

District of British Columbia
Division No.: 03-Vancouver
Court No.: B - 240355
Estate No.: 11-3105465
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE NOTICE OF INTENTION
TO MAKE A PROPOSAL OF LOOP ENERGY INC.

ORDER MADE AFTER APPLICATION

BEFORE THE HONOURABLE)
JUSTICE LATIMER) 1/AUG/2024
)

THE APPLICATION of Loop Energy Inc. ("Loop Energy"), coming on for hearing at Vancouver, British Columbia on the 1st day of August, 2024, AND ON HEARING Heather A. Frydenlund, counsel for Loop Energy, and those other counsel listed in Schedule "A" hereto; AND UPON READING the material filed AND PURSUANT TO the Bankruptcy and Insolvency Act, R.S.C. 1985 c. B-3 as amended (the "BIA") and the inherent jurisdiction of this Honourable Court;

THIS COURT ORDERS THAT:

Service

1. The time for service of the Notice of Application and materials referred to herein be and is hereby abridged and the Notice of Application is properly returnable today.

Extension of Period or Filing Proposal

2. The time for filing a proposal with the Official Receiver under Part III of Division I of the Bankruptcy and Insolvency Act (the "BIA") be and is hereby extended to 11:59 p.m. on September 30, 2024.

Administration Charge

3. For the fees incurred in connection with these proceedings, including those incurred prior to commencement of these proceedings, Crowe MacKay & Company Ltd. (the "Proposal Trustee") and Owen Bird Law Corporation shall be entitled to the benefit of, and are hereby granted, a charge (the "Administration Charge") on all current and future assets, undertakings and properties of Loop Energy, of every nature and kind whatsoever, and wherever situated including all proceeds thereof (collectively, the "Charged Property"), which Administration Charge shall not exceed an aggregate amount of \$200,000.00, as security for their professional fees and disbursements incurred at their standard rates and charges, both before and after making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraph 13 below.

Interim Financing Charge

4. Loop Energy is authorized and empowered to borrow under an interim financing facility agreement dated for reference July 16, 2024 (the "DIP Loan Agreement") between Loop Energy, as borrower, and Teralta Hydrogen Solutions Inc., as lender (in such capacity, the "DIP Lender"). Loop Energy is authorized and empowered to perform its obligations under the DIP Loan Agreement (subject to obtaining such Court and other approvals as may be required in connection with any step or transaction contemplated therein) and to obtain and borrow under the DIP Loan Agreement, provided that borrowing under such credit facility shall not exceed the principal amount of \$600,000.00.

5. Loop Energy is authorized and empowered to execute and deliver such mortgages, charges, hypothecs and security documents and other definitive documents (such documents, together with the DIP Loan Agreement, collectively, the "Definitive Documents"), as are contemplated by the DIP Loan Agreement or as may reasonably be required by the DIP Lender pursuant to the terms thereof, and Loop Energy is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provisions of this Order.
6. The DIP Lender shall be entitled to the benefit of and is granted a charge (the "DIP Charge") on the Charged Property, which DIP Charge shall not secure an obligation that exists before this Order is made. The DIP Charge shall attach to the Charged Property and shall secure all obligations under the Definitive Documents.
7. Notwithstanding any other provisions of this Order, the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Charge or any of the Definitive Agreements.
8. All claims of the DIP Lender pursuant to the Definitive Documents are not claims that may be compromised pursuant to any proposal under the BIA filed by Loop Energy without the consent of the DIP Lender and the DIP Lender shall be treated as unaffected in any proposal filed by Loop Energy under the BIA with respect to any obligations outstanding to the DIP Lender under or in respect of the Definitive Documents.

Directors and officers indemnification and charge

9. Loop Energy shall indemnify its directors and officers against obligations and liabilities that they may incur as directors or officers of Loop Energy after the commencement of the within proceedings, except to the extent that, with respect

to any director or officer, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

10. The directors and officers of Loop Energy shall be entitled to the benefit of and are hereby granted a charge (the "Directors' Charge") on the Charged Property, which charge shall not exceed an aggregate amount of \$100,000.00, as security for the indemnity provided in paragraph 9 of this Order. The Directors' Charge shall have the priority set out in paragraph 13 below.
11. Notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) Loop Energy's directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 10 of this Order, and the Directors' Charge shall only apply to obligations and liabilities that accrue after August 31, 2024.

