CONFIDENTIALITY AGREEMENT

This Confidentiality Agreement is dated as of October , 2023

BETWEEN:

**Alvarez & Marsal Canada Inc.**, in its capacity as Receiver (in such capacity, the “**Receiver**”) of **Skeena Sawmills Ltd., Skeena Bioenergy Ltd. and ROC Holdings Ltd. (collectively,** “**Debtor**”)

AND:

 (the “**Interested Party**”)

Context:

1. Alvarez & Marsal Canada Inc. was appointed as the Receiver of the Debtor by Order of the Honourable Madame Justice Blake of the Supreme Court of British Columbia made on September 20, 2023.
2. The Receiver and the Interested Party wish to enter into discussions regarding the potential sale and acquisition (the “**Proposed Transaction**”) of certain of the assets, undertakings, properties and legal and beneficial ownership interests, if any, of the Debtor, comprising, acquired for or used in relation to a business carried on by the Debtor (the “**Property**”).
3. The Receiver intends to provide certain confidential information pertaining to the Debtor and the Property to the Interested Party for review and consideration in order to facilitate discussions with respect to the Proposed Transaction.

THEREFORE, in consideration of the foregoing recitals, the provision of the Confidential Information by the Companies, and other good and valuable consideration (the receipt and sufficiency of which are acknowledged by the Interested Party), the parties agree as follows:

1. In this Confidentiality Agreement:
	1. “**Affiliate**” means an affiliate as that term is defined in the *Business Corporations Act*, SBC 2002, c. 57;
	2. “**Communication**” means any notice, demand, request, consent, approval or other communication which is required or permitted by this Confidentiality Agreement to be given or made by a party;
	3. “**Confidential Information**” means any information relating to the Debtor or its business, whether communicated in written form, orally, visually, demonstratively, technically or by any other electronic form or other media, or committed to memory, and whether or not designated, marked, labelled or identified as confidential or proprietary, including but not limited to the following documents and information relating to the Debtor or its business (all of which may or may not be made available to the Interested Party by the Receiver):
		1. high level strategy;
		2. financial statements (audited or otherwise);
		3. cash flow;
		4. key contracts and agreements;
		5. asset listings;
		6. corporate tax return; and
		7. insurance policies;

and all analyses, compilations, records, data, reports, correspondence, memoranda, specifications, materials, applications, technical data, studies, derivative works, reproductions, copies, extracts, summaries or other documents containing or based upon, in whole or in part, any of the information listed above in this Section 1.2, but excluding information, other than Personal Information, which:

* + 1. is generally available to or known by the public, other than as a result of improper disclosure by the Interested Party or any of its Representatives; or
		2. is or was obtained by the Interested Party from a source other than the Receiver, the Debtor or any person bound by a duty of confidentiality to the Receiver or the Debtor;
	1. “**Personal Information**” means any information collected in the course of the Debtor’s business that relates to identifiable individuals; and
	2. “**Representatives**” means the Affiliates of a party, and the advisors, agents, consultants, directors, officers, management, employees, subcontractors, and other representatives, including accountants, auditors, financial advisors, lenders and lawyers of a party and of that party’s Affiliates.
1. The Interested Party acknowledges that the Proposed Transaction, if consummated, shall be on an “**as is, where is**” basis and without representations or warranties of any kind, nature, or description by the Receiver, or its directors, officers, employees or agents with respect to the completeness or accuracy of any of the Confidential Information disclosed to the Interested Party under this Confidentiality Agreement. The Interested Party further agrees and acknowledges that the Receiver is not responsible for, and will bear no liability with respect to, any Confidential Information or any other information obtained by any party in connection with the Proposed Transaction.
2. The Interested Party acknowledges that the Confidential Information is confidential and proprietary. The Interested Party further acknowledges that, except for the purpose of evaluating the Proposed Transaction, the Interested Party has no right to use, title to, or interest in, the Confidential Information.
3. The Interested Party agrees to provide Confidential Information only to those Representatives who need to review it for the purpose of evaluating the Proposed Transaction, who are informed by the Interested Party of the confidential nature of the Confidential Information, and who agree in writing to be bound by the terms of this Confidentiality Agreement. The Interested Party further agrees to be responsible for any breach of this Confidentiality Agreement by any of its Representatives. The Interested Party will make all reasonable, necessary and appropriate efforts to safeguard the Confidential Information from disclosure to any person other than as permitted by this Confidentiality Agreement.
4. Confidential Information will not be used by the Interested Party or its Representatives, directly or indirectly, for any purpose other than to evaluate the Proposed Transaction.
5. Without the prior written consent of the Receiver, the Interested Party will not, and will cause its Representatives not to, disclose to any other person:
	1. any part of the Confidential Information;
	2. that the Confidential Information has been made available;
	3. that this Confidentiality Agreement has been entered into;
	4. that any discussions or negotiations have been entered into with respect to the Proposed Transaction; or
	5. any of the terms, conditions or other facts with respect to the Proposed Transaction,

except, and only to the extent that, disclosure is, in the opinion of its legal counsel, required to be made under applicable law or regulations or by any competent governmental, judicial or other authority, provided that the Interested Party will advise the Receiver so the Receiver may seek a protective order or other appropriate remedy and, where reasonably practical, consult with the Receiver before that disclosure concerning the Confidential Information the Interested Party proposes to disclose. The Interested Party will co-operate with the Receiver on a reasonable basis to obtain a protective order or other appropriate remedy.

