

## **Acquisition Opportunity – Generator Sets**

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### **INTRODUCTION**

*We are contacting you to determine your interest in considering a transaction for the purchase of generator sets and related equipment in whole or in part offered herein for sale by the Receiver (as defined below) of Redcorp Ventures Ltd. and Redfern Resources Ltd. The transaction summary and a description of the equipment offered for sale follow.*

On May 29, 2009, pursuant to an order of the Supreme Court of British Columbia (the “Receivership Order”), McIntosh & Morawetz Inc., a subsidiary of Alvarez & Marsal Canada ULC was appointed as interim receiver and receiver (the “Receiver”) of the current and future personal assets, undertaking and properties, including among other things, equipment and inventory (the “Property”) of Redcorp Ventures Ltd. and Redfern Resources Ltd. (collectively, the “Companies”). The Receivership Order authorizes the Receiver to, *inter alia*, market the Property for sale and to seek a vesting order to convey the Property or any part thereof to purchasers free and clear of any liens or encumbrances affecting the Property.

This asset profile is being circulated to a select group of prospective purchasers who we believe may have an interest in this acquisition opportunity. Parties interested in receiving supplementary information, Terms and Conditions of Sale and the form of the Asset Purchase Agreement are requested to submit written request to the attention of Melanie MacKenzie of Alvarez & Marsal, acting for the Receiver, whose contact information follows.

### **FACT SHEET - Generator Sets (Gensets)**

In the spring of 2008, the Companies purchased eight low-hour, used gensets (the “Gensets”) from Carmack Commercial Corporation (“Carmack”), a United States corporation, to provide power and heat for its mine site in north western B.C. These units were part of a 20 unit cluster originally located in Moses Lake, WA where they were used as a redundant power backup for the local Public Utility providing power to that area. The units were installed in 2001 for the previous owner by Caterpillar, Inc. and were used sparingly having only been powered up for scheduled test and maintenance.



**Gensets - Moses Lake Public Utility Configuration – (eight of the above units are being offered for sale by the Receiver)**

The units were purchased used from Carmack with hours ranging from 288 to 455 (detail available upon request). The generators are equipped with 150 gallon day tanks that are supported by six 20,000 gallon fuel tanks and two 6,000 gallon oil tanks. The diesel fuel delivery system includes 480 VAC pumps with housing, delivery piping, piping insulation and heating system. Each unit consists of a Caterpillar SR4B Generator, 3516B diesel engine, metal enclosure, passive exhaust muffler, wiring, piping, trace heating elements and all necessary control equipment.



## Individual Genset with metal housing and ancillary equipment



**20,000 Gallon Fuel Tank Setup**

The units were approximately six years old when purchased and were fully inspected by a Caterpillar authorized dealer and an independent inspector prior to closing (reports available upon request).

An independent dealer was hired to have the units certified for use in Canada and to add heat recovery systems. The heat recovery system is used for cold weather applications to capture the exhaust heat and redirect it to other areas such as office space and sleeping quarters. One of the units is presently located in Richmond, British Columbia (Canada) and is available to be viewed upon request. The units can be adapted to certain applications with field retrofit kits available through certain service providers.

Four of the eight generators are currently located at offsite storage facilities in Juneau, Alaska, (U.S.A.), three are in the process of being shipped to storage facilities in Savona, British Columbia (Canada), and one unit, as described above, is in Richmond, British Columbia. The unit in Richmond has been retrofit with a heat recovery system and with the exception of that unit, all of the equipment is dismantled for storage.

### **EQUIPMENT LIST**

- a) Gensets (quantity: 8) – Specifications (detailed manufacturer specifications available upon request):
- Generator - Caterpillar Model SR4B – that produces 13.8kV, 60Hh, 1640 kW continuous and 1.825 MW prime operation equipped with 150 gallon day tank and NiCd battery bank for start-up
  - Diesel Engine – Caterpillar Model 3516B complete with passive exhaust system
  - Metal Generator Housing – 6” insulation for noise and temperature isolation

- Wiring, piping, trace heating elements and controls, and other miscellaneous accessories and tools.
- b) Double walled 20,000 gallon diesel fuel tanks (quantity: 6)
- Controls, Pumps, Piping, Wiring, and Accessories
- c) 6,000 gallon Oil tanks (quantity: 2)
- Controls, Pumps, Piping, Wiring, and Accessories.
- d) Switchgear – complete with buildings and all ancillary equipment such as batteries, air conditioners, heaters and accessories (quantity 8).
- e) Miscellaneous spare parts & tools.
- f) Heat recovery systems (attachments to Gensets) (quantity: 8)

### **NEXT STEPS**

The Receiver is proceeding quickly to identify parties interested in pursuing a sale transaction. This summary document has been developed to introduce the opportunity. If you are interested in receiving additional materials concerning the equipment described herein, including Terms and Conditions of Sale please send requests to Melanie MacKenzie: Phone (+1) 416 847 5158, facsimile (+1) 416 847 5201, email mmackenzie@alvarezandmarsal.com.

*Neither the Receiver, the Companies, nor their respective agents and representatives, make any representations or warranties whatsoever with respect to the information contained in this transaction summary, or in any other documents provided to potential purchasers relating to this acquisition opportunity. Purchasers must rely entirely on their own inspection and investigation of all matters and the information provided relating to it.*

*To the extent that any inaccuracy in information does occur, the prospective purchaser(s) are advised that the information has been prepared and delivered on a "reasonable commercial efforts" basis by the Receiver and the Receiver will not be liable to prospective purchasers for any loss, damage, cost, expense, claim, action or demand arising out of any such inaccuracy.*

*McIntosh & Morawetz Inc. is acting in its capacity as Receiver under the Receivership Order and not in its personal capacity, and the Receiver will have no liability under or as a result of facilitating any sale transaction entered into except in its capacity as Receiver, and without limiting the generality of the foregoing, McIntosh & Morawetz Inc. will have no liability under or as a result of facilitating any such sale transaction in its personal or corporate capacity.*