

APPROVAL AND VESTING

3. The transactions (the "Transactions") contemplated by the Subscription Agreement dated as of October 22, 2024 (the "Subscription Agreement") between Loop Energy and Teralta Hydrogen Solutions Inc. (the "Purchaser"), a copy of which is attached as Exhibit B to the Second Report of the Proposal Trustee, are hereby approved, and the Subscription Agreement is hereby declared to be commercially reasonable. Loop Energy is hereby authorized and directed to execute and deliver the Subscription Agreement and to perform its obligations under the Subscription Agreement and to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transactions.

4. This Order shall constitute the only authorization required by Loop Energy to proceed with the Transactions and no other approval shall be required in connection therewith.

5. Loop Energy and ResidualCo (as defined below) are permitted to execute and file articles of amendment, amalgamation, continuance or reorganization or such other documents or instruments as may be required to permit or enable and effect the Transactions and that such articles, documents or other instruments shall be deemed to be duly authorized, valid and effective notwithstanding any requirement under federal or provincial law to obtain director or shareholder approval with respect to such actions or to deliver any statutory declarations that may otherwise be required under corporate law to effect the Transactions.

6. The registrar appointed pursuant to the *Business Corporations Act* (British Columbia), and the Director appointed pursuant to the *Canada Business Corporations Act* ~~is~~ *be* and is hereby authorized and directed to accept and receive any articles of amendment, amalgamation, continuance or reorganization or such other documents or instruments as may be required to permit or enable and effect the Transactions contemplated in the Subscription Agreement, filed by any of Loop Energy, ResidualCo, or the Purchaser, as the case may be.

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RESIDUALCO

7. Loop Energy is hereby authorized to incorporate, prior to Closing, a new entity ("ResidualCo") under the federal laws of Canada.

8. ~~ResidualCo shall be added as an applicant in these NOI Proceedings, with any costs to administer a bankruptcy of ResidualCo to be payable from ResidualCo's assets.~~ *Handwritten initials*

9. Andreas Truckenbrodt is hereby authorized, but not directed, to act as a director of ResidualCo.

10. ResidualCo is authorized to make an assignment in bankruptcy pursuant to the BIA in the City of Vancouver, Province of British Columbia, and Crowe MacKay & Company Ltd. shall be entitled, but not obligated, to act as trustee in bankruptcy thereof, and in that regard, the director of ResidualCo is authorized to sign such documents and take all such steps as are necessary to make the assignment in bankruptcy and commence proceedings under the BIA.

11. The directors and officers of ResidualCo shall be and are hereby authorized and directed to cause ResidualCo to perform its functions and fulfill its obligations in accordance this Order.

12. The directors and officers of ResidualCo shall not incur any liability as a result of acting in accordance with this Order or administering ResidualCo, save and except for any gross negligence or wilful misconduct on the part of any such parties.

13. No action lies against the directors, officers, employees and legal counsel and advisors of ResidualCo by reason of this Order or the performance of any act authorized by this Order, except by leave of the Court.

REORGANIZATION

14. At the Closing Time on the Closing Date, which Closing Time shall be evidenced by the delivery of the proposal trustee's certificate to the Purchaser substantially in the form attached as Schedule "B" hereto (the "Proposal Trustee's Certificate"), the following

shall occur and shall be deemed to have occurred, all in accordance with the Closing Sequence set out in the Subscription Agreement and the steps contemplated thereunder:

- (a) The Purchaser shall pay: (i) the Cash Consideration, less the Cure Costs, to be held in escrow by the Proposal Trustee, on behalf of Loop Energy; and (ii) the Cure Costs to Loop Energy, and the entire Cash Consideration shall be dealt with in accordance with the Closing Sequence;
- (b) The Excluded Assets, Excluded Contracts and Excluded Liabilities shall be transferred to, vest in and be assumed by the ResidualCo and all Claims and Encumbrances, other than the Permitted Encumbrances, shall be discharged as against Loop Energy and the Retained Assets pursuant to and in accordance with this Order;
- (c) ResidualCo shall hold the Excluded Assets and become a party to the Excluded Contracts in place and stead of Loop Energy;
- (d) ResidualCo shall become liable for the Excluded Liabilities in place and stead of Loop Energy, and Loop Energy shall no longer have any obligations under or liability for such Excluded Contracts and Excluded Liabilities, all of which will be forever released and discharged as against Loop Energy;
- (e) ResidualCo shall thereafter have and be subject to the Excluded Liabilities for the benefit of the existing creditors of Loop Energy as at the Closing Date; and the Excluded Liabilities, Claims, and Encumbrances shall continue to attach to the Excluded Assets, the Excluded Contracts, and all other property and assets of the ResidualCo and have the same nature and priority as they had immediately prior to the Closing Time;
- (f) all Existing Shares and 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

*(except the Administration Charge and DIP Charges ordered herein)
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or having been created or granted in connection with the share capital or Equity Interests of Loop Energy, shall be redeemed and deemed cancelled and terminated for nil consideration in accordance with and pursuant to this Order;

- (g) the Retained Assets shall be retained by Loop Energy free and clear of all Encumbrances and Claims, save and except Permitted Encumbrances and Assumed Liabilities, in accordance with and pursuant to this Order;
- (h) Loop Energy shall pay, assume or otherwise satisfy the Assumed Liabilities, in accordance with the terms of the Subscription Agreement;
- (i) Loop Energy shall issue the Subscribed Shares, and the Purchaser shall subscribe for and purchase the Subscribed Shares free and clear of all Encumbrances and Claims, save and except Permitted Encumbrances and Assumed Liabilities;
- (j) all right, title and interest in the Subscribed Shares shall vest absolutely in the Purchaser, free and clear of all Encumbrances and Claims, save and except Permitted Encumbrances and Assumed Liabilities;
- (k) the Cash Consideration, less the Cure Costs, shall be held by the Proposal Trustee to pay the Cash Consideration Obligations;
- (l) Loop Energy will pay the Cure Costs in the fashion contemplated by this Order;
- (m) any directors and officers of Loop and all subsidiaries, except the director of ResidualCo, immediately prior to the Closing Time shall be deemed to have resigned;
- (n) Loop Energy shall cease to be an applicant in the NOI Proceedings and Loop Energy shall be deemed to be released from the purview of the NOI Order and all other Orders of this Court granted in these NOI Proceedings,

save and except for this Order the provisions of which (as they relate to Loop Energy) shall continue to apply in all respects; and

- (o) The NOI Proceedings shall have no further force or effect, and will be terminated upon the issuance and filing of the Proposal Trustee's Certificate.

15. The Proposal Trustee shall issue and file with the Court a copy of the Proposal Trustee's Certificate forthwith after delivery thereof in connection with the Transactions.

16. The Proposal Trustee may rely on written notice from Loop Energy and the Purchaser regarding the fulfilment of conditions to closing and shall have no liability with respect to delivery of the Proposal Trustee's Certificate.

17. For the purposes of determining the nature and priority of Claims, from and after the delivery of the Proposal Trustee's Certificate, all Claims and Encumbrances shall attach to the Excluded Assets and the Excluded Contracts, including for greater certainty the Cash Consideration, with the same priority as they had with respect to the Retained Assets immediately prior to the sale, as if the Excluded Assets, the Excluded Contracts and the Excluded Liabilities had not been transferred to ResidualCo, as applicable, and remained liabilities of Loop Energy immediately prior to the foregoing transfer.

18. The Proposal Trustee shall use the Cash Consideration solely to pay the Cash Consideration Obligations and if there is any remaining Cash Consideration following the payment of such Cash Consideration Obligations, the Proposal Trustee is authorized and directed to forthwith return to the Purchaser the remaining Cash Consideration.

19. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act (Canada)*, Loop Energy or the Proposal Trustee, as the case may be, is authorized, permitted and directed to, at the Closing Time, disclose to the Purchaser all human resources and payroll information in Loop Energy records pertaining to past and current employees of Loop Energy. The Purchaser shall maintain and cause Loop Energy, after Closing, to maintain and protect the privacy of such information in accordance with applicable law and shall be entitled to use the personal information

provided to it in a manner which is in all material respects identical to the prior use of such information by Loop Energy.

