creditor, and the Sales Agent will assess the Qualified LOIs. If it is determined by the Receiver, in consultation with Cortland, that a Potential Bidder that has submitted a Qualified LOI:
- (a) has a bona fide interest in consummating a Bid; and

- (b) has the financial, managerial, operational, technical, and other capabilities to consummate a Bid then such Potential Bidder will be deemed a "**Qualified Bidder**", provided that the Receiver may, in its reasonable business judgment, limits the number of Qualified Bidders (and thereby eliminate some Potential Bidders who have submitted Qualified LOIs from this Sale Process) taking into account the factors identified in paragraphs 22 and 23 of this Sale Process.
19. The Receiver, in consultation with Cortland, may waive compliance with any one or more of the requirements specified above and deem non-compliant Potential Bidders to be Qualified Bidders.

## **PHASE 2 OF THE SALE PROCESS**

### **A. Due Diligence**

20. The Receiver and the Sales Agent will in their reasonable business judgment and subject to competitive and other business considerations, afford each Qualified Bidder such access to due diligence materials and information relating to the Property, as they deem appropriate. Due diligence access may include on-site inspections, and other matters which a Qualified Bidder may reasonably request and as to which the Receiver and the Sales Agent, in their reasonable business judgment, may agree. For the avoidance of doubt, and without limiting the terms of applicable Confidentiality Agreements, selected due diligence materials may be withheld from certain Qualified Bidders if the Receiver and the Sales Agent determine such information to represent proprietary or sensitive competitive information.
21. All Qualified Bidders will be provided with a form of draft agreement of purchase and sale (the "**Draft APS**") that will serve as the basis for the submission of a final Bid.

### **B. Final Bid Process**

22. Any Qualified Bidder may submit a final Bid (a "**Final Bid**") to the Sales Agent and the Receiver at the addresses specified in **Appendix "A"** hereto on or before 5:00 p.m. (Mountain Time) on March 26, 2026 (the "**Final Bid Deadline**").
23. A Final Bid submitted shall be a "**Qualified Bid**" if:
- (a) it includes a duly authorized and executed purchase and sale agreement specifying all consideration payable, together with all exhibits and schedules thereto, and such ancillary agreements as may be required by the Qualified Bidder with all exhibits and schedules thereto, together with a blackline to the Draft APS provided to all Qualified Bidders;
  - (b) it includes a letter stating that the Final Bid is irrevocable until the earlier of: (i) the approval by the Court; and (ii) thirty (30) days following the Final Bid Deadline; provided, however, that if such Bid is selected as a Winning Bid or a Backup Bid (both as defined below), it shall remain irrevocable until the closing of the Winning Bid or the Backup Bid, as the case may be;

- (c) it does not include any request or entitlement to any break fee, expense reimbursement, or similar type of payment;
- (d) it includes written evidence of a firm, irrevocable commitment for all required funding and/or financing from a creditworthy bank or financial institution to consummate the proposed transaction, or other evidence of ability to consummate the proposed transaction that will allow the Receiver to make a determination as to the Qualified Bidder's (and its direct and indirect owners and their principals) financial and other capabilities to consummate the transaction contemplated by the Final Bid;
- (e) it includes an acknowledgement and representation that the Qualified Bidder:
  - (i) has had an opportunity to conduct any and all required due diligence prior to making its Final Bid;
  - (ii) has relied solely on its own independent review, investigation and inspection of any documents, the assets to be acquired and the liabilities to be assumed;
  - (iii) did not rely upon any written or oral statements, representations, promises, warranties or guarantees whatsoever, whether express or implied, except as expressly stated in the agreement of purchase and sale and any other definitive documentation associated with the Final Bid; and
  - (iv) unless prior written consent of the Receiver has been obtained, has not coordinated its Final Bid or any aspect of its participation in this Sale Process, with any Potential Bidder, or Qualified Bidder, has kept and will continue to keep its Final Bid confidential, and has not entered into any agreement or arrangement with any Potential Bidder, or Qualified Bidder, which has affected or may, directly or indirectly, affect the bidder's Final Bid or the Final Bid of any other bidder and/or the Sale Process generally;
- (f) it fully discloses the identity of each person that is bidding or otherwise that will be sponsoring or participating in the Final Bid, including the identification of the bidder's direct and indirect owners and their principals (without needing to disclose non-controlling interests, in the case of public companies only), and the complete terms of any such participation;
- (g) it provides for closing of the proposed transaction by no later than May 4, 2026 (the "**Outside Closing Date**");
- (h) it is accompanied by a refundable deposit (the "**Deposit**") in the form of a wire transfer (to a trust account specified by the Receiver), in an amount equal to 10% of the total value of all cash and non-cash consideration to be paid in respect of the Final Bid, to be held and dealt with in accordance with this Sale Process;
- (i) it contains other information reasonably requested by the Receiver or the Sales Agent; and

