



No. S-236214

Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN

1392752 B.C. LTD.

PETITIONER

AND

SKEENA SAWMILLS LTD., SKEENA BIOENERGY LTD.

AND ROC HOLDINGS LTD.

RESPONDENTS

**THIRD REPORT OF THE RECEIVER
ALVAREZ & MARSAL CANADA INC.**

January 12, 2024

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1.0 INTRODUCTION

- 1.1 On September 20, 2023 (the “**Receivership Date**”), upon the application of 1392752 B.C. Ltd. (the “**Petitioner**”) in Supreme Court of British Columbia Action No. S-236214, Vancouver Registry (the “**Receivership Proceedings**”), the court granted an order (the “**Receivership Order**”) appointing Alvarez & Marsal Canada Inc. (“**A&M**”) as receiver (the “**Receiver**”) of all of the assets, undertakings and property, including real property, of Skeena Sawmills Ltd. (“**Sawmills**”), Skeena Bioenergy Ltd. (“**Bioenergy**”), and ROC Holdings Ltd. (“**ROC**”, and together with Sawmills and Bioenergy, the “**Skeena Entities**” or the “**Company**”).
- 1.2 On December 13, 2023, the Receiver filed the second report of the Receiver (the “**Second Report**”), providing this Honourable Court with an update of, among other things, the ongoing sale process in respect of Skeena Entities’ assets, which was commenced on October 31, 2023 (the “**Sales Process**”).
- 1.3 On December 14, 2023, the Petitioner filed a Notice of Application seeking an order, among other things, setting the schedule for an application to determine the validity, enforceability and priority of security held by the Petitioner.
- 1.4 On December 22, 2023, this Honourable Court granted a modified order (the “**Case Plan Order**”) which, among other things: (i) restricted the review of the Petitioner’s claim to the advances made in 2023; (ii) set specific dates for various milestones as provided for in the order; and (iii) directed the Receiver to file a report with this Honourable Court in relation to the Petitioner’s Notice of Application.
- 1.5 On January 5, 2024, the Petitioner filed a Notice of Application (the “**Case Plan NOA**”), the Affidavit #2 of Xiao Peng Cui, sworn January 3, 2024 (the “**Second Cui Affidavit**”), the Affidavit #2 of Gui Hua (Jenny) Hu, sworn January 5, 2024 (the “**Second Hu Affidavit**”), the Affidavit #1 of Cuiping (Tracy) Huang, sworn December 20, 2023 (the “**Huang Affidavit**”) and the Affidavit #1 of Cecilia Conto, sworn January 3, 2024 (the “**Conto Affidavit**”, and together with the Case Plan NOA, the Second Cui Affidavit, the Second Hu Affidavit and the Huang Affidavit, the “**Case Plan Materials**”), seeking declarations as to the amounts, validity, enforceability and priority of the advances made pursuant to: (i) two Grid Promissory Notes dated January 31, 2023 and May 1, 2023 (collectively, the “**Notes**”); (ii) General Security Agreements (together, the “**GSAs**”) each dated January 31, 2023 granted by the Skeena Entities in favour of the Petitioner; (iii) an all-indebtedness mortgage and assignment of rents dated January 31, 2023 granted by ROC in favour of the Petitioner (the “**Mortgage**”); and (iv) a general assignment of leases and rents dated January

31, 2023 granted by ROC in favour of the Petitioner (the “**Assignment of Leases**”, and together with the Promissory Notes, the GSAs and the Mortgage, the “**Security Documents**”).

1.6 The Receivership Order along with all court orders, select application materials and other documents filed in the Receivership Proceedings (the “**Filed Materials**”) are posted on the Receiver’s website (the “**Receiver’s Website**”) at www.alvarezandmarsal.com/skeena.

1.7 Capitalized terms not defined in this report (the “**Third Report**”) are as defined in the applicable Filed Materials.

2.0 PURPOSE OF THE THIRD REPORT

2.1 Pursuant to the Case Plan Order, this Third Report has been specifically prepared to provide this Honourable Court with the Receiver’s comments on the Case Plan Materials, and whether the Receiver is aware of any further documents or transactions relevant to the debt and security claimed by the Petitioner therein, including any related party transactions.