1. The Interested Party agrees to notify the Receiver immediately upon discovery of an unauthorized use or disclosure of Confidential Information or any breach of this Confidentiality Agreement.
2. If the parties determine not to proceed with the Proposed Transaction, or if the Proposed Transaction is proceeded with but fails to close, the Interested Party will promptly deliver to the Receiver or destroy all Confidential Information provided by the Receiver to the Interested Party or its Representatives, without retaining any copies or records.
3. The Interested Party acknowledges that the Receiver does not make any express or implied representation or warranty as to the accuracy or completeness of the Confidential Information and agrees that the Receiver will not have any liability, direct or indirect, to the Interested Party or its Representatives relating to or resulting from the Confidential Information or the use by the Interested Party or its Representatives of, or reliance on, the Confidential Information, errors in the Confidential Information, or omissions from the Confidential Information, except in accordance with any specific representation or warranty made in any definitive agreement entered into in respect of the Proposed Transaction.
4. The Recipient will maintain and, upon request by the Receiver, promptly provide the Companies or the Receiver a list containing the full name, title, location and function of each of its Representatives having access to the Confidential Information.
5. The Interested Party acknowledges that any breach of this Confidentiality Agreement would cause serious and irreparable damage and harm to the Receiver and the Debtor, and that remedies at law would be inadequate to protect against breach of this Confidentiality Agreement. Therefore, the Interested Party agrees in advance to the granting of injunctive relief in favour of the Receiver and the Debtor for any breach of the sections of this Confidentiality Agreement and to the specific enforcement of the terms of this Confidentiality Agreement, without proof of actual damages, in addition to any other remedy to which the Receiver and the Debtor would be entitled.
6. The obligations set out in this Confidentiality Agreement will terminate only with respect to Confidential Information which becomes the property of the Interested Party upon the closing, if any, of the Proposed Transaction, and will otherwise be perpetual.
7. Any Communication must be in writing and either: delivered personally or by courier; sent by prepaid registered mail; or transmitted by facsimile, e-mail or functionally equivalent electronic means of transmission, charges (if any) prepaid. Any Communication must be sent to the intended recipient at its address as follows:
	1. to the Receiver at:

Alvarez & Marsal Canada Inc.
Licenced Insolvency Trustee

Cathedral Place Building

925 West Georgia Street, Suite 902

Vancouver, BC V6C 3L2

Attention: Anthony Tillman
Tel. No.: 604-639-0849
E-mail: atillman@alvarezandmarsal.com

* 1. to the Interested Party at:

Attention:
Tel. No.:
Fax No.:
E-mail:

1. This Confidentiality Agreement constitutes the entire agreement between the parties pertaining to the subject matter of this Confidentiality Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties, and there are no representations, warranties or other agreements between the parties, in connection with the subject matter of this Confidentiality Agreement except as specifically set out in this Confidentiality Agreement. No party has been induced to enter into this Confidentiality Agreement in reliance on, and there will be no liability assessed, either in tort or contract, with respect to, any warranty, representation, opinion, advice or assertion of fact, except to the extent it has been reduced to writing and included as a term in this Confidentiality Agreement.
2. Each section of this Confidentiality Agreement is distinct and severable. If any provision of this Confidentiality Agreement, in whole or in part, is or becomes illegal, invalid or unenforceable in any jurisdiction, the illegality, invalidity or unenforceability of that section will not affect the legality, validity or enforceability of the remaining sections, or the legality, validity or enforceability of that section in any other jurisdiction.
3. This Confidentiality Agreement is governed by, and is to be construed and interpreted in accordance with, the laws of the Province of British Columbia and the laws of Canada applicable in that Province, and the parties irrevocably and unconditionally submits and attorns to the exclusive jurisdiction of the courts of the Province of British Columbia, sitting in Vancouver, to determine all issues, whether at law or in equity arising from this Agreement.
4. This Confidentiality Agreement may be executed and delivered by the parties in one or more counterparts, each of which will be an original, and those counterparts will together constitute one and the same instrument. Delivery of this Confidentiality Agreement by facsimile, e-mail or other functionally equivalent electronic means of transmission constitutes valid and effective delivery.
5. This Confidentiality Agreement has been reviewed by each party’s professional advisors, and revised during the course of negotiations between the parties. Each party acknowledges that this Confidentiality Agreement is the product of their joint efforts, that it expresses their agreement, and that, if there is any ambiguity in any of its provisions, that provision should not be interpreted in favour of either one of them.

*[Remainder of page intentionally left blank. Signature page follows.]*

Each of the parties has executed and delivered this Confidentiality Agreement as of the date noted at the beginning of this Confidentiality Agreement.

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|  | ALVAREZ & MARSAL CANADA INC. in its capacity as court-appointed Receiver of **SKEENA SAWMILLS LTD., SKEENA BIOENERGY LTD. AND ROC HOLDINGS LTD.**, with no personal or corporate liability |
| Per: |  |
|  | Name:  |
|  | Title:  |
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| Per: |  |
|  | Name:  |
|  | Title:  |
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