- (j) it is received by no later than the applicable Final Bid Deadline.
24. All Qualified Bids shall constitute "**Qualified Final Bids**".
  25. The Receiver, in consultation with Cortland, may waive compliance with any one or more of the requirements specified above and deem non-compliant Final Bids to be Qualified Final Bids.
  26. If, following the review and evaluation of all Qualified Final Bids, the highest and best bid is not sufficient to repay Cortland in full and is otherwise not acceptable to Cortland, the Receiver may terminate the Sale Process, and Cortland will have the right to submit a credit bid for the Property, or any part or parts thereof, or the Debtors, or any of them. Cortland will not be required to submit a credit bid during the Sale Process, and the right to credit bid may be exercised after the Sale Process has been terminated, in the circumstances described above.

**C. Stalking Horse Offer**

27. The Receiver is permitted to enter into a stalking horse agreement at any time provided any such agreement is subject to the Receiver obtaining orders of the Court and the approving the agreement for the purpose only of being the stalking horse agreement. Should the Court approve a stalking horse agreement, the Receiver shall concurrently seek orders amending the terms of the Sale Process, including its timelines.

**D. Selection of Winning Bid**

28. In reviewing the Qualified Final Bids and before determining a Winning Bid or Backup Bid (both as defined below), the Receiver, Cortland, and the Sales Agent shall retain full discretion and authority to discuss the bids received, and their terms, with the applicable Qualified Bidders.
29. The Receiver, in consultation with Cortland, shall review all Qualified Final Bids to determine the highest or otherwise best Qualified Final Bid(s). Evaluation criteria will include, but are not limited to, matters such as:
  - (a) the purchase price or net value being provided by such bid;
  - (b) the conditionality of any bid;
  - (c) the terms of and commitment for any required financing, including whether the commitment is firm and irrevocable;
  - (d) the timeline to closing of any bid;
  - (e) the identity, circumstances, and ability of the proponents of the Qualified Final Bids to successfully complete the transaction;
  - (f) the costs associated with the bid and its consummation;

- (g) the terms of the proposed transaction documents;
  - (h) the ability of the Qualified Bidder to comply with any regulatory requirements associated with the Property; and
  - (i) whether the Qualified Bid requires any approval under applicable anti-combines, anti-competitive or anti-trust legislation.
30. The Receiver, in consultation with Cortland, shall identify the highest or otherwise best Qualified Final Bid received for the Property, or part or parts thereof, as applicable (each, a "**Winning Bid**") and the next highest or otherwise best Qualified Final Bid received for the Property, or part or parts thereof, as applicable (each, a "**Backup Bid**"). A person or persons who make a Winning Bid shall be a "**Successful Bidder**" and a person or person who makes a Backup Bid shall be a "**Backup Bidder**".
31. The Receiver or Sales Agent shall notify a Successful Bidder, if any, a Backup Bidder, if any, and any other bidders of their respective status as soon as reasonably practicable in the circumstances, or may engage in such further rounds of bidding as the Receiver, Cortland, and the Sales Agent consider necessary and appropriate to maximize the value of the Winning Bid.
32. The Receiver or Sales Agent will notify a Backup Bidder, if any, that their bid is a successful Backup Bid and the Backup Bid shall remain open and capable of acceptance by the Receiver until the earlier of:
- (a) the consummation of the transaction contemplated by a Winning Bid; and
  - (b) the date that is 30 days after the applicable Final Agreement Deadline, as defined below, (the "**Backup Bid Release Date**"). For greater certainty, the Receiver shall be entitled to continue to hold the Deposit in respect of a Backup Bid until the Backup Bid Release Date.
33. The Receiver may, but shall have no obligation to, enter into an agreement or agreements with a Successful Bidder (each, a "**Final Agreement**"). Any Final Agreement entered into with a Successful Bidder shall be executed on or before April 10, 2026 (the "**Final Agreement Deadline**").
34. The Receiver has the right not to accept any Qualified Final Bid. The Receiver further has the right to negotiate with any Qualified Bidders, deal with one or more Qualified Bidders to the exclusion of other Persons, to accept a Qualified Final Bid or Qualified Final Bids for some or all of the Property, to accept multiple Qualified Final Bids and enter into multiple Final Agreements.