3.0 RECEIVER’S OBSERVATIONS

The Petitioner’s Claim

3.1 In the Case Plan NOA, the Petitioner seeks a declaration that certain Grid Promissory Notes totaling \$7,614,137.72 plus interest (the “**2023 Advances**”) are valid and enforceable agreements in favour of the Petitioner as against Sawmills, and that the joint and several guarantee granted by the Skeena Entities in favour of the Petitioner is a valid and enforceable guarantee with respect to the 2023 Advances.

3.2 The Petitioner claims that the 2023 Advances were made pursuant to:

- a) a Grid Promissory Note dated January 31, 2023: 5% per annum, compounded monthly, on the sum of \$1,432,031.72 (the “**January Note**”); and
- b) a Grid Promissory Note dated May 1, 2023: 8% per annum, compounded monthly, on the sum of \$6,182,106.00 (the “**May Note**”).

Copies of the January Note and the May Note are collectively attached hereto as Appendix “A”.

3.3 Based on the Case Plan Materials, specifically the Second Cui Affidavit and the Conto Affidavit, the Petitioner claims that the outstanding balance owing to it for advances made under the Notes, including interest up to February 29, 2024, is as summarized below:

Skeena Entities 2023 Advances and interest up to February 29, 2024 Sources: Second Cui Affidavit and Conto Affidavit			
	Principal	Interest	Total
January Note	\$ 1,432,031.72	\$ 69,953.52	\$ 1,501,985.24
May Note	6,182,106.00	373,719.47	6,555,825.47
Total as at February 29, 2024	\$ 7,614,137.72	\$ 443,672.99	\$ 8,057,810.71

Receiver's Findings

3.4 For the purposes of this Third Report, the Receiver has reviewed the following information:

- a) the Case Plan Materials;
- b) various 2023 bank statements of Sawmills and Bioenergy;
- c) general ledgers for the 2023 calendar year of Sawmills and Bioenergy; and
- d) USD/CAD exchange rates posted by the Bank of Canada.

3.5 The Receiver also sought assistance from the former Controller of Sawmills (engaged by the Receiver as a contractor) in collecting and collating financial information from the Skeena Entities' books and records.

3.6 The Receiver's review was focused on the following areas:

- a) whether the advances enumerated in the Notes can be confirmed by a review of Sawmills' banking records;
- b) whether there were any additional advances or payments among the Petitioner (and its owners) and the Skeena Entities which were not reflected in the Notes; and
- c) whether the interest calculated in the Conto Affidavit was accurate.

Whether the transactions enumerated in the Notes can be confirmed by Sawmills' banking records

3.7 The Receiver reviewed the 2023 bank statements of Sawmills and was able to identify all advances and repayments reflected in the Notes. Details of the Receiver's summary is attached to this Third Report as Appendix "B".

3.8 Two discrepancies, totaling \$511.69, were noted in the Receiver's review:

- a) on April 12, 2023, the Petitioner advanced US\$70,131.00 to Sawmills' USD bank account. The advance was recorded in the January Note at CA\$94,676.85. Based on the Receiver's review of the Bank of Canada closing USD/CAD rate, this appears to have been a foreign exchange miscalculation and the advance should have been recorded as CA\$94,305.16, resulting in an overstatement of \$371.69; and

- b) on May 25, 2023, the Petitioner advanced CA\$136,140.00 to Sawmills' CAD bank account, however, this advance was recorded under the May Note at CA\$136,280.00, resulting in an overstatement of CA\$140.00. The Receiver notes that this irregularity was acknowledged in the Second Cui Affidavit (paragraph 29).

Whether there were any additional advances or payments from/to the Petitioner and its owners

- 3.9 In order to determine whether there were any additional advances or payments from or to the Petitioner, the Receiver reviewed available bank statements and accounting records of the Skeena Entities to locate any transactions not recorded on the Notes and made inquiries with the former Controller of Sawmills.
- 3.10 In conducting its review, the Receiver attempted to identify transactions between the Skeena Entities and the Petitioner, including its owners, Xiao Peng (Teddy) Cui and Shenwei (Sandra) Wu.
- 3.11 The following transactions were identified by the Receiver:
- a) eight (8) payments of \$12,500, totaling \$100,000, were made to Ms. Wu from Sawmills between January 6 and May 5, 2023. These payments were recorded in Sawmills' shareholder loan account as interest payments but were not recorded in the Notes;
 - b) \$20,000 was paid to Ms. Wu on April 12, 2023. This payment was recorded in Sawmill's shareholder loan account but not reflected in the Notes; and
 - c) while most of the advances made by the Petitioner in 2023 were made to Sawmills, the Petitioner was paid \$32,000 from the Bioenergy bank account in August 2023, and advanced \$79,000 to the Bioenergy bank account in September 2023, resulting in a net advance of \$47,000 to Bioenergy's bank account by the Petitioner over the period.