20. At the Closing Time and without limiting the provisions of paragraph 14 hereof, Loop Energy and the Purchaser shall both be deemed released from any and all claims, liabilities (direct, indirect, absolute or contingent) or obligations with respect to any Taxes (including penalties and interest thereon) of, or that relate to, Loop Energy, including, without limiting the generality of the foregoing, all taxes that could be assessed against Loop Energy or the Purchaser (including its affiliates and any predecessor corporations) pursuant to section 160 of the *Income Tax Act (Canada)*, or any provincial equivalent, in connection with Loop Energy (provided, as it relates to Loop Energy, such release shall not apply to (i) Transaction Taxes, or (ii) Taxes in respect of the business and operations conducted by Loop Energy after the Closing Time). For greater certainty, ResidualCo shall be solely liable for all Tax Liabilities, if any, arising in connection with or as a result of the transfer of the Excluded Assets and Excluded Contracts to ResidualCo.

21. Except to the extent expressly contemplated by the Subscription Agreement, or otherwise agreed by the Purchaser, all Retained Contracts to which Loop Energy is a party upon delivery of the Proposal Trustee's Certificate will be and remain in full force and effect upon and following delivery of the Proposal Trustee's Certificate and no individual, firm, corporation, governmental body or agency, or any other entity (all of the foregoing, collectively being "Persons" and each being a "Person") who is a party to any such arrangement shall make or pursue any demand, claim, action or suit or exercise any right or remedy under any Contracts (excluding the Excluded Contracts) relating to:

- (a) Any event that occurred on or prior to the delivery of the Proposal Trustee's Certificate and is not continuing that would have entitled such Person to enforce those rights or remedies (including defaults or events of default arising as a result of the insolvency of Loop Energy);
- (b) The insolvency of Loop Energy or the fact that Loop Energy sought or obtained relief under the BIA;

- (c) Any compromises, releases, discharges, cancellations, transactions, arrangements, reorganizations or other steps taken or effected pursuant to the Subscription Agreement, the Transactions or the provisions of this Order, or any other Order of this Court in these NOI Proceedings; or
- (d) Any transfer or assignment, or any change of control of Loop Energy arising from the implementation of the Subscription Agreements, the Transactions or the provisions of this Order.

and all such counterparties and Persons shall be forever barred and estopped from taking such action.

22. The designation of any Claim as an Assumed Liabilities is without prejudice to Loop Energy's right to dispute the existence, validity or quantum of any such Assumed Liability, and nothing in this Order or the Subscription Agreement shall affect or waive Loop Energy's rights and defences, both legal and equitable, with respect to any Assumed Liability, including, but not limited to, all rights with respect to entitlements to set-offs or recoupments against such Assumed Liabilities.

23. From and after the Closing Time:

- (a) the nature of the Assumed Liabilities retained by Loop Energy, including, without limitation, their amount and their secured or unsecured status, shall not be affected or altered as a result of the Transactions or this Order;
- (b) the nature of the Excluded Liabilities, including, without limitation, their amount and their secured or unsecured status, shall not be affected or altered as a result of their transfer to ResidualCo;
- (c) any Person that prior to the Closing Time, had a valid right or claim against Loop Energy under or in respect of any Excluded Contract or Excluded Liability (each an "Excluded Liability Claim") shall no longer have such right or claim against Loop Energy but will have an equivalent Excluded Liability Claim against ResidualCo, in respect of the Excluded Contract and

Excluded Liability from and after the Closing Time in its place and stead, and nothing in this Order limits, lessens or extinguishes the Excluded Liability Claim of any Person as against ResidualCo; and

- (d) the Excluded Liability Claim of any Person against ResidualCo following the Closing Time shall have the same rights, priority and entitlement as such Excluded Liability Claim had against Loop Energy prior to the Closing Time.