Validity and Priority of Charges Created by this Order

12. The Administration Charge and the DIP Charge (together, the "Charges") each constitute a mortgage, security interest, assignment by way of security and charge on the Charged Property and shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, the "Encumbrances"), in favour of any person, notwithstanding the order of perfection or attachment.
13. The priorities as among the Charges shall be:
 - First - the Administration Charge, up to the maximum amount of \$200,000.00;
and
 - Second - the DIP Charge, up to a maximum amount of \$600,000.00;
 - Third – the Directors' Charge up to a maximum amount of \$100,000.00.

14. Any security documentation evidencing, or the filing, registration or perfection of, the Charges shall not be required, and the Charges shall be effective as against the Charged. Property and shall be valid and enforceable for all purposes, Including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any failure to file, register or perfect such Charges.

15. The Charges and Definitive Documents shall not be rendered invalid or unenforceable and the rights and remedies of the beneficiaries of the Charges (the "Chargees") shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the BIA or any bankruptcy order made pursuant to such application(s); (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances contained in any existing loan documents, lease, mortgage, security agreement, debenture, sublease, offer to lease or other agreement (each, an "Agreement") which binds Loop Energy, and notwithstanding any provision to the contrary in any Agreement:
 - a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the Definitive Documents shall create or deemed to constitute a breach by Loop Energy of any Agreement to which it is a party;

 - b) none of the Chargees shall have any liability to any person entity whatsoever as a result of any breach of any Agreement caused by or resulting from Loop Energy entering into the Definitive Documents, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and

- c) the payments made by Loop Energy pursuant to this Order, the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

16. The Charges created by this order over leases of real property in Canada shall only be a charge of Loop Energy's interest in such real property leases.

Suppliers

17. Subject to the prior written approval of the Proposal Trustee, Loop Energy is authorized, but not directed, to pay amounts owed to employees and suppliers which were incurred prior to July 17, 2024, where the Proposal Trustee is satisfied payment of such amounts are necessary to ensure the supply of goods or services which are critical to Loop Energy's continued operations.

Sale and investment solicitation process

18. The sale and investment solicitation process (the "SISP"), in substantially the form attached as Schedule B is approved.

19. The Proposal Trustee and Loop Energy (including its professional advisors, employees and contractors) are authorised and directed to:

- a) carry out the SISP in accordance with its terms and this Order; and
- b) take such steps as they consider necessary or desirable in carrying out each of their obligations under the SISP and this Order.

20. Loop Energy or the Proposal Trustee may, from time to time, apply to this Court for advice and directions in the discharge of their powers and duties under the SISP.


21. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body, wherever located, to give effect to this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to Loop Energy and the Proposal Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist Loop Energy or the Proposal Trustee, or their representatives, in carrying out the terms of this Order.
22. Loop Energy and the Proposal Trustee are each at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for recognition of this Order and for assistance in carrying out the terms of this Order.
23. Each of Loop Energy and the Proposal Trustee and their respective affiliates, partners, directors, employees, advisors, agents, shareholders and controlling persons shall have no liability with respect to any losses, claims, damages or liability of any nature or kind to any person in connection with or as a result of the SISP or the conduct thereof, except to the extent of such losses, claims, damages or liabilities resulting from the gross negligence or willful misconduct of any of the foregoing in performing their obligations under the SISP.
24. Pursuant to Section 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5 and Section 18(1)(o) of the *Personal Information Protection Act*, S.B.C. 2003, c. 63, and any regulations promulgated under the authority of either Act, Loop Energy and the Proposal Trustee may disclose personal information of identifiable individuals to Potential Bidders and their advisors in connection with the SISP, but only to the extent desirable or required to carry out the SISP. Each Potential Bidder and their respective advisors to whom any such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information solely to its evaluation of a transaction in respect of Loop Energy and the

Property or the Business and if it does not complete such a transaction, shall return all such information to Loop Energy, or in the alternative destroy all such information. The successful bidder(s) shall be entitled to continue to use the personal information provided to it in a manner that is in all material respects identical to the prior use of such information by Loop Energy, and shall return all other personal information to Loop Energy, or ensure that all other personal information is destroyed.