- 3.12 Additional details of the abovementioned transactions are attached hereto as Appendix "C".

- 3.13 In addition to those listed above, the Receiver also identified payments totaling \$7,214.47, recorded as expense reimbursements, from Sawmills to Ms. Wu in 2023.

Whether the interest calculated in the Conto Affidavit was accurate

- 3.14 The Receiver reviewed the calculation of interest in relation to the 2023 Advances as presented in the Conto Affidavit.
- 3.15 Upon the Receiver's review, it is noted that the interest calculated in the Conto Affidavit, totaling \$442,673.01, appeared to be overstated by \$11,417.05, mainly driven by the overstatement of one of the recorded advances under the May Note.

- 3.16 A table showing the variance between the interest calculated in the Conto Affidavit and the Receiver's calculations is attached hereto as Appendix "D".

The Security Documents

- 3.17 The Receiver has not noted or identified anything in the Skeena Entities' books and records which is relevant to the execution, delivery or enforceability of the Security Documents.

4.0 OTHER MATTERS

- 4.1 Pursuant to the Case Plan Order, on January 8, 2024, the Receiver and its counsel delivered the Case Plan Order and the Case Plan Materials, by email or courier, to all persons listed on the Form 87 claiming against the Skeena Entities, except those persons who are or are represented by counsel on the Service List.

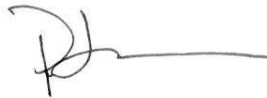
- 4.2 Affidavits of mailing confirming the delivery of documents are filed with this Honourable Court and are planned to be served on all persons listed on the Service List on January 12, 2024.

All of which is respectfully submitted to this Honourable Court this 12th day of January, 2024.

Alvarez & Marsal Canada Inc.,
in its capacity as Receiver of Skeena Sawmills Ltd.,
Skeena Bioenergy Ltd. and ROC Holdings Ltd.
and not in its personal capacity



Per: Anthony Tillman
Senior Vice President



Per: Pinky Law
Vice President

Appendix A – The January Note and the May Note

PROMISSORY NOTE

TO: 1392752 B.C. LTD. (the “Lender”)
FROM: SKEENA SAWMILLS LTD. (the “Borrower”)
DATE: January 31, 2023

1. **Principal.** For good and valuable consideration, the Borrower acknowledges itself indebted and unconditionally promises to pay to, or to the order of, the Lender, ON DEMAND, the applicable principal amount outstanding under this promissory note, in lawful currency of Canada, as recorded from time to time by the Lender in the column headed “Principal Amount Balance” (the “**Principal Amount**”) on the record attached as a Schedule hereto (the “**Grid**”).
2. **Interest.** The Principal Amount will bear interest at a rate of 5% per annum, compounded monthly. Such interest will be calculated and due and payable monthly on the first of each month. Interest will apply both before and after default and judgment. Each payment under this promissory note will be applied first in payment of interest and the balance, if any, will be applied in reduction of the Principal Amount.
3. **Prepayment.** The Borrower may prepay any portion of the balance outstanding under this promissory note without the Lender's prior written consent.
4. **Indemnity.** The Borrower will indemnify and save harmless the Lender from and against all costs and expenses incurred by the Lender in connection with the Lender’s exercise of its rights and remedies under this promissory note, including without limitation, its legal fees on a solicitor and own client basis.
5. **No Offset.** All payments by Borrower will be made without abatement, set-off or counter-claim.
6. **Amendment and Waiver.** No amendment, modification or waiver of any provision of this promissory note is in any event effective unless it is in writing and signed by the Lender, and then the amendment, modification or waiver is effective only in the specific instance and for the specific purpose for which it is given. The extension of time for payment of all or any portion of the Principal Amount, or the failure of the Lender to enforce any of its rights or remedies hereunder will not release the Borrower and will not constitute a waiver of any of the rights of the Lender to enforce its rights or remedies hereunder.
7. **Severability.** Any provision of this promissory note which is or becomes prohibited or unenforceable in any relevant jurisdiction will not invalidate or impair the remaining provisions hereof which shall be deemed severable from such prohibited or unenforceable provisions, and any such prohibition or unenforceability in any such jurisdiction will not invalidate or render unenforceable such provision in any other jurisdiction.
8. **Assignment and Enurement.** This promissory note will enure to the benefit of the Lender, its successors and assigns, and will be binding on the Borrower and the Borrower’s