## **COURT APPROVAL**

35. If the Receiver enters into a Final Agreement in respect of a Winning Bid, a Backup Bid, or any other bid, the Receiver shall apply for orders from the Court overseeing these proceedings approving the transaction contemplated by that Final Agreement and any

necessary or appropriately related relief required to consummate the transaction contemplated by that Final Agreement. Court approval shall be a condition precedent to the consummation of any transaction or transactions contemplated by a Final Agreement. The Receiver may also:

- (a) concurrently obtain relief approving the transaction contemplated by a Backup Bid and any necessary related relief required to consummate the transaction contemplated by a Backup Bid; and
- (b) if deemed necessary or advisable, seek approval of or other relief in respect of the Winning Bid and/or Backup Bid from the courts or governmental bodies in other relevant jurisdictions.

## **DEPOSITS**

- 36. All Deposits paid pursuant to this Sale Process shall be held in trust by the Receiver in an interest-bearing account, if possible. In the event the Deposits are held in an interest-bearing account, interest shall be to the account of the party to whom the Deposit is ultimately paid in accordance with this Sale Process. The Receiver shall hold Deposits paid by each Winning Bidder and Backup Bidder in accordance with the terms of the Final Agreement with the Successful Bidder and the Backup Bidder, or as may be ordered by the Court.
- 37. If a Deposit is paid pursuant to this Sale Process, and the Receiver elects not to proceed to negotiate and settle the terms and conditions of a definitive agreement with the person that paid such deposit, the Receiver shall return the Deposit to that Person.
- 38. If:
  - (a) a Successful Bidder or Backup Bidder breaches any of its obligations under its Qualified Final Bid, any Final Agreement or the terms of this Sale Process (including the Confidentiality Agreement); or
  - (b) a Qualified Bidder breaches its obligations under the terms of this Sale Process (including the Confidentiality Agreement) or under the terms of its Qualified Final Bid if such breach prevents the Qualified Bidder from completing the transaction contemplated by its Qualified Final Bid, then, in each case, such Qualified Bidder's Deposit will be forfeited as liquidated damages and not as a penalty.

## **CONDUCT OF THE SALE PROCESS**

- 39. The Receiver may engage such other consultants, agents, or experts and such other persons from time to time as may be reasonably necessary to assist the Receiver in carrying out this Sale Process.
- 40. The Receiver and the Sales Agents will conduct the Sale Process.

41. The Receiver, the Sales Agent, and any of their agents, estates, advisors, and professionals are not responsible for, and will have no liability with respect to, any information provided to or obtained by any Potential Bidder in connection with the Debtors or the Property.
42. The Receiver and the Sales Agent shall keep confidential the names, details, and all other non-public information related to Potential Bidders, LOIs, Qualified Bidders, Final Bids, Qualified Final Bids, the Successful Bidder, the Winning Bid, the Backup Bidder, the Backup Bid, and the Final Agreement, and any other information provided to them and marked as confidential, and shall only use such information to conduct this Sale Process, or as is reasonably necessary to seek directions from or make submissions to the Court, or to obtain, oppose, or otherwise make submissions regarding the approval of any Winning Bid or Back Up Bid all while taking such steps as may be reasonably necessary so as to preserve the confidentiality of such information and protect the integrity of the Sale Process.

### **TERMINATION OF THE SALE PROCESS**

43. In addition to the situation described in paragraph 26, if:
  - (a) there are no Qualified LOI(s) by the applicable LOI Deadline, or no LOIs are deemed commercially reasonable; or
  - (b) there are no Final Bid(s) by the applicable Final Bid Deadline; or
  - (c) there is no Qualified Bid by the applicable Final Bid Deadline, or the Receiver determines that no Qualified Final Bids should be accepted; or
  - (d) a Final Agreement is not executed by the applicable Final Agreement Deadline; or
  - (e) the Court does not approve any Winning Bid; or
  - (f) the Receiver decides to terminate this Sale Process,then this Sale Process shall, subject to any amendments, extensions or waivers granted in accordance with this Sale Process, terminate.

**APPENDIX "A"**  
**Addresses for Deliveries**

Any delivery made to the Sales Agent pursuant to this Sale Process shall be made to:

Sayer Energy Advisors  
1620, 540 - 5th Avenue SW  
Calgary, Alberta T2P 0M2

Attention: Tom Pavic  
Email: [TPavic@sayeradvisors.com](mailto:TPavic@sayeradvisors.com)

Any delivery made to the Receiver pursuant to this Sale Process shall be made to:

KSV Restructuring Inc.  
Suite 1165, 324 – 8th Avenue SW  
Calgary, Alberta T2P 2Z2

Attention: Jason Knight  
Email: [jknight@ksvadvisory.com](mailto:jknight@ksvadvisory.com)

Attention: Ross Graham  
Email: [rgraham@ksvadvisory.com](mailto:rgraham@ksvadvisory.com)

Deliveries pursuant to this Sale Process by email shall be deemed to be received when sent. In all other instances, deliveries made pursuant to this Sale Process shall be deemed to be received when delivered to the address as identified above.