Endorsement

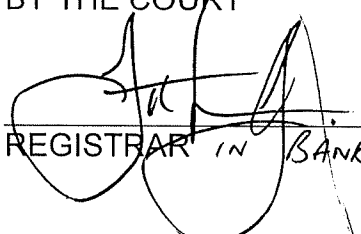
25. Endorsement of this Order by counsel appearing on this application, other than counsel for Loop Energy, is hereby dispensed with.

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



Signature of Heather A. Frydenlund
 Party Lawyer for the applicant



BY THE COURT


REGISTRAR IN BANKRUPTCY

Schedule A – List of Counsel

No one else appearing

Schedule B – Sale and solicitation process

SALES AND INVESTMENT SOLICITATION PROCESS

LOOP ENERGY

INTRODUCTION

1. On July 17, 2024, Loop Energy Inc. ("Loop Energy") filed a notice of intention to make a proposal to its creditors (the "NOI") under the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended (the "BIA"). Loop Energy's proceedings under the BIA are referred to herein as the "BIA Proceedings". The BIA Proceedings will be supervised by the Supreme Court of British Columbia In Bankruptcy and Insolvency (the "Court").
2. Crowe Mackay & Company Ltd. is the proposal trustee with respect to the NOI and the BIA Proceedings (in such capacity, the "Proposal Trustee").
3. On August 1, 2024, Loop Energy applied to the Court for an Order (the "SISP Order"), among other things, approving the sale and investment solicitation process set out herein (the "SISP"). Capitalized terms used and not otherwise defined in this SISP are as defined in the SISP Order.
4. The Proposal Trustee will market the Opportunity (as defined below) by developing a list of Known Potential Bidders (as defined below), communicating and meeting with interested parties, preparing and distributing marketing materials and managing the Data Room (defined below).

SISP OVERVIEW

5. The purpose of the SISP is to solicit interest in, and opportunities for, one or more or any combination of (a) a restructuring, recapitalization or other form of reorganization of the business and affairs of Loop Energy as a going concern, or (b) a sale of all, or substantially all, of Loop Energy's assets (the "Property") and/or business operations of Loop Energy (the "Business") as a going concern or otherwise (the "Opportunity").
6. The SISP describes the manner in which individuals, corporations, limited and unlimited liability companies, general and limited partnerships, associations, trusts, unincorporated organizations, joint ventures, governmental organizations or other entities (each, a "Person") may gain access to or continue to have access to due diligence materials concerning Loop Energy, the Property, and the Business, how bids involving Loop Energy, the Property or the Business will be submitted to and dealt with by the Proposal Trustee, and how Court approval will be obtained in respect of any Transaction (as defined below).

7. As described below, the various deadlines herein may be extended by and at the discretion of the Proposal Trustee in consultation with Loop Energy. The Proposal Trustee will consider extending the various deadlines herein in the event that the Proposal Trustee determines, in its sole discretion, that such an extension will generally benefit Loop Energy's creditors and other stakeholders. The Proposal Trustee shall generally conduct and oversee the SISP. In the event that there is disagreement as to the interpretation or application of the SISP, the Court will have jurisdiction to hear and resolve such dispute.
8. Any transaction involving Loop Energy, the Property or the Business (in each case, a "Transaction") will be on an "as is, where is" basis and without surviving representations, warranties, covenants or indemnities of any kind, nature, or description by the Proposal Trustee, Loop Energy, or any of their respective agents, estates, advisors, professionals or otherwise, except to the extent expressly set forth in the relevant Final Agreement (as defined in this SISP).
9. The key dates pursuant to the SISP are as follows (capitalized terms in the chart below have the meaning ascribed in this SISP):

