

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

IN THE MATTER OF THE RECEIVERSHIP OF  
ELEMENTA GROUP INC.

**AFFIDAVIT OF S. FAY SULLEY  
(Sworn May 5, 2016)**

I, S. Fay Sulley, of the City of Toronto, in the Province of Ontario, MAKE OATH AND SAY:

1. I am a lawyer with the law firm of TORKIN MANES LLP, the lawyers for Bradam Canada Inc. (the “**Purchaser**”), and, as such, have knowledge of the matters contained in this affidavit, based upon my discussions with Rick Finkbeiner, the President of the Purchaser and based, in part, upon my knowledge as the lawyer representing the Purchaser in this matter.

2. The Purchaser made an offer (the “**Stalking Horse Bid**”) dated February 12, 2016 to Richter Advisory Group Inc. (the “**Receiver**”), in its capacity as Court-appointed Receiver of Elementa Group Inc. (“**Elementa**”), to purchase certain assets (the “**Purchased Assets**”), which was accepted by the Receiver and approved by the Court.

3. At the time that the Stalking Horse Bid was made, the Purchaser had obtained a financing commitment that would enable it to purchase the assets for a total purchase price (the “**Purchase Price**”) of \$1,500,000, to be paid in cash. The Purchaser paid the Receiver a non-refundable deposit of \$150,000 at the time that it submitted the Stalking Horse Bid.

4. After the Stalking Horse Bid was submitted, the Purchaser was advised that Andrew Ferri and Northguard Capital Corp. had alleged that Northguard Capital Corp. had a proprietary interest in the Purchased Assets, initially by way of an email dated March 9, 2016 from Andrew Ferri to the service list, attached as **Exhibit "A"**. The sale was unable to proceed until the issue was resolved.

5. Given that there are not title representations or warranties in a purchase of assets from a Receiver, all of which were being purchased on an "as is, where is" basis, the Purchaser's financier advised that it was not prepared to advance the funds necessary to complete the proposed transaction as the Purchaser was not able to provide the financier with sufficient assurances that Elementa was the legal and beneficial owner of the Purchased Assets and that upon completion of the proposed transaction, the Purchaser would be the legal and beneficial owner of the Purchased Assets. Although the alleged claim of Andrew Ferri and Northguard Capital Corp. was ultimately dismissed by the Court, the financier was no longer willing to advance funds under the circumstances.


6. The Purchaser was not advised by the proposed financier that it was no longer willing to finance the purchase of the Purchased Assets until shortly before the proposed closing date.

7. The Purchaser sought financing from several other sources, including family members of Rick Finkbeiner, the principal of the Purchaser. The Purchaser has only been able to raise immediate funds of \$1,075,000, which, combined with the \$150,000 deposit paid by the Purchaser, results in the Purchaser being \$275,000 short of the Purchase Price.

8. The Purchaser advised the Receiver that it did not have sufficient funds to pay the full Purchase Price on closing and requested the Receiver and Bennett Jones LLP, the first secured creditor of Elementa and the Applicant in this matter, to agree to provide the Purchaser with an

additional 90 days from the closing of the transaction to pay the \$275,000 balance of the Purchase Price. It is my understanding that Bennett Jones LLP has agreed to this request, and that subject to further order of the Court, the Receiver will recommend that the Purchaser have an additional 90 days from the closing of the transaction to pay the \$275,000 balance of the Purchase Price, subject to the delivery of a promissory note in the amount of \$275,000, which will bear interest at the rate of 4% per annum, and security in the Purchased Assets as collateral therefor.

**SWORN BEFORE ME** at the City of  
Toronto, in the Province of Ontario on May  
.....<sup>5</sup>....., 2016



---

Commissioner for Taking Affidavits  
*(or as may be)*

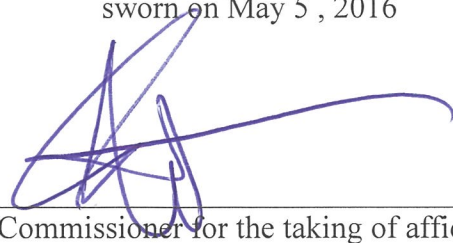
}



---

**S. FAY SULLEY**

This is Exhibit "A" to the Affidavit of  
S. FAY SULLEY  
sworn on May 5 , 2016

A handwritten signature in blue ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

---

A Commissioner for the taking of affidavits,  
etc.

