

As outlined in the Trustee's preliminary report to creditors, BIOX faced certain significant adverse market conditions in recent years that materially affected its business operations. Due to these challenges, BIOX was unable to meet its financial obligations, including those related to its secured debt. On December 23, 2024, BIOX received formal notification from Hartree Partners, LP ("Hartree"), its senior secured creditor under a Supply and Offtake Agreement, indicating that BIOX had defaulted on its obligations pursuant to such agreement, with the outstanding amount totaling approximately US\$21.8 million at that time.

BIOX, with the assistance of its advisors, considered and explored various options and alternatives potentially available to address these challenging circumstances. The market difficulties affecting the company's operations and lack of profitability significantly limited potential third-party interest in its assets and business. The overall market conditions, combined with increasing financial and liquidity constraints, its secured debt obligations, a lack of other available funding, and the company's potential environmental liabilities, among other factors, limited its options to stay in business. The company determined that the best alternative that could be implemented in the circumstances would be a transaction with the Hamilton-Oshawa Port Authority ("HOPA"), the landlord of the premises on which the plant was located and an arm's length party, under which HOPA would take over and continue operations and assume the company's environmental liabilities. BIOX approached HOPA beginning in the first quarter of 2025 to discuss its interest in advancing a potential transaction.

Following extensive negotiations, BIOX and HOPA entered into a Deposit Agreement on March 11, 2025, pursuant to which HOPA, among other things, agreed to provide BIOX with certain limited funding as a way to preserve the company's business and assets while the parties worked to finalize a transaction.

The amount of funding provided by HOPA to BIOX pursuant to the Deposit Agreement (and amendments thereto) totaled CA\$1,195,000. As required by the Deposit Agreement, these funds were used by BIOX solely to fund employee payroll costs, utility payments, obligations to certain critical vendors, environmental costs, and other costs necessary to preserve the business. Neither Hartree nor any of BIOX's shareholders received any proceeds from the funds received from HOPA under the Deposit Agreement.

After negotiations and discussions over an extended period of time, BIOX and HOPA were able to finalize the terms of a transaction. On August 15, 2025, BIOX and HOPA entered into a Settlement and Release Agreement under which BIOX surrendered its lease to HOPA, transferred substantially all of its assets to HOPA and received a full and final release of obligations from HOPA, including a release of any environmental liabilities. Certain other

terms include HOPA agreeing to assume all of BIOX's liabilities in respect of the transferred assets and the plant from and after closing, including with respect to any environmental obligations and liabilities, and BIOX agreeing to provide certain transition services to HOPA post-closing. The consideration provided by HOPA pursuant to the Settlement and Release Agreement included the amounts provided by HOPA pursuant to the Deposit Agreement (substantially all of which had been used to fund the costs referenced above) and the waiver and release of outstanding rental arrears owing by BIOX to HOPA as at the closing of the transaction. The transaction was fully supported by Hartree, BIOX's senior secured creditor and primary economic stakeholder. Neither Hartree nor any of BIOX's shareholders received any monetary proceeds as a result of BIOX's entry into the Settlement and Release Agreement, other than in connection with a limited administrative fee paid by HOPA to Hartree Biodiesel Holdings Canada Ltd. as part of the post-closing transition arrangement for payment of certain costs of BIOX.