Event	Date
Loop Energy's Application to the Court for Approval of the SISP	August 2, 2024
The Proposal Trustee to create list of Known Potential Bidders and distribute Teaser Letter and Confidentiality Agreements to Known Potential Bidders	As soon as practical and no later than August 9, 2024
The Proposal Trustee to prepare and have available for Potential Bidders the Data Room	As soon as practical and no later than August 12, 2024
Bid Deadline	September 6, 2024
Loop Energy's Application to the Court for Approval Order(s)	As soon as reasonably practical after accepting the Winning Bid(s) and entering into the Bid Agreement(s)
Closing of the Transaction	Within ten (10) days of the Approval Order becoming the Final Order, subject to any extensions approved by the Proposal Trustee

THE SISP PROCESS

A. Initial Solicitation of Interest

10. Loop Energy and the Proposal Trustee may contact any Persons to solicit expressions of interest in a Transaction either before or after the granting of the SISP Order.
11. As soon as reasonably practicable and in any event by no later than August 9, 2024, in consultation with Loop Energy and any Qualified Secured Creditors, the Proposal Trustee will prepare a list of potential bidders (the "Known Potential Bidders") who may have interest in a Transaction. Such list shall include both strategic and financial parties who may be interested in acquiring an interest in: (a) Loop Energy's assets pursuant to an asset purchase transaction (an "Asset Bid"); or (b) a restructuring of the debt, share or capital structure of Loop Energy (a "Restructuring Bid"). Concurrently, the Proposal Trustee will prepare an initial offering summary (the "Teaser Letter") notifying Known Potential Bidders of the SISP and inviting the Known Potential Bidders to express interest in making an Asset Bid or Restructuring Bid (each, a "Bid").
12. By no later than August 12, 2024, the Proposal Trustee shall distribute to the Known Potential Bidders and any other interested Persons the Teaser Letter, as well as a draft form of confidentiality agreement (the "Confidentiality Agreement") that shall, inure to the benefit of the Person or Persons who make the Winning Bid (as defined in this SISP) pursuant to this SISP. Copies of the Teaser Letter and Confidentiality Agreement shall also be provided to any appropriate Person who becomes known to Loop Energy or the Proposal Trustee after the initial distribution of such documents.
13. Any Person who wishes to be deemed a potential bidder (each, a "Potential Bidder") shall execute a Confidentiality Agreement and provide a copy of same to the Proposal Trustee. In consultation with Loop Energy and any Qualified Secured Creditors, the Proposal Trustee shall in its sole discretion, determine whether such Person shall be permitted to become a Potential Bidder, based on: (a) the identity of the Person, including its direct and indirect principals; (b) the Person's financial capabilities and technical expertise to conclude a Transaction; (c) the Person executing the Confidentiality Agreement; and (d) any other criteria the Proposal Trustee considers to be relevant.

B. Due Diligence

14. Any Person whom the Proposal Trustee deems to be a Potential Bidder shall, upon executing a Confidentiality Agreement, receive a SISP bid package (the "Bid Package"), prepared by the Proposal Trustee describing the opportunity.
15. Immediately following delivery of the Bid Package, the Proposal Trustee shall provide each Potential Bidder with information, including access to an electronic data room established by the Proposal Trustee the "Data Room"), that the Proposal

Trustee and Loop Energy in their reasonable business judgment determine to be necessary for the Potential Bidder to evaluate a transaction involving a Bid. The Data Room will include, among other things, a form of asset purchase agreement ("APA") and share purchase agreement ("SPA") for use by Potential Bidders who wish to submit a Bid.

16. Loop Energy and the Proposal Trustee shall coordinate all reasonable requests for additional information and due diligence access, including meetings with Loop Energy's management, from Potential Bidders.
17. Neither Loop Energy nor the Proposal Trustee will be obliged to furnish any information relating to the Property or the Business other than to a Potential Bidder. However, any information provided to one Potential Bidder shall be posted in the Data Room so that it is available to all Potential Bidders participating in the SISF.
18. The Proposal Trustee and Loop Energy and their respective advisors make no representation or warranty as to the information contained in the Bid Package or otherwise made available pursuant to the SISF, including any information contained in the Data Room.