## Janice Chen

---

**Subject:** FW: ELEMENTA GROUP INC./NORTHGUARD CAPITAL CORP/ELEMENTA SSM INC./ANDREW FERRI  
**Attachments:** ELEMENTA AGREEMENT APRIL 30, 2013.pdf

**From:** Andy Ferri [mailto:Andyferri@outlook.com]

**Sent:** Wednesday, March 09, 2016 11:43 AM

**To:** [FinlaysonG@bennettjones.com](mailto:FinlaysonG@bennettjones.com); [afrozd@bennettjones.com](mailto:afrozd@bennettjones.com); [gphoenix@loonix.com](mailto:gphoenix@loonix.com); [Michael.waterston@ontario.ca](mailto:Michael.waterston@ontario.ca); [Nicole.symeonides@ontario.ca](mailto:Nicole.symeonides@ontario.ca); [finance@servicecorp.ca](mailto:finance@servicecorp.ca); [finance@servicecorp.ca](mailto:finance@servicecorp.ca); [Thompson@shlaw.ca](mailto:Thompson@shlaw.ca); [jay\\_zwierschke@yahoo.com](mailto:jay_zwierschke@yahoo.com); Rick Finkbeiner; [fsulley@torkinmanes.com](mailto:fsulley@torkinmanes.com); [garett.schromm@ruetersllp.com](mailto:garett.schromm@ruetersllp.com); [greg@wrighttemelini.com](mailto:greg@wrighttemelini.com); [delmaleh@mccaqueborlack.com](mailto:delmaleh@mccaqueborlack.com); [john@ashbournemanagement.com](mailto:john@ashbournemanagement.com); [bmarshall@shlaw.ca](mailto:bmarshall@shlaw.ca); [forte@gsnh.com](mailto:forte@gsnh.com); [cenerini@gsnh.com](mailto:cenerini@gsnh.com); [peiou@gsnh.com](mailto:peiou@gsnh.com); [ASherman@Richter.ca](mailto:ASherman@Richter.ca); [PPatel@Richter.ca](mailto:PPatel@Richter.ca); [FinlaysonG@bennettjones.com](mailto:FinlaysonG@bennettjones.com); [afrozd@bennettjones.com](mailto:afrozd@bennettjones.com); [gphoenix@loonix.com](mailto:gphoenix@loonix.com); [Michael.waterston@ontario.ca](mailto:Michael.waterston@ontario.ca); [Nicole.symeonides@ontario.ca](mailto:Nicole.symeonides@ontario.ca); [finance@servicecorp.ca](mailto:finance@servicecorp.ca); [finance@servicecorp.ca](mailto:finance@servicecorp.ca); [Thompson@shlaw.ca](mailto:Thompson@shlaw.ca); [jay\\_zwierschke@yahoo.com](mailto:jay_zwierschke@yahoo.com); Rick Finkbeiner; [fsulley@torkinmanes.com](mailto:fsulley@torkinmanes.com); [garett.schromm@ruetersllp.com](mailto:garett.schromm@ruetersllp.com); [greg@wrighttemelini.com](mailto:greg@wrighttemelini.com); [delmaleh@mccaqueborlack.com](mailto:delmaleh@mccaqueborlack.com); [john@ashbournemanagement.com](mailto:john@ashbournemanagement.com); [bmarshall@shlaw.ca](mailto:bmarshall@shlaw.ca); [forte@gsnh.com](mailto:forte@gsnh.com); [cenerini@gsnh.com](mailto:cenerini@gsnh.com); [peiou@gsnh.com](mailto:peiou@gsnh.com); [ASherman@Richter.ca](mailto:ASherman@Richter.ca); [PPatel@Richter.ca](mailto:PPatel@Richter.ca)

**Subject:** ELEMENTA GROUP INC./NORTHGUARD CAPITAL CORP/ELEMENTA SSM INC./ANDREW FERRI

To all:

Attached please find an Agreement between Elementa Group Inc., Northguard Capital Corp., Elementa SSM Inc. and myself, Andrew Ferri.