successors and permitted assigns. This promissory note is not assignable by the Borrower without the prior written consent of the Lender. This promissory note is a negotiable instrument and may be assigned, hypothecated or pledged by the Lender without consent of the Borrower.

9. **Applicable Law.** This promissory note will be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.
10. **Time.** Time will in all respects be of the essence of this promissory note.
11. **Waiver of Benefits.** The Borrower hereby waives demand, presentment for payment, notice of non-payment, protest and notice of protest of this promissory note.

SKEENA SAWMILLS LTD.

Per: 
Authorized Signatory

SCHEDULE
to
GRID PROMISSORY NOTE

[illegible]

PROMISSORY NOTE


TO: 1392752 B.C. LTD. (the “Lender”)
FROM: SKEENA SAWMILLS LTD. (the “Borrower”)
DATE: __ May 1 ____, 2023

1. **Principal.** For good and valuable consideration, the Borrower acknowledges itself indebted and unconditionally promises to pay to, or to the order of, the Lender, ON DEMAND, the applicable principal amount outstanding under this promissory note, in lawful currency of Canada, as recorded from time to time by the Lender in the column headed “Principal Amount Balance” (the “**Principal Amount**”) on the record attached as a Schedule hereto (the “**Grid**”).
2. **Interest.** The Principal Amount will bear interest at a rate of 8% per annum, compounded monthly. Such interest will be calculated and due and payable monthly on the first of each month. Interest will apply both before and after default and judgment. Each payment under this promissory note will be applied first in payment of interest and the balance, if any, will be applied in reduction of the Principal Amount.
3. **Prepayment.** The Borrower may prepay any portion of the balance outstanding under this promissory note without the Lender's prior written consent.
4. **Indemnity.** The Borrower will indemnify and save harmless the Lender from and against all costs and expenses incurred by the Lender in connection with the Lender's exercise of its rights and remedies under this promissory note, including without limitation, its legal fees on a solicitor and own client basis.
5. **No Offset.** All payments by Borrower will be made without abatement, set-off or counter-claim.
6. **Amendment and Waiver.** No amendment, modification or waiver of any provision of this promissory note is in any event effective unless it is in writing and signed by the Lender, and then the amendment, modification or waiver is effective only in the specific instance and for the specific purpose for which it is given. The extension of time for payment of all or any portion of the Principal Amount, or the failure of the Lender to enforce any of its rights or remedies hereunder will not release the Borrower and will not constitute a waiver of any of the rights of the Lender to enforce its rights or remedies hereunder.
7. **Severability.** Any provision of this promissory note which is or becomes prohibited or unenforceable in any relevant jurisdiction will not invalidate or impair the remaining provisions hereof which shall be deemed severable from such prohibited or unenforceable provisions, and any such prohibition or unenforceability in any such jurisdiction will not invalidate or render unenforceable such provision in any other jurisdiction.
8. **Assignment and Enurement.** This promissory note will enure to the benefit of the Lender,

its successors and assigns, and will be binding on the Borrower and the Borrower's successors and permitted assigns. This promissory note is not assignable by the Borrower without the prior written consent of the Lender. This promissory note is a negotiable instrument and may be assigned, hypothecated or pledged by the Lender without consent of the Borrower.

9. **Applicable Law.** This promissory note will be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.
10. **Time.** Time will in all respects be of the essence of this promissory note.
11. **Waiver of Benefits.** The Borrower hereby waives demand, presentment for payment, notice of non-payment, protest and notice of protest of this promissory note.

SKEENA SAWMILLS LTD.