C. Bid Process

19. Any Potential Bidder who wishes to submit a Bid, must deliver a written, non-binding letter of intent (each an "LOI"), to the Proposal Trustee at the address specified in, and in accordance with Schedule "A" attached hereto; so as to be received by the Proposal Trustee no later than 5:00 p.m. (Pacific time) on September 6, 2024 or such later time and date as the Proposal Trustee and Loop Energy may determine, in consultation with any Qualified Secured Creditors (the "Bid Deadline"). Each such Potential Bidder who so submits an LOI shall be deemed a "Bidder".
20. The LOIs received by the Proposal Trustee shall be reviewed by the Proposal Trustee, in consultation with Loop Energy and any Qualified Secured Creditors.
21. Any LOI submitted by a Bidder must include:
 - a. A copy of the APA or SPA, as applicable, based on the template provided by the Proposal Trustee in the Data Room (the "Bid Agreement"), that includes the proposed purchase price in Canadian Dollars (the "Purchase Price"). The LOI must also include a copy of a blackline comparison between the Bid Agreement compared to the template provided in the Data Room. Failure to include such blackline comparison may result in the Proposal Trustee's refusal to consider the Bid;
 - b. 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 satisfactory to the Proposal Trustee to allow the Proposal Trustee in consultation with Loop

Energy to make a reasonable determination as to the bidder's (and its direct and indirect owners and their principals) financial and other capabilities to consummate the transaction contemplated by the Bid;

- c. A deposit in the amount of 10% of the Purchase Price, payable to "Crowe Mackay & Company Ltd.- in trust" (the "Deposit") by way of bank draft or certified cheque. If the consideration contemplated is primarily by way of Credit Bid (defined below), the Deposit payable shall be calculated based on 10% of the total consideration payable under the bid;
- d. A statement by the Potential Bidder that the Bid is not subject to any conditions other than approval by the Court.

22. In addition, the LOI must:

- a. include a letter stating that the Bid is irrevocable until the earlier of (i) the approval by the Court, and (ii) forty five (45) days following the Final Bid Deadline; provided, however, that if such Asset Bid is selected as the Winning Bid or the Backup Bid, it shall remain irrevocable until the closing of the transactions contemplated by the Winning Bid or the Backup Bid, as the case may be;
- b. not include any request or entitlement to any break fee, expense reimbursement or similar type of payment;
- c. fully disclose the identity of each Person that is bidding or otherwise that will be sponsoring or participating in the Bid, including the identification of the bidder's direct and indirect owners and their principals, and the complete terms of any such participation;
- d. contain any other information requested by the Proposal Trustee or Loop Energy; and
- e. be received by no later than the Bid Deadline.

23. The Proposal Trustee and Loop Energy may consider any Bid on behalf of a secured creditor of Loop Energy that is not a Qualified Secured Creditor, in which all or a portion of the consideration being offered includes the compromise of indebtedness owing from Loop Energy to that secured creditor (a "Credit Bid").

D. Selection of Winning Bid

24. The Proposal Trustee, in consultation with Loop Energy shall review all Bids in consultation with any Qualified Secured Creditors. Subject to the approval of the Proposal Trustee, the Proposal Trustee may, but shall have no obligation to, enter into a definitive agreement or Bid Agreement with the Person or Persons who submitted the highest, best or otherwise most favourable Bid(s). Further, the Proposal Trustee in consultation with Loop Energy and any Qualified Secured

Creditors, may waive strict compliance with one or more of the requirements specified above and deem any Bid(s) to be a Winning Bid (defined below).