The Agreement was made April 30, 2013 and I believe it is self-explanatory. I have worked tirelessly with the executives of Elementa Group Inc. as well as certain board members over a long period of time. We have expended considerable time and capital in various projects associated with our License Agreement. Given the ongoing receivership proceedings, I wanted the parties to be aware of this Agreement and my intention to rely upon it.

Elementa SSM Inc. was incorporated at my behest in 2012 to facilitate the Sault Ste. Marie project. I am aware that if no action is taken regarding the pending agreements associated with this project, they will be cancelled. It is our intention to proceed with this project. With the imminent collapse of this project it is our aim to intervene to save this project. Our plan is to contact the parties involved to ascertain whether this project can be moved forward. We would appreciate any input you can provide.

Thank you,

Andrew Ferri

## **AGREEMENT**

THIS AGREEMENT is made this 30<sup>th</sup> day of April, 2013.

### **AMONG:**

**ELEMENTA GROUP INC.**, hereinafter referred to as “**Elementa**”

- and -

**NORTHGUARD CAPITAL CORP.**, hereinafter referred to as “**Northguard**”

- and -

**ELEMENTA SSM INC.**, Hereinafter referred to as “**SSM**”

-and-

**ANDREW FERRI**, hereinafter referred to as “**Ferri**”

### **RECITALS:**

Northguard is a holder of a note, dated January 15, 2013 and secured by a first charge debenture and general security agreement between Northguard and Elementa and due June 30, 2013. (A copy of which is attached as Schedule “A”).

Andrew Ferri and Elementa entered into a License Agreement date August 25, 2011. A copy of which is attached as Schedule “B”.

### **AGREEMENT:**

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. Northguard will amend the terms of its promissory note to be due 60 days after demand.
2. Elementa hereby transfers all it right, interest and title to Northguard all the assets of the Sault Ste. Marie demonstration plant, as listed in Schedule “C”. Elementa shall make its best efforts to sell the equipment and the net proceeds shall be paid to Northguard and deducted from the outstanding balance on the debenture loan. No sale shall be agreed to with any purchaser without the prior written consent of Northguard.
3. The license agreement dated August 25, 2011 between Elementa and Andrew Ferri is assigned to SSM pursuant the agreement.
4. Elementa acknowledges that the first project identified in the Licence Agreement was St. Lucia. Elementa acknowledges that Ferri agreed to finance this project and expended considerable time in this regard. Elementa was not able to procure a final agreement in St. Lucia and as a result Elementa

notified Ferri that the project was terminated and Elementa would put forward the next project to Ferri as contemplated in the Licence Agreement.

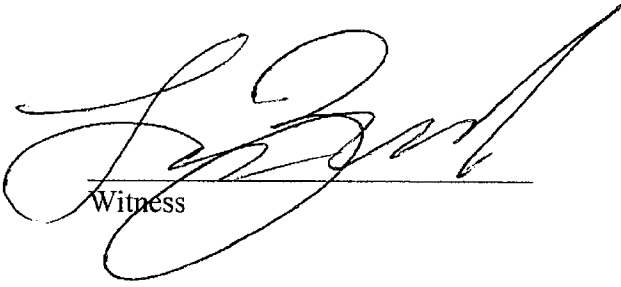
5. Ferri having committed to finance the St. Lucia project Elementa acknowledges that Ferri has satisfied the requirements in section 3.1 of the License Agreement and accordingly Elementa is bound pursuant to section 3.1 to offer Ferri the next project as set out in the License Agreement.
6. Elementa offered Ferri the Sault Ste. Marie project. As a result Ferri secured a term sheet from BMO to finance the Sault Ste. Marie project. Elementa did not secure a Power Purchase Agreement from the Ontario Power Authority and the commitment expired.
7. In anticipation of Elementa securing a Power Purchase Agreement Ferri had his lawyer incorporate Elementa SSM Inc. facilitate the Sault Ste. Marie Project.
8. In order to further secure the outstanding note payable to Northguard Elementa shall transfer all its right interest and title in its steam reforming systems technology for the conversion of waste into valuable syngas for power generation (electrical and heat generation), including the steam reforming system, related technology, trade secrets, patents, license agreements, engineering and know how (the "Elementa Technology") to SSM.
9. There will be no license fees or royalties paid to Elementa in regards to the Sault Ste. Marie project.
10. On subsequent projects SSM shall pay to Elementa as a royalty of 20% of the net profit of the project before income taxes as set out in the Licence Agreement. The payout shall be based on the financial statements prepared by the independent accountant for the project as appointed by SSM. The payment shall be made 45 days after the completion of the financial statements. Elementa shall be permitted to audit the financial statements by retaining a CPA and by making a request in writing to SSM 30 after the receipt of the financial statements provided by SSM.
11. Elementa shall transfer the Power Purchase Agreement to SSM once it has been signed with the OPA. In the alternative if an LP or a separate company is incorporated to facilitate the agreement then the units of the LP and/or shares of the corporation will be transferred to SSM at a nominal value and in compliance with the terms and conditions of the Power Purchase Agreement.
12. SSM shall transfer the Elementa Technology back to Elementa upon repayment of the above referenced note.