Per: 
Authorized Signatory

SCHEDULE
to
GRID PROMISSORY NOTE

Date of Advance or Repayment	Beginning Principal Amount (\$CAD)	Amount of Advance or (Repayment) (\$CAD)	Principal Amount Balance (\$CAD)	Signature of Lender Making Notation in respect of Repayment
May 8, 2023	\$0.00	\$ 240,000.00	\$ 240,000.00	
May 12, 2023	\$ 240,000.00	\$ 20,000.00	\$ 260,000.00	
May 16, 2023	\$ 260,000.00	\$ 450,000.00	\$ 710,000.00	
May 17, 2023	\$ 710,000.00	\$ 550,000.00	\$ 1,260,000.00	
May 19, 2023	\$ 1,260,000.00	\$ 25,000.00	\$ 1,285,000.00	
May 19, 2023	\$ 1,285,000.00	<i>SW</i> \$ (12,500.00)	\$ 1,272,500.00	
May 24, 2023	\$ 1,272,500.00	\$ 120,000.00	\$ 1,392,500.00	
May 25, 2023	\$ 1,392,500.00	\$ 136,280.00	\$ 1,528,780.00	
May 29, 2023	\$ 1,528,780.00	\$ 250,000.00	\$ 1,778,780.00	
June 1, 2023	\$ 1,778,780.00	<i>SW</i> \$ (12,500.00)	\$ 1,766,280.00	
June 5, 2023	\$ 1,766,280.00	\$ 147,774.00	\$ 1,914,054.00	
June 7, 2023	\$ 1,914,054.00	\$ 648,736.00	\$ 2,562,790.00	
June 12, 2023	\$ 2,562,790.00	\$ 1,002,450.00	\$ 3,565,240.00	
June 16, 2023	\$ 3,565,240.00	<i>SW</i> \$ (12,500.00)	\$ 3,552,740.00	
June 19, 2023	\$ 3,552,740.00	\$ 132,060.00	\$ 3,684,800.00	
June 22, 2023	\$ 3,684,800.00	\$ 552,720.00	\$ 4,237,520.00	
July 4, 2023	\$ 4,237,520.00	\$ 700,000.00	\$ 4,937,520.00	
July 7, 2023	\$ 4,937,520.00	<i>SW</i> \$ (12,500.00)	\$ 4,925,020.00	
July 10, 2023	\$ 4,925,020.00	\$ 357,127.00	\$ 5,282,147.00	
July 10, 2023	\$ 5,282,147.00	\$ 358,668.00	\$ 5,640,815.00	

Date of Advance or Repayment	Beginning Principal Amount (\$CAD)	Amount of Advance or (Repayment) (\$CAD)	Principal Amount Balance (\$CAD)	Signature of Lender Making Notation in respect of Repayment
July 14, 2023	\$ 5,640,815.00	<i>sw</i> \$ (12,500.00)	\$ 5,628,315.00	
July 21, 2023	\$ 5,628,315.00	\$ 578,791.00	\$ 6,207,106.00	
July 28, 2023	\$ 6,207,106.00	<i>sw</i> \$ (12,500.00)	\$ 6,194,606.00	
August 15, 2023	\$ 6,194,606.00	<i>sw</i> \$ (12,500.00)	\$ 6,182,106.00	

Appendix B – The Receiver’s reconciliation of the Notes to Sawmills’ bank statements

Skeena Entities

Receiver's reconciliation of the Notes to Sawmills' bank statements

Sources: the Notes, Second Cui Affidavit, Skeena Entities' bank accounts and Bank of Canada