24. Notwithstanding:

- (a) the termination of these NOI Proceedings; and
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the BIA in respect of Loop Energy, and any bankruptcy order issued pursuant to any such applications.

the Subscription Agreement, the implementation of the Transactions (including without limitation the transfer and vesting of the Excluded Assets, Excluded Contracts and Excluded Liabilities in and to the ResidualCo, as applicable, and the issuance of the Subscribed Shares to the Purchaser), and any payments by the Purchaser authorized herein or pursuant to the Subscription Agreement shall be binding on any trustee in bankruptcy that may be appointed in respect of Loop Energy, and shall not be void or voidable by creditors of Loop Energy, nor shall they constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

25. Nothing in this Order prevents the Crown (including the Canada Revenue Agency and Pacific Economic Development Agency of Canada) from setting off or compensating any amounts owed to Loop Energy by the Crown against the claims of the Crown against Loop Energy provided that either (a) both applicable claims relate to the period prior to the filing date (July 17, 2024); or (b) both applicable claims relate to the period between the filing date (July 17, 2024) and the Closing Time. This paragraph shall not permit the

Crown to set-off or compensate amounts owed to Loop Energy related to the period following the Closing Time against any Excluded Liabilities owed to the Crown (including the claims of Pacific Economic Development Agency of Canada) or other claims of the Crown that relate to the period prior to the Closing Time.

RELEASES

26. Effective upon the delivery of the Proposal Trustee's Certificate, (i) the present, former and future directors, officers, employees, legal counsel and advisors of Loop Energy and ResidualCo (or any of them) (ii) the Proposal Trustee and its legal counsel, and their respective present and former directors, officers, partners, employees and advisors, (iii) the Purchaser, its directors, officers, employees, legal counsel and advisors (the Persons listed in (i), (ii) and (iii) being collectively, the "Released Parties") shall be deemed to be forever irrevocably released and discharged from any and all present and future claims whatsoever (including, without limitation, claims for contribution or indemnity), liabilities, indebtedness, demands, actions, causes of action, counterclaims, suits, damages, judgments, executions, recoupments, debts, sums of money, expenses, accounts, liens, taxes, recoveries, and obligations of any nature or kind whatsoever (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or equity and whether based in statute or otherwise) based in whole or in part and in connection with the Transactions in respect of Loop Energy or these proceedings (collectively, the "Released Claims"), which Released Claims are hereby fully, finally, irrevocably and forever waived, discharged, released, cancelled and barred as against the Released Parties, and are not vested nor transferred to ResidualCo or to any other entity and are extinguished, provided that nothing in this paragraph shall waive, discharge, release, cancel or bar any claim for gross negligence, fraud or wilful misconduct or any claim that is not permitted to be released pursuant to section 50(14) of the BIA.

27. Except to the extent expressly contemplated by the Subscription Agreement, or otherwise agreed by the Purchaser, no counterpart under any Retained Contract, nor any

other person shall make or pursue any demand, claim, action or suit, or exercise any right or remedy under any Retained Contract against the Purchaser relating to:

- (a) Loop Energy having sought or obtained relief under the BIA; or
- (b) Loop Energy having been insolvent prior to Closing.

and all such counterparties and persons shall be forever barred and estopped from taking such action.

THE PROPOSAL TRUSTEE

27(a) The reports of the Proposal Trustee filed herein and the activities of the Proposal Trustee, in its capacity as proposal trustee, and not in its personal capacity
28. The Proposal Trustee its employees and representatives shall incur no liability as a result of acting in accordance with this Order, other than any liability arising out of or in connection with the gross negligence or wilful misconduct of the Proposal Trustee. *me hereby approved J.W.*

29. No action lies against the Proposal Trustee by reason of this Order or the performance of any act authorized by this Order, except by leave of the Court following a motion brought on not less than fifteen (15) days' notice to the Proposal Trustee and its legal counsel. The entities related or affiliated with the Proposal Trustee or belonging to the same group as the Proposal Trustee (including, without limitation, any agents, employees, legal counsel or other advisors retained or employed by the Proposal Trustee) shall benefit from the protection granted to the Proposal Trustee under the present paragraph.