This Agreement shall be governed by and construed in accordance with the laws of Ontario.

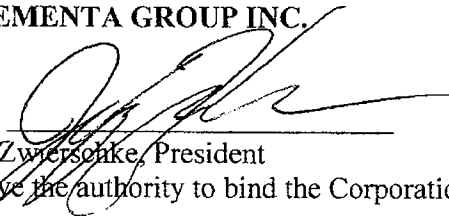
The parties hereto have executed this Agreement as of the day and year first above written.

WITNESS our hands and seals this 30<sup>th</sup> day of April, 2013.

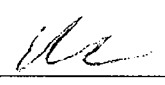
SIGNED, SEALED AND DELIVERED  
in the presence of:

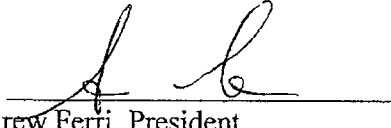
  
\_\_\_\_\_  
Witness

**ELEMENTA GROUP INC.**

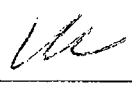
Per:   
\_\_\_\_\_  
Jay Zwierschke, President  
I have the authority to bind the Corporation.

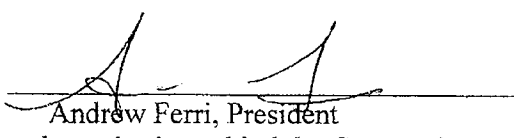
**NORTHGUARD CAPITAL CORP.**

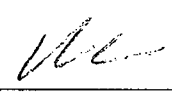
  
\_\_\_\_\_  
Witness

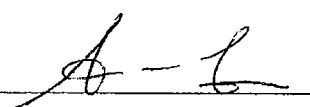
Per:   
\_\_\_\_\_  
Andrew Ferri, President  
I have the authority to bind the Corporation.

**ELEMENTA SSM INC.**

  
\_\_\_\_\_  
Witness

Per:   
\_\_\_\_\_  
Andrew Ferri, President  
I have the authority to bind the Corporation