Per the Notes				Receiver's Review				Difference between the Notes and Receiver's calculation (CAD)	
Note	Date of Advance (repayment)	Advance (repayment) in CAD	Skeena Entities Account	Date	Currency	Advance (repayment)	BoC FX Rate	Advance (repayment) in CAD	
January Note	9-Feb-23	286,459.67	BNS 03020 20914 10	9-Feb-23	USD	\$ 213,346.00	1.3427	\$ 286,459.67	\$ -
January Note	10-Mar-23	191,735.05	BMO 0004 4572-210	10-Mar-23	USD	138,868.00	1.3807	191,735.05	-
January Note	17-Mar-23	382,794.05	BMO 0004 4572-210	17-Mar-23	USD	278,720.00	1.3734	382,794.05	-
January Note	12-Apr-23	94,676.85	BMO 0004 4572-210	12-Apr-23	USD	70,131.00	1.3447	94,305.16	371.69
January Note	12-Apr-23	94,161.00	BMO 0004 1555-408	12-Apr-23	CAD	94,161.00	1.0000	94,161.00	-
January Note	21-Apr-23	94,976.09	BMO 0004 4572-210	21-Apr-23	USD	70,150.00	1.3539	94,976.09	-
January Note	28-Apr-23	287,229.01	BMO 0004 4572-210	28-Apr-23	USD	211,540.00	1.3578	287,229.01	-
Subtotal - January Note		\$ 1,432,031.72						\$ 1,431,660.03	\$ 371.69
May Note	8-May-23	240,000.00	BNS 0302 31791 17	8-May-23	CAD	240,000.00	1.0000	240,000.00	-
May Note	12-May-23	20,000.00	BNS 0302 31791 17	12-May-23	CAD	20,000.00	1.0000	20,000.00	-
May Note	16-May-23	450,000.00	BNS 0302 31791 17	16-May-23	CAD	450,000.00	1.0000	450,000.00	-
May Note	17-May-23	550,000.00	BMO 0004 1555-408	17-May-23	CAD	550,000.00	1.0000	550,000.00	-
May Note	19-May-23	25,000.00	BNS 0302 31791 17	19-May-23	CAD	25,000.00	1.0000	25,000.00	-
May Note	19-May-23	(12,500.00)	BNS 0302 31791 17	19-May-23	CAD	(12,500.00)	1.0000	(12,500.00)	-
May Note	24-May-23	120,000.00	BNS 0302 31791 17	24-May-23	CAD	120,000.00	1.0000	120,000.00	-
May Note	25-May-23	136,280.00	BNS 0302 31791 17	25-May-23	CAD	136,140.00	1.0000	136,140.00	140.00
May Note	29-May-23	250,000.00	BNS 0302 31791 17	29-May-23	CAD	250,000.00	1.0000	250,000.00	-
May Note	1-Jun-23	(12,500.00)	BNS 0302 31791 17	6-Jun-23	CAD	(12,500.00)	1.0000	(12,500.00)	-
May Note	5-Jun-23	147,774.00	BNS 03020 20914 10	5-Jun-23	USD	110,000.00	1.3434	147,774.00	-
May Note	7-Jun-23	648,736.00	BNS 03020 20914 10	7-Jun-23	USD	485,000.00	1.3376	648,736.00	-
May Note	12-Jun-23	1,002,450.00	BNS 03020 20914 10	12-Jun-23	USD	750,000.00	1.3366	1,002,450.00	-
May Note	16-Jun-23	(12,500.00)	BNS 0302 31791 17	16-Jun-23	CAD	(12,500.00)	1.0000	(12,500.00)	-
May Note	19-Jun-23	132,060.00	BNS 03020 20914 10	19-Jun-23	USD	100,000.00	1.3206	132,060.00	-
May Note	22-Jun-23	552,720.00	BNS 03020 20914 10	22-Jun-23	USD	420,000.00	1.3160	552,720.00	-
May Note	4-Jul-23	700,000.00	BMO 0004 1555-408	4-Jul-23	CAD	700,000.00	1.0000	700,000.00	-
May Note	7-Jul-23	(12,500.00)	BMO 0004 1555-408	7-Jul-23	CAD	(12,500.00)	1.0000	(12,500.00)	-
May Note	10-Jul-23	357,127.00	BMO 0004 1555-408	10-Jul-23	CAD	357,127.00	1.0000	357,127.00	-
May Note	10-Jul-23	358,668.00	BMO 0004 4572-210	10-Jul-23	USD	270,000.00	1.3284	358,668.00	-
May Note	14-Jul-23	(12,500.00)	BMO 0004 1555-408	14-Jul-23	CAD	(12,500.00)	1.0000	(12,500.00)	-
May Note	21-Jul-23	578,791.00	BMO 0004 1555-408	21-Jul-23	CAD	578,791.00	1.0000	578,791.00	-
May Note	29-Jul-23	(12,500.00)	BMO 0004 1555-408	28-Jul-23	CAD	(12,500.00)	1.0000	(12,500.00)	-
May Note	15-Aug-23	(12,500.00)	BMO 0004 1555-408	15-Aug-23	CAD	(12,500.00)	1.0000	(12,500.00)	-
Subtotal - May Note		\$ 6,182,106.00						\$ 6,181,966.00	\$ 140.00
Total		\$ 7,614,137.72						\$ 7,613,626.03	\$ 511.69

**Appendix C – Information regarding additional advances or
payments from/to the Petitioner and its owners**

Skeena Entities**Information regarding additional advances or payments from/to the Petitioner and its owners****Sources: Skeena Entities' bank accounts and accounting records****\$CAD**Additional advances/repayments identified

Interest payments to Shenwei (Sandra) Wu (note 1)	(100,000.00)
Payment to Shenwei (Sandra) Wu (note 2)	(20,000.00)
Net 2023 advances to Bioenergy (note 3)	\$ 47,000.00

Note 1:

Interest payments to Shenwei (Sandra) Wu recorded in Sawmill's general ledger and identified in Sawmill's bank accounts:

January 6, 2023	\$ (12,500.00)
February 8, 2023	(12,500.00)
February 15, 2023	(12,500.00)
February 28, 2023	(12,500.00)
March 15, 2023	(12,500.00)
March 31, 2023	(12,500.00)
April 14, 2023	(12,500.00)
May 5, 2023	(12,500.00)

Total - interest payments not recorded in the Notes**\$ (100,000.00)**Note 2

Represents a payment of CAD \$20,000 made to Shenwei (Sandra) Wu on April 12, 2023 recorded in Sawmill's general ledger and identified in Sawmill's bank account

\$ (20,000.00)Note 3:

Identified advances/payments to/from Bioenergy:

From the Petitioner to Bioenergy

September 5, 2023	\$ 22,000.00
September 12, 2023	47,000.00
September 19, 2023	10,000.00
Subtotal	79,000.00

From Bioenergy to the Petitioner

August 30, 2023	(10,000.00)
August 31, 2023	(22,000.00)
Subtotal	(32,000.00)

Total - net advance from Petitioner to Bioenergy**\$ 47,000.00**

**Appendix D – The Receiver’s reconciliation of interest pursuant to the
Notes as at February 29, 2024**

Skeena Entities
Recalculation of interest owing compared to the Conto Affidavit
Sources: Receiver Calculations and Conto Affidavit
\$CAD

Note	Date of Advance (net of repayment)	Interest per Conto Affidavit	Interest recalculated by Receiver	Difference
January Note	9-Feb-23	\$ 15,521.49	\$15,521.49	\$ -
January Note	10-Mar-23	9,589.24	9,589.24	-
January Note	17-Mar-23	18,760.23	18,760.23	-
January Note	12-Apr-23	4,287.48	4,270.78	(16.70)
January Note	12-Apr-23	4,264.26	4,264.26	-
January Note	21-Apr-23	4,179.10	4,179.10	-
January Note	28-Apr-23	12,351.73	12,351.73	-
Subtotal - January Note		\$ 68,953.53	\$ 68,936.83	\$ (16.70)
May Note	8-May-23	16,143.35	16,143.35	-
May Note	12-May-23	12,718.13	1,326.64	(11,391.49)
May Note	16-May-23	29,430.19	29,430.19	-
May Note	17-May-23	35,842.24	35,842.24	-
May Note	19-May-23	808.78	808.78	-
May Note	24-May-23	7,624.82	7,624.82	-
May Note	25-May-23	8,627.59	8,618.73	(8.86)
May Note	29-May-23	15,594.78	15,594.78	-
May Note	5-Jun-23	8,218.68	8,218.68	-
May Note	7-Jun-23	39,113.90	39,113.90	-
May Note	12-Jun-23	59,279.88	59,279.88	-
May Note	19-Jun-23	6,876.69	6,876.69	-
May Note	22-Jun-23	31,407.67	31,407.67	-
May Note	4-Jul-23	37,839.97	37,839.97	-
May Note	10-Jul-23	18,153.73	18,153.73	-
May Note	10-Jul-23	18,893.36	18,893.36	-
May Note	21-Jul-23	27,145.72	27,145.72	-
Subtotal - May Note		\$ 373,719.48	\$ 362,319.13	\$ (11,400.35)
Total		\$ 442,673.01	\$ 431,255.96	\$ (11,417.05)