25. In the event that the Proposal Trustee enters into one or more Bid Agreements with the approval of Loop Energy and in consultation with any Qualified Secured Creditors, any Bid so selected shall be a "Winning Bid" and the next highest, best or otherwise most favourable Bid received, as determined by the Proposal Trustee, with the approval of Loop Energy, shall be the "Backup Bid". Any Potential Bidder that makes a Winning Bid shall be a "Successful Bidder" and any Potential Bidder that makes a Backup Bid shall be a "Backup Bidder".
26. The Proposal Trustee will notify each Successful Bidder and Backup Bidder of the Final Agreement and the Backup Bid shall remain open until the consummation of the transaction contemplated by the Winning Bid (and, for greater certainty, the Proposal Trustee shall be entitled to continue to hold the Deposit in respect of the Backup Bid until such time as the transaction contemplated by the Winning Bid is consummated).
27. This SISF shall terminate, in the event that: (a) no Bidder submits or is deemed to have submitted a Bid; or (b) the Proposal Trustee, with the approval of Loop Energy and in consultation with any Qualified Secured Creditors, determines that none of the Bids should be accepted.
28. The highest Bid may not necessarily be accepted by the Proposal Trustee. The Proposal Trustee, with the approval of Loop Energy in consultation with any Qualified Secured Creditors, reserves the right not to accept any Bid or to otherwise terminate the SISF. The Proposal Trustee, with the approval of Loop Energy, in consultation with any Qualified Secured Creditors, further reserves the right to deal with one or more Bidders to the exclusion of others, to accept a Bid or Bids for some or all of the Property, Loop Energy or the Business, to accept multiple Bids or enter into multiple Bid Agreements.

E. Approval Orders

29. In the event that the Proposal Trustee enters into a Bid Agreement or Agreements, the Proposal Trustee and/or Loop Energy shall apply as soon as reasonably practicable thereafter, for orders (the "Approval Orders") from the Court, in form and substance satisfactory to the Proposal Trustee, approving the transaction or transactions contemplated by the Winning Bid(s) and any necessary related relief required to consummate the transaction(s) contemplated by the Winning Bid(s), subject to the terms of the Bid Agreement(s).
30. Loop Energy may also concurrently obtain relief approving the transaction contemplated by the Backup Bid and any necessary related relief required to consummate the transaction contemplated by the Backup Bid.
31. An Approval Order shall become a "Final Order" upon satisfaction of the following conditions: (a) it is in full force and effect; (b) it has not been reversed, modified

or vacated and is not subject to any stay; and (c) all applicable appeal periods have expired, and any appeals therefrom have been finally disposed of, leaving the Approval Order wholly operable.

F. Closing

32. Closing of the transaction(s) contemplated in any Court approved Bid Agreement shall occur within ten (10) days of the date upon which the Approval Order(s) have become Final Orders, or as may be extended with the approval of the Proposal Trustee, in consultation with Loop Energy and any Qualified Secured Creditors.

G. Deposits

33. All Deposits paid pursuant to this SISP shall be held in trust by the Proposal Trustee in a non-interest bearing account, who shall hold Deposits paid by each of the Successful Bidder and the Backup Bidder in accordance with the terms outlined in this SISP. In the event that a Deposit is paid pursuant to this SISP and the Proposal Trustee elects not to proceed to negotiate and settle the terms and conditions of a definitive agreement with the Person that paid such Deposit, the Proposal Trustee shall return the Deposit to that Person as soon as reasonably practicable thereafter.
34. In the event that either of the Successful Bidder or the Backup Bidder default in the payment or performance of any obligations owed to the Proposal Trustee pursuant to any Final Agreement, the Deposit paid by the Successful Bidder or the Backup Bidder, as applicable, shall be forfeited by such party as liquidated damages and not as a penalty.

District of British Columbia
Division No.:03-Vancouver
Court No.: B - 240355
Estate No.: 11-3105465
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE NOTICE OF INTENTION
TO MAKE A PROPOSAL OF LOOP ENERGY INC.

ORDER

Owen Bird Law Corporation
PO Box 1, Vancouver Centre II
2900-733 Seymour Street
Vancouver, British Columbia, V6B 0S6
Attention: Jonathan L. Williams