  
\_\_\_\_\_  
Witness

Per:   
\_\_\_\_\_  
Andrew Ferri



Schedule 'A'  
 To Debenture Confirmation  
 Letter of December 13, 2012

## Northguard Capital

### ELEMENTA GROUP INC. DEBENTURE INTEREST PAYABLE As at January 15, 2013

	Date	Interest Rate	Opening Principal	Days Outstanding	Closing Interest Payable	Total Outstanding
Northguard	19-Aug-11	15.00%	355,000.00	126.0	18,382.19	373,382.19
Northguard	22-Nov-11	15.00%	7,500.00		-	380,882.19
Northguard	23-Nov-11	15.00%	100,000.00	30.0	1,232.88	482,115.07
Northguard	25-Nov-11	15.00%	(7,500.00)		-	474,615.07
Northguard	02-Dec-11	15.00%	150,000.00	21.0	1,294.52	625,909.59
Northguard	23-Dec-11	15.00%	(150,000.00)		-	475,909.59
Northguard	23-Dec-11	15.00%	(475,910.59)		1.00	0.00
Northguard	24-Jan-12	15.00%	16,500.00	357.0	2,420.75	18,920.75
Northguard	27-Jan-12	15.00%	50,000.00	354.0	7,273.97	76,194.73
Northguard	02-Feb-12	15.00%	15,100.00	0.0	-	91,294.73
Northguard	03-Feb-12	15.00%	100,000.00	347.0	14,260.27	205,555.00
Northguard	06-Feb-12	15.00%	(15,100.00)		-	190,455.00
Northguard	10-Feb-12	15.00%	100,000.00	340.0	13,972.60	304,427.60
Northguard	02-Mar-12	15.00%	75,000.00	319.0	9,832.19	389,259.79
Northguard	13-Mar-12	15.00%	75,000.00	306.0	9,431.51	473,691.30
Northguard	30-Mar-12	15.00%	75,000.00	291.0	8,969.18	557,660.48
Northguard	12-Apr-12	15.00%	75,000.00	278.0	8,568.49	641,228.97
Northguard	11-May-12	15.00%	60,000.00	249.0	6,139.73	707,368.70
Northguard	15-Jun-12	15.00%	50,000.00	214.0	4,397.26	761,765.96
Northguard	26-Jun-12	15.00%	45,000.00	203.0	3,754.11	810,520.07
Northguard	04-Jul-12	15.00%	42,000.00	195.0	3,365.75	855,885.82
Northguard	20-Jul-12	15.00%	60,000.00	179.0	4,413.70	920,299.52
Northguard	03-Aug-12	15.00%	40,000.00	6.0	98.63	960,398.15
Northguard	09-Aug-12	15.00%	(40,000.00)	0.0	-	920,398.15
Northguard	August	15.00%	50,000.00	137.0	2,815.07	973,213.22
Northguard	September	15.00%	50,000.00	107.0	2,198.63	1,025,411.85
Northguard	October	15.00%	50,000.00	76.0	1,561.64	1,076,973.49
						1,076,973.49

Principal Owing	973,500.00
Interest Owing	103,473.49
Variance	<u>0.00</u>

*[Handwritten Signature]*  
 Signature

Dec 18, 2012  
 date

ELEMENTA GROUP INC.

December 13, 2012

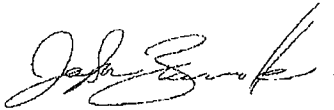
To: Andy Ferri

Re: Debenture

This letter is intended to support the attached debenture amount, as per attached schedule.  
Elementa is currently arranging take-out financing for the attached amount and to close on January 15<sup>th</sup>, 2013.

The Parties agree to mutually and reasonably extend the closing date if required to a date no later than February 15, 2013.

Yours truly,

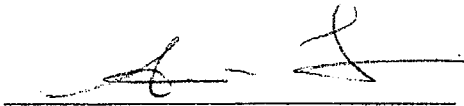


Jayson Zwierschke

President

Elementa Group Inc.

Andy Ferri



Signature

# Schedule "B"

## LICENSE AGREEMENT

This License Agreement ("this LA") is made as of **August 25, 2011** (the "Effective Date") between Elementa Group Inc. ("Elementa"), a corporation incorporated under the laws of Ontario, and Andrew Ferri with a corporation to be named ("AF"), (collectively, the "Parties").

**IN CONSIDERATION** of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties hereto, the Parties hereto covenant and agree as follows:

### 1.0 PROJECTS

- 1.1 This LA pertains to municipal waste-to-energy projects to be developed from time to time between the Parties (each a "Project" and, collectively, the "Projects") deploying Elementa's steam reforming systems technology for the conversion of waste into valuable syngas for power generation (electrical and heat generation). Elementa owns the steam reforming system, related technology, trade secrets, patents, license agreements, engineering and know how (the "Elementa Technology")
- 1.2 The Elementa Technology to be utilized in a Project shall be subject to the terms and conditions of Elementa's technology licensing agreement ("TLA"), as may be amended from time to time and shall be mutually agreed upon between the Parties.
- 1.3 AF is a person with experience and know how in financing various types of commercial ventures and has expressed a willingness and ability to finance future Projects as a financing partner of Elementa's in such Projects, as described below.

### 2.0 ST. LUCIA PROJECT

- 2.1 The Parties acknowledge and agree that a mutually acceptable structure, including operating entity, shall be formed for each Project, consistent with this LA. It is anticipated that Elementa's planned St. Lucia waste-to-energy project (the "St. Lucia Project") will be the first Project.
- 2.2 It is the Parties' intention that AF will provide project financing (a combination debt & equity in the St. Lucia Project operating entity) to enable the St. Lucia Project to proceed. (the "St. Lucia Project Financing")
- 2.3 Elementa shall provide AF with a business plan and all reasonable Project information and documents to satisfy all project lenders. Upon receipt of this information AF will have 120 business days to secure the financing necessary for the St. Lucia Project. Elementa has the right to extend this timeframe, which shall be done reasonably.
- 2.4 Upon securing all of the necessary financing for the St. Lucia Project, Elementa will provide a mutually agreed upon schedule for the St. Lucia Project, as well as a TLA for the licencing of the Elementa Technology to the St. Lucia Project operating entity, which shall be created upon agreement of the parties (the "St. Lucia Operating Entity").
- 2.5 Elementa shall bill to AF monthly (30 business days) for its engineering services under a commercially reasonable agreement.
- 2.6 Save and accept Elementa's engineering portion of St. Lucia Project cost (at reasonable rates) the remaining St. Lucia Project shall be on a cost basis.

Ongoing license fee for the licence of the Elementa Technology to the St. Lucia Operating Entity of 20% shall be paid after AF once has recovered all his equity investments inclusive of a 10% annual rate of return. All parties will be paid on a cash-flow basis.

### **3.0 NORTHGUARD FIRST RIGHT OF REFUSAL**

3.1 Upon securing all of the financing necessary for the St. Lucia Project, the Parties agree that once Elementa has identified a project using Elementa Technology it shall be obligated to provide the following information to AF for the purposes of allowing AF one initial opportunity to assess the potential Project and determine whether it wishes to becoming the financing partner with Elementa on such potential Project:

- (a) a business plan and financial documents**
- (b) all other documents identified by Elementa as necessary to AF's project financing assessment**

3.2 Upon receipt of the information identified in Section 3.1, AF shall have 60 business days to inform Elementa in writing of its irrevocable intention to become the financing partner in such potential Project. Elementa shall provide AF with 120 business days to obtain the necessary financing for the Project and commit to the entire Project financing on terms mutually acceptable between the Parties. At such time a TLA to provide the licence of the Elementa Technology to the Project entity is executed,, Elementa shall receive Project funds as per TLA.

3.3 The Parties acknowledge and agree that the AF First Right of Refusal applies only once in respect of any potential Project regardless of any subsequent amendments or reformulations of the Project terms, including, but not limited to the, Project partners, entity structure, waste sources, or energy off-takers.

3.4 Upon exercising an AF First Right of Refusal, AF shall be required to fund the working capital requirements set out in the agreed business plan or Project agreements, as applicable, in respect of each approved Project.

3.5 Where AF exercises an AF First Right of Refusal, AF shall, as financier, use commercially reasonable efforts in good faith to assist Elementa in structuring the capital requirements of each potential Project to maximize the returns to Elementa and AF.

3.6 The AF First Right of Refusal shall expire if AF fails to finance three (3) consecutive projects.

### **4.0 NORTHGUARD'S WARRANTS IN ELEMENTA**

4.1 The Parties acknowledge and agree that as partial consideration for AF's covenants and agreements contained in this LA, Elementa shall provide 2.5 million (2,500,000) share purchase warrants to AF for the purchase of common shares in Elementa at \$2.00 a common share on such terms and conditions to be mutually agreed upon by the Parties and in good faith. The warrants shall expire on the earlier of seven (7) years from the date of this LA and the time immediately preceding a Liquidity Event.

## **5.0 LICENCING OF ELEMENTA'S TECHNOLOGY**

- 5.1 The Parties acknowledge and agree that Elementa shall licence the Elementa Technology to each Project entity, as applicable, for the sole purpose of deploying it in a Project under the terms of this LA. The Parties agree that all rights in respect of the Elementa Technology, including, but not limited to, any amendments or improvements to the Elementa Technology, including if developed by the the Project entity, remain the exclusive property of Elementa. The license is exclusive for each Project for the period and term of the Project contracts, unless otherwise agreed between the Parties.
- 5.2 It is further agreed that, at no time, shall the Project entity register or otherwise encumber the Elementa Technology and that, in the unanticipated event such a registration or encumbrance occurs, Northguard agrees to immediately take all necessary steps to discharge, unregister or unencumber, as applicable, the Elementa Technology and Project entity on its own behalf and on behalf of its voting interest in each Project, irrevocably authorizes and grants Elementa a limited power of attorney to take any such steps or action to discharge any such security or registration. The power of attorney granted herein is coupled with an interest.


## **6.0 GENERAL PROVISIONS**

- 6.1 Aside from Professional Services, any expenses incurred by any Party in preparation for or as a result of this LA or the Parties' meetings and communications or any work done hereunder are to the sole account of the Party incurring same unless otherwise agreed in writing.
- 6.2 The Parties will not disclose the existence or content of this LA to any third party without the prior written approval of all parties, which approval may be withheld in the sole discretion of any Party, except as required by law or to enforce the right of a Party against a third party.
- 6.3 This LA shall be governed by the laws of the Ontario. Any dispute or difference among the parties must be finally and exclusively resolved by a commercial arbitrator in Toronto, Ontario, selected by agreement of the Parties to resolve the dispute or difference in accordance with ICC Rules. Nothing in this LA shall prevent a Party from seeking injunctive relief or other relief in equity arising from any breach or anticipated breach of any or the provisions of this LA relating to any Party's intellectual property or confidentiality rights, including, but not limited to, the non-disclosure agreements entered into among the Parties, and there shall be no requirements to post a bond or other security in respect of any such action. The Parties further acknowledge and agree that such confidentiality requirements also apply to this LA.
- 6.4 Each party's obligation to negotiate in good faith, in no event shall any party hereto be liable to the other for any claim, damage, injury or loss of any nature arising out of or related to this LA. IN NO EVENT SHALL ANY PARTY BE LIABLE FOR SPECIAL, INCIDENTAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL DAMAGES ARISING FROM OR CONNECTED WITH THIS AGREEMENT. ALL TANGIBLES AND INTANGIBLES PROVIDED PURSUANT TO THIS AGREEMENT ARE PROVIDED "AS IS" AND THE PARTIES MAKE NO WARRANTIES OR CONDITIONS, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, WARRANTIES OR CONDITIONS OF MERCHANTABILITY, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.
- 6.5 No Party shall assign or transfer this LA, in whole or in part without the prior written consent of the other, which consent shall not be unreasonably withheld.
- 6.6 This LA constitutes the entire understanding and agreement of and among the Parties with respect to the subject matter hereof and supersedes all prior representations and agreements,


verbal or written. It shall not be varied, except by an instrument in writing duly executed by the authorized representatives of the Parties.

6.7 Headings as used herein are for reference purposes only and are not part of this LA.

**IN WITNESS WHEREOF** this LA has been executed by the parties as of the Effective Date.

  
\_\_\_\_\_  
Andrew Ferri

Date August 23, 2018

  
\_\_\_\_\_  
Officer Name  
Title Elementa Group Inc

Date August 25, 2018

# Schedule "E"

## EnQuest Power - Assets

---

### Capital Equipment

Scrubber System	65,000.00	
Agilent Analyser	68,797.00	
Focus-On -Combustion - Flare System	77,261.58	
Indirectly Heated Rotary Kiln	100,000.00	market value \$300,000
Instrumentation	125,000.00	
Blower/Fan System	75,000.00	
Carbon/HEPA Filter	25,000.00	
Primary Shredder	25,000.00	
Conveyor and Magnet System	30,000.00	
Odour Control System	12,000.00	
Misc.	<u>20,000.00</u>	
	412,000.00	

IN THE MATTER OF THE RECEIVERSHIP OF  
ELEMENTA GROUP INC.

Court File No. CV-15-11198-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

PROCEEDING COMMENCED AT TORONTO

**AFFIDAVIT OF S. FAY SULLEY**  
(Sworn May 5, 2016)

**TORKIN MANES LLP**  
Barristers & Solicitors  
151 Yonge Street, Suite 1500  
Toronto ON M5C 2W7

S. Fay Sulley (24257D)  
fsulley@torkinmanes.com  
Tel: 416-777-5419  
Fax: 416-863-0305

Tel: 416-863-1188  
Fax: 416-863-0305

Lawyers for Bradam Canada Inc.