30. The Proposal Trustee shall not, as a result of this Order or any matter contemplated hereby: (a) be deemed to have taken part in the management or supervision of the management of Loop Energy, or to have taken or maintained possession or control of the business or property of Loop Energy; or (b) be deemed to be in possession of any property of Loop Energy within the meaning of any applicable environmental legislation or otherwise.

GENERAL

31. Following the Closing Time, the Purchaser shall be authorized to take all steps as may be necessary to effect the discharge of the Claims and Encumbrances as against the Subscribed Shares and the Retained Assets.

32. Stikeman Elliott LLP (and its respective agents) are hereby authorized to prepare, execute, file and register discharges and/or terminations in respect any and all Encumbrances in respect of Excluded Liabilities as against Loop Energy and the Retained Assets, including Encumbrances under the *Personal Property Security Act* (British Columbia), or any other personal property registry system, and all governmental authorities and any other applicable registrar or government ministries or authorities exercising jurisdiction over such Encumbrances are hereby authorized, requested and directed to accept such discharges and remove and expunge Encumbrances in respect of Excluded Liabilities as against Loop Energy and the Retained Assets.

33. This Order shall have full force and effect in all provinces and territories in Canada.

34. Loop Energy shall be authorized to apply as it may consider necessary or desirable, with or without notice, to any other court or administrative body, whether in Canada, the United States or elsewhere, for orders which aid and complement this Order. All courts and administrative bodies of all such jurisdictions are hereby respectfully requested to make such orders and to provide such assistance to Loop Energy and the Proposal Trustee as may be deemed necessary or appropriate for that purpose.

35. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist Loop Energy, the Proposal Trustee and their respective 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 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, the Proposal Trustee and their respective agents in carrying out the terms of this Order.

36. This Order and all of its provisions are effective as of 12:01 a.m. Pacific Daylight Time on the date hereof, provided that the transaction steps set out in paragraph 14 hereof shall be deemed to have occurred sequentially, one after the other, in the order set out in paragraph 14 hereof.

37. 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 Jonathan L. Williams
Lawyer for the applicant



BY THE COURT



REGISTRAR IN BANKRUPTCY



Schedule "A"

LIST OF COUNSEL

COUNSEL NAME	PARTY REPRESENTED
KAREN FELLOWES	TERALTA HYDROGEN SOLUTIONS INC.
DAN NUGENT	CROWE MACKAY & COMPANY LTD., IN IT CAPACITY AS PROPOSAL TRUSTEE OF LOOP ENERGY INC.

Schedule "B"

Form of Proposal Trustee's Certificate

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.

RECITALS

- A. On July 17, 2024, Loop Energy Inc. ("**Loop Energy**") filed a Notice of Intention to Make a Proposal (the "**NOI**") pursuant to section 50.4 of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3 (the "**BIA**").
- B. Pursuant to the terms of the NOI, Crowe MacKay & Company Ltd. was named Proposal Trustee to Loop Energy (in such capacity, the "**Proposal Trustee**").
- C. Pursuant to the Approval and Vesting Order of the Court dated [●] (the "**Order**"), the Court approved the transactions (the "**Transactions**") contemplated by the Subscription Agreement dated as of October ___, 2024 (the "**Subscription Agreement**") between Loop Energy and Teralta Hydrogen Solutions Inc. (the "**Purchaser**").

THE PROPOSAL TRUSTEE CERTIFIES the following:

1. The Proposal Trustee has received written confirmation from the Purchaser and from Loop Energy, in form and substance satisfactory to the Proposal Trustee, that all conditions to closing have been satisfied or waived by the Parties to the Subscription Agreement.

2. This Proposal Trustee's Certificate was delivered by the Proposal Trustee at
_____ on _____, 2024.

CROWE MACKAY & COMPANY LTD.
in its capacity as Proposal Trustee of
Loop Energy Inc.,
and not in its personal capacity

Per:

Name:

Title: